



Town of Newmarket  
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## **2018 Building Permit Fees Information Report**

Report Number: 2019-16

Department(s): Financial Services

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Date: April 4, 2019

In accordance with the Procedure By-law, any member of Council may make a request to the Town Clerk that this Report be placed on an upcoming Committee of the Whole agenda for discussion.

### **Purpose**

The purpose of this report is to provide information illustrating the building permit fees and costs associated with delivering the services for the year 2018.

### **Background**

In 2016, By-law 2015-58 was enacted for Building Permit fees. This fee schedule remained unchanged in 2017 and 2018.

As per the Building Code Act, 1992, a municipality is required to prepare a report regarding building permit fees collected and the costs of administering and enforcing this Act every 12 months; and, the municipality shall make its report available to the public. The purpose of this report is to meet the statutory requirement.

### **Discussion**

In 2017, Building Permit Fees were changed from a Reserve to an Obligatory Reserve Fund; therefore, an annual reserve fund interest allocation has been added.

The total revenue earned in 2018 was \$2,291,008. \$1,086,843 was from fees collected in the year, while \$1,204,165 was collected in prior years and recognized in 2018. Expenditures exceeded revenues by \$130,913, attributed to the capital cost for the Cityview software replacement. This cost was funded by the Reserve Fund for Building Permits. The interest allocation for 2018 was \$59,435. As at the end of December 31, 2018, the Reserve Fund for Building Permits had a balance of \$5,728,041 including interest allocation.

Attached is the Statement to illustrate building permit fees and costs associated with delivering the services for the year 2018.

## **Conclusion**

The report will be posted on the Town's website.

## **Business Plan and Strategic Plan Linkages**

This report links to Newmarket's key strategic direction in being Well Managed through fiscal responsibility.

## **Consultation**

Consultation has taken place with Building Services.

## **Human Resource Considerations**

Not applicable to this report.

## **Budget Impact**

There were no increases to fees in 2018. The 2017 ratio to annual cost of 324% was taken into consideration when reviewing the building permit fees for 2018.

The Reserve Fund for Building Permit Fees is at 237% of total annual costs at 2018 year-end. This ratio to the annual Building budget is over the target of 200%.

It is anticipated that 2019 draws from the reserve fund will be at the same level as 2018.

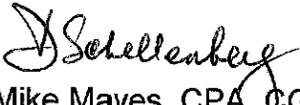
## **Attachments**

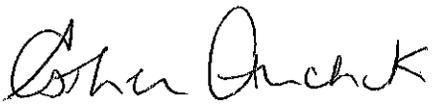
Annual Report on Building Permit Fees

## Contact

For more information on this report, contact Mike Mayes at 905-953-5300, ext. 2102 or via e-mail at [mmayes@newmarket.ca](mailto:mmayes@newmarket.ca)

## Approval

*for*   
Mike Mayes, CPA, CGA, DPA  
Director, Financial Services/Treasurer

  
Esther Armchuk, LL.B  
Commissioner, Corporate Services

# THE CORPORATION OF THE TOWN OF NEWMARKET

## Annual Report on Building Permit Fees

December 31, 2018

The Town of Newmarket is a municipality in the Province of Ontario, Canada. The municipality is required to prepare an annual report, which includes the total fees collected in the previous 12 month period:

	<u>2018</u>	<u>2017</u>
Fees collected in current year	\$ 2,291,008	\$ 2,872,514
Fees collected in prior year and earned in current year *	-	385,848
<b>Total Ontario Building Code Revenues</b>	<b>\$ 2,291,008</b>	<b>\$ 3,258,362</b>

Direct and indirect costs of delivering services are as follows:

	<u>2018</u>	<u>2017</u>
Direct costs	\$ 1,824,545	\$ 1,692,788
Indirect costs	466,463	466,976
Capital costs	130,913	1,828
<b>Total Ontario Building Code Expenditures</b>	<b>\$ 2,421,921</b>	<b>\$ 2,161,592</b>
<b>Net Surplus/(Deficit)</b>	<b>\$ (130,913)</b>	<b>\$ 1,096,770</b>

The continuity of the Reserve Fund for Building Permits is as follows:

	<u>2018</u>	<u>2017</u>
Balance, beginning of year	\$ 7,003,684	\$ 5,770,435
Plus: Interest Earned*	59,435	136,479
Plus /(Less): Transfer (to) / from operating fund	(1,204,165)	1,098,598
Less: Transfer to capital fund	(130,913)	(1,828)
<b>Balance, end of year</b>	<b>\$ 5,728,041</b>	<b>\$ 7,003,684</b>

\*Note: In 2017, surplus Building Permit Fees are now reported as an obligatory reserve fund which means they will prospectively earn interest revenue and there will no longer be a distinction between when the fees are collected during the year.