



**Municipality of Port Hope**  
 56 Queen Street  
 Port Hope, ON  
 L1A 3Z9

REPORT TO: Budget Committee  
 FROM: Amanda Aasen, Financial Planning Coordinator  
 SUBJECT: 2018 Building Permit Fees Annual Report  
 DATE: December 3, 2019

**RECOMMENDATION:**

That the 2018 Building Permit Fees Annual Report be received for information purposes and further;

That a copy be made available to the public on the Municipal website.

**BACKGROUND:**

Section 7(4) of the Building Code Act, 1992, S.O. requires municipalities to prepare an annual report that records the amount of building permit fees collected and the costs incurred during the process. Ontario Regulation 350/06: Building Code, section 1.9.1.1 identifies specific requirements to be included in the annual report.

Below is a summary of the revenue and expenses incurred in 2018, including comparative years:

**Municipality of Port Hope  
 Building Permit Fees Annual Report  
 for the year ended December 31, 2018**

	2013	2014	2015	2016	2017	2018
<b>Total Revenue</b>	<b>(591,883)</b>	<b>(383,568)</b>	<b>(545,038)</b>	<b>(527,886)</b>	<b>(234,012)</b>	<b>(324,052)</b>
Direct Costs	382,711	401,644	418,598	391,515	392,669	387,195
Indirect Costs	-	-	-	-	-	-
<b>Total Expenses</b>	<b>382,711</b>	<b>401,644</b>	<b>418,598</b>	<b>391,515</b>	<b>392,669</b>	<b>387,195</b>
<b>Transfer to / (from) Reserve Fund</b>	<b>209,172</b>	<b>(18,076)</b>	<b>126,440</b>	<b>136,371</b>	<b>(158,657)</b>	<b>(63,143)</b>
<b>Annual (Surplus) / Deficit</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**RESOURCE IMPLICATIONS:**

The Building Code Act allows municipalities to set permit fees to cover the cost of administering and enforcing the Building Code Act. A Reserve Fund was established in 2013 to provide for revenue stabilization, as building permit activity can be cyclical. This reserve can be used to offset periods of low building and construction activity.

In 2018, the net deficit of the Building Inspection division was funded by the Building Inspection Reserve Fund, as previously approved in the 2018 budget. The actual deficit of \$63,143 resulted in reducing the balance in the fund to \$195,797, as of December 31, 2018. Below is a summary of the Reserve Fund since inception:

**Municipality of Port Hope  
Building Inspection Reserve Fund  
for the year ended December 31, 2018**

	2013	2014	2015	2016	2017	2018
<b>Opening Balance, January 1</b>	-	209,172	191,096	317,536	455,293	256,092
<b>Plus:</b>						
Transfer from Reserve Fund	209,172	-	126,440	136,371	-	-
Interest Earned	-	-	-	1,386	10,811	2,848
<b>Subtotal</b>	<b>209,172</b>	<b>-</b>	<b>126,440</b>	<b>137,757</b>	<b>10,811</b>	<b>2,848</b>
<b>Less:</b>						
Transfer to Operating	-	18,076	-	-	158,657	63,143
Capital Purchases	-	-	-	-	51,355	-
<b>Subtotal</b>	<b>-</b>	<b>18,076</b>	<b>-</b>	<b>-</b>	<b>210,012</b>	<b>63,143</b>
<b>Closing Balance, December 31</b>	<b>209,172</b>	<b>191,096</b>	<b>317,536</b>	<b>455,293</b>	<b>256,092</b>	<b>195,797</b>

**CONCLUSION:**

The annual report of the Building Permit Fees presented to Committee satisfies requirements as specified in the Building Code Act.

Respectfully submitted,

Amanda Aasen  
Financial Planning Coordinator