



Annual Report on Building Fees and Costs – 2019

The purpose of this report is to satisfy the annual reporting requirements for the Building Division, as set forth in the Ontario Building Code Act, SO 1992 C23, as amended.

A) Legislative Requirements

The Ontario Building Code Act, SO 1992 C23, as amended, Section 7(2) prescribes that the total amount of fees authorized for the application and issuance of permits, for maintenance inspections and orders must not exceed the anticipated reasonable costs of the municipality to administer and enforce the Act in its area of jurisdiction.

The Ontario Building Code Act, SO 1992 C23, as amended, Section 7(4) prescribes that a municipality is required to prepare a report every twelve (12) months that contains information about fees prescribed for the application and issuance of permits, for maintenance inspections and orders and costs of the municipality to administer and enforce the Act in its area of jurisdiction.

The Ontario Building Code Act, SO 1992 C23, as amended, Section 7(5) prescribes that the annual report is to be made available for the public.

B) Establishment of Reserve Fund – General

A municipality is permitted to have a reserve fund which is available to manage the risks involved in the operation of a Building Division. Construction downturns, capital purchases, litigation and changes in legislation are examples of factors which may place stress on the annual budget. It is for these types of unexpected expenses that the Reserve Fund is established.

The Building Reserve Fund is considered to be an obligatory reserve fund. The Town's Reserve and Reserve Fund Policy (TR.20.1) defines an obligatory reserve fund as follows:

"Obligatory reserve fund" means a reserve fund created whenever a statute or legislation requires that funds received be segregated from the general funds of the Town through financial agreement or legislative direction. Obligatory reserve funds are created solely for the purpose prescribed for them.

C) Building Services Reserve Fund

The Reserve and Reserve Fund Policy (TR.20.1) makes specific definition and provides specific details with regard to the reserve fund established for the Building Division. Below is an excerpt from the policy.

31. Building Services Reserve Fund 30-00-214000-0000

Purpose: Bill 124 imposes specific restrictions on the use of building code revenues. The purpose of the reserve is to accumulate annual building code surpluses, which will be specifically used to provide building code service continuity only.

Source of Funding: From annual building code revenue surplus.

Limitations: Municipalities are required to segregate fees generated through building code permits and restrict them for building code related purposes. Based on this, uses are limited to:

- Offset unfavourable revenue variances due to severe economic conditions; and
- Subsidize any negative year-end position; and
- Upon authorization of the Treasurer funds may also be used to fund or phase-in large building code budget items i.e. corporate studies, fee initiatives, capital projects, etc.

Special Reporting: As part of Ontario Building Code 124, the Municipality shall prepare an annual financial report by March 31st of each year. This report includes the account balance for any building permit reserve funds that have been established by Council.

Specific Legislation Reference: Ontario Building Code – Bill 124.

D) Building Division Fees

By-Law 65-2012 is the by-law respecting construction, demolition, change of use, occupancy permits and inspections. It was adopted under the authority of the Building Code Act SO 1992, C23. Included in this by-law are the fees which are imposed by the Building Division. The fees are outlined below.

Row #	Category or Type of Fee	Fee
1	Group 'C' New Residential, Additions & Alterations/Repairs	\$1.35 per ft ² Minimum fee of \$200.00
2	Group 'C' Residential accessory structures, carports, decks, retrofits, pool	\$0.80 per ft ² Minimum fee of \$150.00
3	Group A, B, D, E, F (All Industrial, Commercial, Institutional Buildings)	\$1.40 per ft ² Minimum fee of \$250.00
4	Farm Buildings (excluding dwelling units)	\$0.25 per ft ² Minimum fee of \$100.00
5	Demolitions	\$125.00 flat fee
6	Change of Use, Renewal Permits, Other	\$150.00 flat fee

7	Wood Burning Systems	\$100.00 flat fee
8	Plumbing (Newly constructed, repaired or altered)	\$150.00 flat fee
9	School Portables	\$150.00 flat fee
10	Tents	\$75.00 flat fee
11	Pre-engineered Fabric Buildings	\$500.00 flat fee
12	Designated Structures	\$2,000.00 flat fee

Group	Type of Occupancy
A	Assembly
B	Care or detention
C	Residential
D	Business & Personal Services
E	Mercantile
F	Industrial

