



Mike Mayes, Director  
Financial Services/Treasurer

TOWN OF NEWMARKET  
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May 22, 2015

## **CORPORATE SERVICES INFORMATION REPORT–FINANCIAL SERVICES 2015-28**

TO: Mayor Tony Van Bynen and Members of Council  
SUBJECT: Building Permit Fees  
ORIGIN: Financial Analyst

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***In accordance with the Procedure Bylaw, any member of Council may request an Information Report to be placed on an upcoming Committee of the Whole agenda for discussion.***


### **COMMENTS**

In 2005, By-law 2005-76 was adopted, establishing a Building By-law for the issuance of permits and related matters, including a fee schedule as amended for all applicable building permit fees in Newmarket.

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

Expenditures that exceeded revenues (net expenditures) in the amount of \$171,386 were offset by transfer from the Reserve for Building Permits. There has been no increase in building permit fees since 2010. As at the end of December 31, 2014, the Reserve for Building Permits had a balance of \$5,316,859.

The total building permit fees collected in 2014 were \$1,150,328; of which \$117,523 was deferred to 2015 (2013 deferral was \$669,285 and was recognized as revenue in 2014). It is our accounting policy, in agreement with our auditors, that building permit fees are not deemed to have been "earned" until 90 days after the collection of the fees with issuance of the building permit. This is the average time for the building department to perform the majority of its duties and for the refund period to expire.



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Attached is the Statement to illustrate building permit fees and costs associated with delivering the services for the year 2014.

**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 Planning and Building Services.

**HUMAN RESOURCES CONSIDERATIONS**

Not applicable to this report.

**BUDGET IMPACT**

The Reserve for Building Permit Fees, which is at a comfortable level, is taken into consideration when reviewing future building permit fees.

**CONTACT**

For more information on this report, please contact Leighton Taylor at 905-953-5300, ext. 2121 or [ltaylor@newmarket.ca](mailto:ltaylor@newmarket.ca)



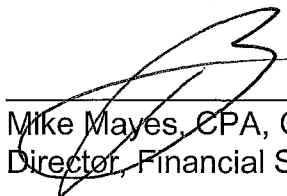
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Leighton Taylor, CPA, CGA  
Financial Analyst



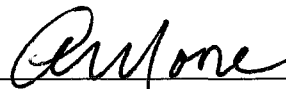
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Dawn Schellenberg, CPA, CA  
Manager, Finance & Accounting



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Mike Mayes, CPA, CGA  
Director, Financial Services/Treasurer



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Anita Moore, AMCT  
Commissioner, Corporate Services

LT/nh  
Attachment

- Annual Report on Building Permit Fees (1 pg.)

# THE CORPORATION OF THE TOWN OF NEWMARKET

## Annual Report on Building Permit Fees

December 31, 2014

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>2014</u>	<u>2013</u>
Fees collected in current year	\$ 1,150,328	\$ 2,988,213
Fees collected in current year and not earned	(117,523)	(669,285)
Fees collected in prior year and earned in current year	669,285	1,148,760
<b>Total Revenues</b>	<b>\$ 1,702,090</b>	<b>\$ 3,467,688</b>

Direct and indirect costs of delivering services are as follows:

	<u>2014</u>	<u>2013</u>
Direct costs	\$ 1,451,860	\$ 1,294,927
Indirect costs	421,616	521,483
Capital costs	-	-
<b>Total Expenditures</b>	<b>\$ 1,873,476</b>	<b>\$ 1,816,409</b>
<b>Net Surplus/(Deficit)</b>	<b>\$ (171,386)</b>	<b>\$ 1,651,279</b>

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

	<u>2014</u>	<u>2013</u>
Balance, beginning of year	\$ 5,488,245	\$ 3,836,967
Plus: Transfer from operating fund	-	1,651,279
Transfer from other fund	-	-
Less: Transfer to operating fund	(171,386)	-
Transfer to capital fund	-	-
<b>Balance, end of year</b>	<b>\$ 5,316,859</b>	<b>\$ 5,488,245</b>