

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF MARCH 19, 2013

Item 2, Report No. 5, of the Finance and Administration Committee, which was adopted without amendment by the Council of the City of Vaughan on March 19, 2013.

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**ANNUAL FINANCIAL REPORT
ONTARIO BUILDING CODE ACT
BUILDING STANDARDS DEPARTMENT**

The Finance and Administration Committee recommends approval of the recommendation contained in the following report of the Commissioner of Planning and the Director of Building Standards, dated March 18, 2013:

Recommendation

The Commissioner of Planning and the Director of Building Standards, in consultation with the Budgeting and Financial Planning Department, recommend:

- 1) That the Building Standards Department Annual Financial Report be received, for information.

Contribution to Sustainability

N/A

Economic Impact

None

Communications Plan

The Building Standards Department will make copies of the report available to the public and every person(s) and/or organization(s) that has requested a copy as required by the Building Code Act and Building Code. To date, staff have not received any requests for information.

Purpose

To provide Council information respecting the Building Standards Department Annual Financial Report.

Background - Analysis and Options

As part of the recent amendments to the Ontario Building Code Act and Building Code (Bill 124), the City shall prepare an annual financial report and provide information on the following matters:

- i) Total Fees Collected (12 month period)
- ii) Direct Costs of Administering the Act (Plans Review and Inspections)
- iii) Indirect Costs (Support and Overhead Costs)
- iv) The account balance for the Building Permit Reserve Fund that has been established by Council.

Attached as Attachment 1 is a copy of the Annual Report that has been prepared for 2012 and is based on unaudited information.

This report has been prepared in consultation with Finance Department Staff and is based on Council's previous approvals respecting the C.N. Watson Activity Based Costing Methodology For User Fees Report, and the establishment of the Building Standards Service Continuity Reserve fund.

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF MARCH 19, 2013

Item 2, Finance Report No. 5 – Page 2

The Building Standards Service Continuity Reserve was established to smooth out the fluctuations in permit revenues resulting from ever changing construction activity. Since the creation of the reserve fund in 2006 consistent annual contributions have been made to the fund. Last year, as predicted in the 2012 Operating Budget, a withdrawal from the reserve fund was necessary to cover all direct and in-direct costs resulting from the decrease in construction activity. The current 2013 Operating Budget also forecasts a withdrawal from the reserve fund. The Building Standards Service Continuity Reserve is designed and maintained to accommodate this fluctuation in construction activity. Current forecasts will not have an adverse impact on present reserves.

Relationship to Vaughan Vision 2020/Strategic Plan

This report is consistent with the priorities previously set by Council and the necessary resources have been allocated and approved.

Regional Implications

None.

Conclusion

This report should be received for information.

Attachments

Attachment 1 - A copy of the 2012 Annual Report.

Report prepared by:

John Studdy, Manager of Customer and Administrative Services Ext. 8232

(A copy of the attachments referred to in the foregoing have been forwarded to each Member of Council and a copy thereof is also on file in the office of the City Clerk.)

ANNUAL FINANCIAL REPORT
ONTARIO BUILDING CODE ACT
BUILDING STANDARDS DEPARTMENT

Recommendation

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necessary to cover all direct and in-direct costs resulting from the decrease in construction activity. The current 2013 Operating Budget also forecasts a withdrawal from the reserve fund. The Building Standards Service Continuity Reserve is designed and maintained to accommodate this fluctuation in construction activity. Current forecasts will not have an adverse impact on present reserves.

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John Studdy, Manager of Customer and Administrative Services Ext. 8232

Respectfully submitted,

John MacKenzie
Commissioner of Planning

Leo Grellette
Director of Building Standards



City of Vaughan
2012 Annual Report
Ontario Building Code Act
(For the Period January 1, 2012 to December 31, 2012)

ONTARIO BUILDING CODE - REVENUES

Total Fees Collected: **\$ (6,232,545)**

ONTARIO BUILDING CODE - EXPENSES

Direct Costs **\$ 5,913,925**
Indirect Costs: **\$ 1,956,464**

Total Direct and Indirect Costs: **\$ 7,870,389**

Contribution to Building Standards Continuity Reserve **\$ (1,637,845)**

Net Balance **\$ 0**

BUILDING STANDARDS SERVICE CONTINUITY RESERVE

Opening Balance: **\$ 18,408,952**

Transfer to Reserve: **\$ (1,582,845)**

Estimated Interest: **\$ 224,802**

Closing Balance Reserve: **\$ 17,050,909**

Note: Figures are unaudited for the year ended December 31, 2012.