

REPORT TO PLANNING/BUILDING/ENVIRONMENTAL COMMITTEE
September 12, 2011

TO: Chair and Members of Committee

FROM: Tom Neufeld, CBO
Brian Treble, Director of Planning and Building

RE.: **Information Report**
Building Permit Fee Annual Reports for 2008, 2009 and 2010

REPORT NO.: PD-092-11

RECOMMENDATIONS

That, Report No. PD-092-11, dated September 12, 2011, relating to Building Permit Fee Annual Reports for 2008, 2009 and 2010, BE RECEIVED for information.

PURPOSE OF THIS REPORT

The purpose of this report is to provide the Planning/Building/Environmental Committee (the Committee) and Council with information regarding revenues and expenses associated with administering and enforcing the Building Code Act as at December 31, 2008, 2009 and 2010 in accordance with Section 7(4) of the Building Code Act.

BACKGROUND

In accordance with Section 7(4) of the Building Code Act, the Building Department is required to report annually on the direct and indirect costs of operating the Building Department. This has effectively been published annually with each year's Township Budget document. Most municipalities however, prepare statements in a form such as the Table found at Attachment No. 1 and then post these annual reports on the municipal website.

REVIEW

Section 7(4) of the Building Code Act states that every twelve months each municipality shall prepare a report that contains such information as may be prescribed about any fees authorized under the Act and costs of the municipality to administer and enforce the Act in its area of jurisdiction.

The Building Permit Fees Annual Report consists of three components: total fees, direct and indirect costs and the reserve fund balance.

Total Fees: This refers to revenues generated from building permit fees. This does not include revenues generated from other sources such as fines or fees or revenues from other municipal services.

Direct and Indirect Costs: The second component of the annual report sets out the direct and indirect costs of administration and enforcement of the building service. Direct costs are the costs of the building department itself, while indirect costs are for services provided to the building department by other departments within the municipality.

Reserve Fund: The final component of the report includes information on the reserve fund. Reserves are created when the total fees received exceed the total direct and indirect costs. Reserve funds are intended to be set aside to offset costs in years where building fee revenues are less than the cost of delivering the building service.

For Council's information, there was a deficit in revenue of \$15,233.00 in 2008 and a deficit in revenue of \$20,822.00 in 2009. These deficits were offset by the reserve fund. As directed by legislation, a deficit cannot be carried forward to the next year; only a surplus can be carried forward. Therefore, a portion of the reserve fund was used to fund the 2008 deficit with the remainder of the reserve fund used to offset part of the 2009 deficit. In 2010 the reserve fund was increased due to a surplus in the Building Department of \$24,620.00.

This report is prepared to satisfy the requirements of Section 7(4) of the Building Code Act, and is provided to Committee and Council for their information.

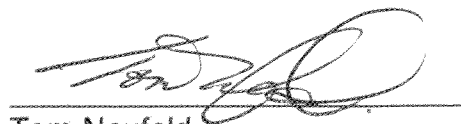
ATTACHMENTS

1. 2008, 2009 and 2010 Building Permit Fee Annual Reports as of December 31 of each respective year.

Respectfully Submitted By:



Brian Treble, MCIP, RPP
Director of Planning and Building



Tom Neufeld
CBO

TOWNSHIP OF WEST LINCOLN
BUILDING PERMIT FEE ANNUAL REPORT
FOR THE 12 MONTHS ENDING DECEMBER 31st

	Actual 2010	Actual 2009	Actual 2008
TOTAL FEES	\$ 208,013.00	\$ 135,674.00	\$ 190,164
DIRECT COSTS			
Staffing Costs	\$ 132,787.00	\$ 92,861.00	\$ 115,662
Office Expenses	\$ 20,606.00	\$ 50,635.00	\$ 59,740
Transfer (from) to Other Reserves		\$ (17,000.00)	
TOTAL DIRECT COSTS	\$ 153,393.00	\$ 126,496.00	\$ 175,402
INDIRECT COSTS	\$ 30,000.00	\$ 30,000.00	\$ 30,000
TOTAL DIRECT & INDIRECT COSTS	\$ 183,393.00	\$ 156,496.00	\$ 205,402.00
REVENUE OVER (BELOW) COSTS	\$ 24,620.00	\$ (20,822.00)	\$ (15,238.00)
 STATEMENT OF RESERVES			
Opening Balance, January 1	\$ (736.00)	\$ 20,086.00	\$ 35,324.00
Transfer to (from) Reserves	\$ 24,620.00	\$ (20,822.00)	\$ (15,238.00)
Closing Balance, December 31	\$ 23,884.00	\$ (736.00)	\$ 20,086.00

Basis: Section 7(4) of the Building Code Act requires an annual report be prepared setting out the total fees collected ,
 the direct and indirect costs related to administration and enforcement; and the statement of reserve funds
 for the building department.