



PLANNING & DEVELOPMENT REPORT NO. PL-014-15

To: Mayor and Members of Council
From: Elaine Mallory, Director of Planning & Development
Date: March 23, 2015
Subject: Annual Building Permit Fee and Expense Report –
Year 2014

RECOMMENDATION

That the 2014 annual building permit fee and expense report be received for information and posted for public availability on the website;

That the Treasurer is hereby authorized to draw \$14,355.13 from the Building Department Reserve;

And further that the Treasurer is hereby authorized to allocate the \$20,000 overhead to the appropriate account.

BACKGROUND

Pursuant to [Section 7\(4\) of the Building Code Act](#) and [Section 2.23.1.1. of Ontario Regulation 403/97](#), every 12 months, each principal authority shall prepare and make publically available a report regarding annual fees collected, direct and indirect costs to administer and enforce the Act and the amount of any balance of any reserve account.

The *Building Code Act* does not require municipalities to adjust their fees every year in order to match costs. In years with high activity revenues are likely to exceed costs. However in quieter years, costs may well exceed revenues. Generally the balancing of the years is facilitated by planned contributions/withdrawals from the building department reserve.

CONSULTATIONS

Treasurer

POLICY

Ontario Building Code

OPTIONS

1. As per recommendation.
2. Have general taxes off-set the short-fall for the department.

ANALYSIS

An indirect expense allocation of \$20,000 has been provided to cover program support, space and reserve for capital enhancements. It is recommended that the Treasurer be authorized to transfer this amount as appropriate.

Summary Report of Fees and Costs and Reserve Fund Balance

Fees Collected: (see breakdown – next page): \$ 259,725.88
Expenses Incurred (see breakdown – next page): \$ 274,081.01

2013 Contribution to/**Draw** from Reserve Fund: \$ 14,355.13
(fees/expenses differential)
Reserve Fund Balance: \$ 40,119.87

Observations

Reporting has only been conducted by this Director for two years. Prior year's findings were:

| Year | Fees Collected | Expenses | Contribution to/Draw from Reserves |
|------|----------------|--------------|---|
| 2013 | \$237,980.56 | \$228,913.92 | \$9,066.64 + |

It is anticipated that over the next few years there may be some refinement of our accounting practices.

Respectfully submitted,



Elaine Mallory
Director of Planning and Development

Respectfully submitted,



Milena Avramovic,
CAO

BUILDING PERMIT REVENUE/EXPENSES
FOR THE PERIOD JANUARY 1, 2014 - December 31, 2014

Revenues
\$259,725.88

| | |
|----------------------|---------------------|
| Building Permit Fees | \$252,165.88 |
| Renewal Fees | \$ 7,000.00 |
| Work Order Letters | \$ 560.00 |
| TOTAL REVENUE | \$259,725.88 |

Expenditures
\$274,081.01

Direct Costs:

| | |
|------------------------------|---------------------|
| Salaries | \$68,073.38 |
| Overtime salaries | \$112.06 |
| Benefits | \$19,831.71 |
| Office supplies | \$3,809.08 |
| Office equipment | \$2,326.79 |
| Computer Maintenance | \$4,197.60 |
| Telephone | \$0.00 |
| Leases | \$0.00 |
| Memberships/Licenses | \$351.07 |
| Consultants | \$1,373.76 |
| Solicitors | \$508.80 |
| Loan | \$0.00 |
| Depreciation | \$0.00 |
| Fuel | \$156.27 |
| Truck Maintenance | \$3,184.21 |
| Equipment & tools | \$0.00 |
| Mileage | \$92.66 |
| Miscellaneous | \$20.00 |
| Supplies | \$176.66 |
| Contracted jobs | \$106,822.71 |
| Subscriptions & publications | \$128.56 |
| Advertising | \$241.78 |
| Insurance | \$41,441.00 |
| Training | \$1,172.91 |
| Total Direct Costs | \$254,081.01 |

Indirect Allocation:

Indirect costs include occupancy expenditures including information technology. For 2014, an allocation of **\$20,000** has been made. More thorough analysis of the indirect costs should be completed in upcoming years and prior to fee review.

2014 Annual Summary of Building Permits

| Type | Number of Permits |
|---|--------------------------|
| Above Ground Pool | 5 |
| Above Ground Pool with Deck | 3 |
| Accessory Building | 18 |
| Additions | 19 |
| Agricultural | 4 |
| Attached Garage | 3 |
| Breezeway | 0 |
| Carport | 1 |
| Commercial | 0 |
| Change of Use | 1 |
| Chimney | 0 |
| Coverall | 0 |
| Deck | 33 |
| Demolition | 34 |
| Detached Garage | 18 |
| Exterior Renovations | 3 |
| Indoor Solid Fuel Device | 30 |
| In-ground Pool | 2 |
| Institutional | 1 |
| Lean-To | 1 |
| Marine Facility | 1 |
| Outdoor Solid Fuel Combustion Appliance | 0 |
| Pavilion | 0 |
| Plumbing | 1 |
| Porch/Deck Roof | 3 |
| Ramp | 0 |
| Renovations | 17 |
| Repairs | 15 |
| Residential | 27 |
| Seasonal | 7 |
| Sign | 0 |
| Silo | 1 |
| Sleep Cabin | 5 |
| Solar Panels | 2 |
| Stairs | 1 |
| Temporary Construction Facility | 1 |
| Temporary Tent - Fundraising | 4 |
| Tower | 1 |
| Woodstove | 6 |
| TOTAL | 268 |

Excerpt Building Code Act & Regulation 403/97

Section 7

(1) (c) requiring the payment of fees on applications for and on the issuance of permits, requiring the payment of fees for maintenance inspections, and prescribing the amounts of the fees;

(c.1) requiring the payment of interest and other penalties, including payment of collection costs, when fees are unpaid or are paid after the due date;

Report on fees

(4) Every 12 months, each principal authority shall prepare a report that contains such information as may be prescribed about any fees authorized under clause (1) (c) and costs of the principal authority to administer and enforce this Act in its area of jurisdiction. 2002, c. 9, s. 11 (2).

Same

(5) The principal authority shall make its report available to the public in the manner required by regulation. 2002, c. 9, s. 11 (2).

Section 2.23.1.1. of Ontario Regulation 403/97 provides that:

- (1) The report referred to in Subsection 7 (4) of the Act shall contain the following information in respect of fees authorized under Clause 7 (1) (c) of the Act:
 - (a) total fees collected in the 12-month period ending no earlier than three months before the release of the report,
 - (b) the direct and indirect costs of delivering services related to the administration and enforcement of the Act in the area of jurisdiction of the *principal authority* in the 12-month period referred to in Clause (a),
 - (c) a break-down of the costs described in Clause (b) into at least the following categories:
 - (i) direct costs of administration and enforcement of the Act, including the review of applications for permits and inspection of *buildings*, and
 - (ii) indirect costs of administration and enforcement of the Act, including support and overhead costs, and
 - (d) if a reserve fund has been established for any purpose relating to the administration or enforcement of the Act, the amount of the fund at the end of the 12-month period referred to in Clause (a).
- (2) The *principal authority* shall give notice of the preparation of a report under Subsection 7 (4) of the Act to every person and organization that has requested that the *principal authority* provide the person or organization with such notice and has provided an address for the notice.