- A \$500.00 deposit is required at the time of issuing a building permit for a new residential dwelling. The deposit will be refunded when the final inspection on the residence has been completed by the Chief Building Official or Building Inspector; the drainage is proper, and all other requirements are complete. After three years from the issuance of a building permit, the deposit is not refundable and will be credited to the Municipality to cover administration costs, additional inspections and record keeping costs incurred over the three years.
- Where an inspection is requested and the issuance of a permit is not required, an inspection fee of \$75.00 per hour shall be charged. The minimum inspection fee is \$75.00.
- If any person within the Town of South Bruce Peninsula builds without the required permit, the applicable permit fee shall be doubled.
- In the event that an application has been received and then the application is subsequently withdrawn by the homeowner and no fees were collected at the time of the application, the homeowner will be invoiced for the work completed. If this invoice is not paid for within 90 days, it will be added to the homeowner's taxes.
 - 10% of the permit fee or a minimum charge of \$50.00, whichever is greater, where only administrative functions have been performed
 - 15% of the permit fee or a minimum charge of \$75.00, whichever is greater, where administrative functions and zoning review functions have been performed
 - 20% of the permit fee or a minimum charge of \$100.00, whichever is greater, where the permit has been issued and/or where all plans examination has been completed.

Septic System Permits / Review / Assessments

Row #	Type of Fee	Flat Fee
1	Class 2 or 3 new or replacement system	\$250.00
2	Class 4 or 5 new or replacement system	\$500.00
3	Class 4 or 5 tank replacement only or Class 4 leaching bed repair	\$200.00
4	Change of Use Permit	\$100.00
5	Demolition	\$100.00
6	Renewal	\$100.00
7	Building Assessment Application/Change of Use Basic Review (minimum fee)	\$100.00

Class 1	A chemical toilet, an incinerating toilet, a recirculating toilet, a self-contained portable toilet and all forms of privy including a portable privy, an earth pit privy, a pail privy, a privy vault and a composting toilet system.
Class 2	A greywater system
Class 3	A cesspool
Class 4	A leaching bed system
Class 5	A holding tank

E) 2019 Reserve Fund Balances – Audited

Opening balance at January 1, 2019	\$(323,894.44)
Spent 2019 – Furniture	\$ 798.82
Transferred To – Vehicle Replacement	\$ (12,500.00)
Transferred To – Year End Surplus	\$ (12,646.49)
Interest Allocated	\$ (7,394.00)
Closing balance at December 31, 2019	\$(355,636.11)
Committed Funds-(vehicle replacement)	\$ (12,500.00)

F) 2019 Revenue and Expenses – Audited

10-14-310000-0000	SALARIES - FULL TIME	\$171,712.19
10-14-340000-0000	BENEFITS/EMPLOYER COSTS	\$51,706.21
10-14-358000-0000	SUPPLIES	\$3,126.22
10-14-370000-0000	PUBLICATIONS AND SUBSCRIPTIONS	\$660.94
10-14-391000-0000	OFFICE MAINTENANCE & RENTAL	\$15,109.54
10-14-408000-0000	LEGAL AND PROFESSIONAL FEES	\$14,453.97
10-14-409000-0000	INDIRECT COSTS-ADMIN	\$37,160.00
10-14-409500-0000	PAYROLL INTERNAL CHARGE	\$61,970.00
10-14-412000-0000	POSTAGE	\$838.51
10-14-416000-0000	TELEPHONE	\$487.82
10-14-424000-0000	CONTRACTED SERVICES	\$2,990.84
10-14-424200-0000	COMPUTER ENHANCEMENT & SUPPORT	\$3,113.75
10-14-428000-0000	TRAVEL EXPENSE - MILEAGE	\$882.81
10-14-429000-0000	VEHICLE MAINTENANCE & FUEL	\$2,317.44
10-14-432000-0000	CONVENTIONS, TRAINING & SEMINARS	\$6,770.95
10-14-436000-0000	MEMBERSHIPS	\$907.12
10-14-440000-0000	INSURANCE	\$2,731.45
10-14-444200-0000	ADVERTISING	\$1,279.66
10-14-510000-0000	TRANSFER TO RESERVE-Vehicle	\$12,500.00
10-14-540000-0000	Surplus for Year-Transferred to Reserve	\$12,646.49
Total Expenses		\$403,365.91
10-14-915100-0000	PROPERTY CERTIFICATES	(\$7,485.00)
10-14-942000-0000	BUILDING PERMIT	(\$349,080.91)
10-14-942300-0000	POOL ENCLOSURE PERMITS	(\$150.00)
10-14-942400-0000	SEPTIC PERMIT	(\$43,150.00)
10-14-949000-0000	BUILDING FINES/FORFEITURES	(\$3,500.00)
Total Revenue		(\$403,365.91)

Prepared January 26, 2021