

BUILDING STANDARDS SERVICE CONTINUITY RESERVE

Recommendation

The Commissioner of Finance & Corporate Services and the Director of Reserves & Investments in consultation with the Director of Budgeting & Financial Planning recommends:

- 1) That Council enact a Building Standards Service Continuity Reserve by-law;
- 2) That the Building Standards Service Continuity Reserve be funded from Ontario Building Code revenue surplus;
- 3) That the funding for this reserve be contributions on an annual basis to a maximum reserve balance of approximately 1.5 times the annual building code permit processing costs;
- 4) That the Building Standards Service Continuity Reserve be drawn upon at the discretion of the City Treasurer when required; and is restricted to specific Building Standards purposes;
- 5) That the Building Standards Service Continuity Reserve earn the City's average deposit rate; and
- 6) That the Mayor and Clerk be authorized to execute the by-law.

Economic Impact

There is no ability to utilize building code surplus for general municipal purposes. The use of the Building Standards Service Continuity Reserve is strictly limited to building code purposes.

Purpose

To obtain Council approval on the specifics regarding the operation and use of the Building Standards Service Continuity Reserve.

Background - Analysis and Options

Council at its meeting of February 14, 2005 adopted the following Budget Committee recommendations of December 14, 2004:

"That a reserve entitled "Building Standards Service Continuity Reserve" be approved and that staff provide at a future meeting the associated by-law and report on the utilization of the new reserve"

Bill 124 imposed cost and price restriction on the building code permit fees to the extent that costs cannot exceed the reasonable and anticipated costs of administering and enforcing the code.

The purpose of the Reserve is to accumulate annual building code surpluses which will be used to provide service continuity when costs exceed Building Standards revenue.

The Building Standards Service Continuity Reserve will be funded Ontario Building Code revenue surplus. The funding to this reserve be contributions on an annual basis to a maximum reserve balance of approximately 1.5 times the annual building code permit processing costs.

The Building Standards Service Continuity Reserve be drawn upon at the discretion of the City Treasurer, when required, and is restricted to specific Building Standards purposes.

Interest will be credited to the Building Standards Service Continuity Reserve at the City's average deposit rate.

Relationship to Vaughan Vision 2007

This report is consistent with the priorities previously set out in Vaughan Vision 2007 particularly with B-1, Ensure Short & Long Term Financial Stability and B-2, Expand Revenues and Tax Base.

Conclusion

Council enact a Building Standards Service Continuity Reserve By-law based on the requirements set out in the recommendation.

Attachments

None

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Respectfully submitted,

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