

STATEMENT OF REVENUE AND EXPENSES AND ACCUMULATED NET REVENUE

In accordance with By-law 01-2006 and with article 1.9.1.1. of Division C of the Ontario Building Code; this report is to indicate the previous year's direct and indirect costs of administering the Ontario Building Code. The report shows the total permit fees collected and provides a breakdown into the following types:

	<i>Actual cost for the year 2010</i>	<i>Actual cost for the year 2011</i>	<i>Estimate for the current year 2012</i>
<u>Income</u>			
- Residential	57,767.94	51,290.50	58,000.00
- Non- Residential	24,320.00	6,733.00	20,000.00
- Agricultural	5,118.30	6,595.00	5,000.00
- Administrative & Bylaw	90,992.00	64,960.00	70,000.00
- Transfer from Reserve	62,125.00	43,050.00	55,000.00
Total	\$ 240,323.24	\$ 172,628.50	\$ 208,000.00
<u>Expenditure</u>			
<i>Direct Costs</i>			
(Salaries, Benefits, Holidays, Inspection and Review Services, Vehicle and Fuel, Repairs Refunds of fees collected)	\$ 171,966.82	\$ 153,322.59	\$ 160,000.00
<i>Indirect Costs</i>			
(Insurance Premiums, Office Supplies, Forms, Legal Fees, Training & Professional Development Office Equipment and Repairs, General Administration Costs (Heat, Hydro, etc.) approx. 6% of overall, Capital Expenditures Bank Fees)	\$ 9,406.55	\$ 10,989.31	\$ 12,000.00
<i>Transfer to Reserves</i>			
(Liability for unearned fees, permits spanning multiple years for construction, capital needs)	\$ 73,225.00	\$ 69,175.00	\$ 70,000.00
Total Expenditures	\$ 254,598.37	\$ 233,486.90	\$ 242,000.00
Excess Cost over Fees	(\$ 14,275.13)	(\$ 60,858.40)	(\$ 34,000.00)
Current Reserves	\$ 194,330.91	Current Known Liabilities	\$ 150,500.00

Comparison against dollars received:

As predicted in last years statement our revenue was lower by more than 28% in 2011, we budgeted to transfer nearly a third of our reserves into revenue in an effort to maintain our funding level. You will see in the numbers above that our "recovery rate" in 2011 was nearly 74% considerably less than the 94% in 2010 and 92% in 2009 and 2008. By "recovery rate" I am referring to the funds necessary to run the Building Department recovered through permit fees as opposed to general taxation. A 74% "recovery rate" was a typical rate for us prior to 2006 and is still common for Building Departments of our size and serving a similar demographic and growth rate.

Comments and any recommendations from the Chief Building Official:

I expect that the cost recovery rate will increase slightly in 2012 as projects and expected growth finally come to fruition. Permit fees have not been adjusted since 2006 and may be partially responsible for the low recovery rate, I recommend a slight increase to raise our recovery rate and to maintain if not build our reserves and reduce our dependency on general taxation.

Gregory Trizisky CBCO
 Chief Building Official
 Township of North Dundas