

**DATE:** June 8, 2015  
**REPORT NO:** PD-065-15  
**SUBJECT:** **Building Permit Fee Annual Report 2014**  
**CONTACT:** Brian Treble, Director of Planning and Building  
Tom Neufeld, CBO

**OVERVIEW:**

- 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 during 2014.
- This report is required annually as outlined in Section 7(4) of the Building Code Act.
- This report will also be posted on the Township website to ensure compliance with the public requirements of Section 7.4.

**RECOMMENDATION:**

1. That, report PD-065-15, regarding the “Building Permit Annual Fee Report 2014”, dated June 8, 2015 be received FOR INFORMATION.

**ALIGNMENT TO STRATEGIC PLAN**

- **Value**  
Provide and sustain a high quality of life for its residents by ensuring compliance with various Acts and Regulations.
- **Objective**  
Improve customer service experience for citizens, business and new residents and evaluate service levels in Township buildings on a regular basis. By tracking the type and number of building permits per year it highlights activities of staff and can identify if the Township is meeting mandated timelines.

**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 historically been published 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 the annual report is posted on the municipal website. West Lincoln has now posted the report on the Township website for the past four years.

**CURRENT SITUATION:**

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 any costs that are incurred by the municipality to administer and enforce the Act in its area of jurisdiction.

The Building Permit Fee 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 building services. 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 surplus in revenue of \$115,332.00 in 2014. As directed by legislation, a deficit cannot be carried forward to the next year; only a surplus can be carried forward. Therefore, the surplus has been transferred to the Building Department Reserve Account.

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.

**FINANCIAL IMPLICATIONS**

There is no impact on the Township's main operating budget.

**DEPARTMENTAL COMMENTS**

In 2014 Township Building staff processed 328 building permits as compared to 285 total permits in 2013.

*“The Township of West Lincoln will be a community that values our heritage, preserves our environmental and natural resources, fosters entrepreneurial spirit and provides excellent quality of life”*

**CONCLUSION**

Staff presents this report to Committee and Council in order to fulfil our obligations in accordance with Section 7(4) of the *Building Code Act*.

This report will be placed on the Township website in order to inform the public.

**ATTACHMENT**

1. 2014 Building Permit Fee Annual Report as of December 31, 2014.

**Prepared by:**

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**Tom Neufeld, CBO**

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**Brian Treble, RPP, MCIP  
Director of Planning and Building**

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**Chris Carter, CAO**

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***“The Township of West Lincoln will be a community that values our heritage, preserves our environmental and natural resources, fosters entrepreneurial spirit and provides excellent quality of life”***

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

	<b>Actual 2014</b>
<b>TOTAL FEES</b>	<u>\$ 346,831.00</u>
<b>DIRECT COSTS</b>	
Staffing Costs	\$ 183,509.00
Office Expenses	<u>\$ 14,190.00</u>
<b>TOTAL DIRECT COSTS</b>	<u>\$ 197,699.00</u>
<b>INDIRECT COSTS</b>	\$ 33,800.00
<b>TOTAL DIRECT &amp; INDIRECT COSTS</b>	<u>\$ 231,499.00</u>
<b>REVENUE OVER ( BELOW) COSTS</b>	<u><u>\$ 115,332.00</u></u>

**STATEMENT OF RESERVES**

Opening Balance, January 1	\$ 258,083.00
Transfer to (from) Reserves	\$ 115,332.00
Closing Balance, December 31	<u><u>\$ 373,415.00</u></u>

**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.