

**Subject:** 2020 Year-end Building Department Report**Recommendation:**

**BE IT RESOLVED THAT Council receive Report #2021-0084 – 2020 Year-end Building Department Report, for information.**

**Background:**

Section 7(4) of the *Building Code Act* requires that an annual report be prepared regarding building permit fees collected. Specifically, Division C, Section 1.9.1.1. of the Regulations state that the report must contain:

- (a) total fees collected in the 12-month period,
- (b) direct and indirect costs of delivering services related to administration and enforcement of the Act, broken out by category, and
- (c) the amount of the reserve fund at the end of the 12-month period.

The attached 2020 Building Department revenue and expenditure statement details the 2020 year-end results. The report shows the gross revenues received and the direct and indirect costs associated with providing building department permit fee services.

**Analysis:**

In 2020, it was budgeted that the Building Department would end the year at a breakeven point, while transferring \$97,555 to the reserve. However, the department revenues were \$3,747 higher than projected for 2020 excluding reserve interest, and expenditures were below budget, resulting in a surplus of \$21,974 being transferred to reserve, in addition to the \$97,555 budgeted, for a total operating surplus of \$119,529.

Additions to the Building Department reserve include the operating surplus and interest of \$17,451. A reduction in the reserve resulted from a transfer to the Town for indirect administrative costs of \$79,497. Vehicle lease payments of \$16,074, which were a direct cost of the Building Department in 2019, were funded from the Fleet Reserve in that year and were adjusted to the Building Department Reserve in 2020. Vehicle lease payments of \$15,374, which are a direct cost of the

Building Department in 2020, were funded from the reserve as well. The reserve balance at December 31, 2020 is \$1,404,644.

Total direct costs including capital expenditures were \$500,092 and total indirect costs were \$79,497.

These results are included in the Town's 2020 audited financial statements, subject to Council approval.

**Financial Considerations:**

The Building Department must be completely self-funded from the development that occurs within the Town.

**Alternatives Reviewed:**

Not applicable.

**Strategic Plan Relationship: Financial Sustainability**

By reviewing the 2020 Year-end Building Department Report, Council can remain informed about the results of operations and the financial sustainability of the department.

**Consultation:**

Not applicable.

**Other Pertinent Reports/Attachments:**

Appendix 1 – 2020 Year-end Building Department Report

**Prepared and Recommended by:**

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**Prepared and Submitted by:**

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