

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 2012</i>	<i>Actual cost for the year 2013</i>	<i>Actual cost for the year 2014</i>
<u>Income</u>			
- Residential	32,448.97	57,118.70	42,153.50
- Non- Residential	21,979.00	34,074.97	66,632.81
- Agricultural	7,128.50	7,475.00	8,026.00
- Administrative & Bylaw	49,475.00	123,653.00	67,345.00
- Draw upon Assets	60,950.00	77,705.55	74,583.00
Total	\$ 171,981.47	\$ 300,027.22	\$ 258,740.31
<u>Expenditure</u>			
<i>Direct Costs</i>			
(Salaries, Benefits, Holidays, Inspection and Review Services, Vehicle and Fuel, Repairs Refunds of fees collected)	\$ 152,965.99	\$ 198,142.73	\$ 233,409.00
<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)	\$ 9,359.79	\$12,935.05	\$26,524.82
<i>Increase in Assets</i>			
(Liability for future refunds, transfer to reserves for capital needs, multi year permits, etc)	\$ 70,107.00	\$ 115,033.00	\$ 59,500.00
Total Expenditures	\$ 232,432.78	\$ 326,110.78	\$ 319,433.82
Excess Cost over Fees	(\$60,451.31)	(\$26,083.56)	(\$ 60,693.51)
Current Assets \$ 213,265.00	Current Liabilities	\$ 201,075.00	

Comparison against dollars received:

The years 2013 and 2014 saw a substantial increase to both the value and number of permit starts in North Dundas. The expenses for which are seen mostly in 2014 and will carry forward to 2015 and are reflected in an 80% "recovery rate" which is closer to our average of previous years. 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" is common for Building Departments of our size and serving a similar demographic and growth rate.

Comments and any recommendations from the Chief Building Official:

Although permit fees are substantially increased in 2013 along with that are an increase in expenses as is understandable as permit fees are supposed to reflect the cost of doing business. In 2013 and 2014 the department needed to upgrade its software environment to meet reporting requirements of the Ministry, CMHC TARION, MPAC and Stats Canada. Reserves for the Building Department were depleted for these capital purchases and should be built up again to accommodate future vehicle replacements in 5 to 7 years time. Also consideration should be given to transfer some permit fees to reserves so that fluctuations in the recovery rate can be kept to a minimum.

Gregory Trizisky CBCO
 Chief Building Official
 Township of North Dundas