

# TOWNSHIP OF ADJALA-TOSORONTIO

## 2017 REPORT

### BUILDING PERMIT FEES

#### BILL 124

#### GENERAL INTENT OF THE LEGISLATION

1. Ensure Accountability
2. Provide User-Payer Approach
3. Require Public Disclosure

#### LEGISLATIVE REQUIREMENTS- BUILDING CODE ACT

1. Total fees must not exceed the anticipated reasonable costs to Administer and enforce the Act
2. Annual report on fees and costs required
3. Report must be available to the public
4. Public notice and meeting required for a proposed change in fees

#### ANNUAL REPORT CONTENTS

1. Set out total fees collected in the previous 12 months period
2. Outline direct and indirect cost of delivering services related to administration and enforcement, (i.e. plan review, inspection, overhead costs)
3. Report on a Reserve Fund established for the administration and enforcement

#### DESIGNING A FEE STRUCTURE

1. Calculate indirect costs: administration and enforcement
2. Calculate direct costs: administration and enforcement
3. Add the two together
4. Compute

## **WHAT ARE INDIRECT COSTS**

1. Operating and capital costs of all building permit-related services provided by other municipal departments to the building department.
2. Includes everything that is part of the “cost of doing business” to support the building administration and enforcement function.

## **EXAMPLES OF INDIRECT COSTS**

1. Council – remuneration  
meeting (building department items)  
building seminars, overhead
2. Treasury- fee collection, receipts  
accounting/auditing  
annual report (revenues, expenditures, reserves)
2. CAO/Clerk – portion of salaries, benefits, overhead  
agenda planning/meeting notices/minutes  
by-laws (building, fees  
notification registry  
municipal records management
3. Planning Department – administrative/zoning staff salaries, benefits, overhead  
building related training  
records management  
overhead

\*overhead costs include utilities, rent, office supplies, telephone, maintenance

## **COSTING CRITERIA**

We calculated the costs by assigning costs to specific cost centres, eg. a percentage of staff time in a department spent on building matters multiplied by the salaries and overhead for those staff.

As for the common areas of the municipal building we based it on one fifth of the cost as there are five departments using the building.

## WHAT ARE DIRECT COSTS

### 1 Administrative (overhead) Costs:

Operating Costs:	administrative staff costs education and training travel/car allowance office supplies telephone postage, courier membership computer software/hardware utilities and maintenance insurance rent advertising consulting fees
Capital Costs:	municipal vehicles municipal building

### 2 Enforcement Costs

plan review
field inspection

## SUMMARY OF COSTS \*

\*See Schedule A and B for breakdown

### INDIRECT COSTS:

Council	\$ 7,904
Administrative	\$ 110,081
Utilities	\$ 13,575
Planning	\$ 3,920
Sub Total	\$ 135,480

### DIRECT COSTS:

Building/Septic	\$ 248,742
Total Cost	\$ 384,222

## SUMMARY OF REVENUES

Building Permits	\$ 207,778
Building Stabilization Reserve	\$ 48,603
Septic Permits	\$ 19,858
Total Revenue	<b>\$ 276,239</b>

## Conclusion

Total Expenses	\$ 384,222
Total Revenues	\$ 276,239
Shortfall	<b>\$ 107,983</b>
	<b>28.10%</b>
or	

\*See By-Law 13-11 on Township Website for new Building & Septic Fees

## Schedule A

Breakdown of Indirect Costs: (all numbers rounded up or down)

Council:	Remuneration	\$ 111,434
	Benefits	\$ 46,648
	Total	\$ 158,082
	X 5%	<b>\$ 7,904</b>
Administration:	Remuneration	\$ 457,517
	Benefits	\$ 137,984
	Total	\$ 595,501
	x 10%	<b>\$ 59,550</b>
	Telephone	\$ 12,141
	Postage	\$ 14,122
	Insurance	\$ 172,663
	Total	\$ 198,926
	Divided by 5	<b>\$ 39,785</b>
	Office Supplies	\$ 11,958
	Equipment/Contract	\$ 72,610
	Audit	\$ 22,888
	Total	\$ 107,456
x 10%	<b>\$ 10,746</b>	
Public Lands /Buildings	\$ 67,874	
Divided by 5	<b>\$ 13,575</b>	
Planning	Remuneration and Benefits \$32.00 per hour Takes approximately one half hour to review the building application to Zoning By-Law and Official Plan 2017 - 245 permits	
Total		<b>\$ 3,920</b>

## Schedule B

### Direct Costs

Building Department:	Remuneration	\$ 121,772
	Benefits	\$ 38,896
	Conferences/Workshops	\$ 509
	Mobiles	\$ 1,482
	Mileage	\$ 5,765
	Memberships	\$ 729
	Insurance	\$ 28,500
	Office Supplies	\$ 620
	Legal	\$ 1,384
	Clothing	\$ 359
	Printer & Copier	\$ 122
	Reserves	\$ 48,604
	<b>Total</b>	<b>\$ 248,742</b>