

Our Mission: To set the standard for excellence in public service by providing consistent quality and timely permitting, plan review, and inspection services both in building construction and zoning.

DEVELOPMENT FUND SUMMARY

The fee-supported units that comprise the CPHD Development Fund are the Zoning Division and the following sections of the Inspection Services Division: Construction Permit Administration Services, Construction Field Inspection Services, and Construction Plan Review Services.

SIGNIFICANT BUDGET HIGHLIGHTS

The FY 2019 adopted expenditure budget for the CPHD Development Fund is \$21,722,133, a seven percent increase over the FY 2018 adopted budget. The FY 2019 adopted budget reflects:

- In support of the County Manager's strategic priorities (economic development, service delivery, and strategic planning), the County has adopted a One-Stop Arlington initiative that focuses on streamlining business processes and providing superior customer service. One-Stop Arlington projects include the replacement of the enterprise-wide permitting system, business process re-engineering, website improvements, creation of a customer service center, and enhanced case management.
- ↑ Personnel increases reflect employee salary increases, an increase in the County's cost for employee health insurance, and retirement contributions based on current actuarial projections. FY 2019 expenses include the following position changes:
 - Transfer in of a position for the Department of Human Services for the creation of Program Manager position in the Construction Permit Administration section to support the One Stop Arlington initiative (\$173,478, 1.0 FTE).
 - Addition of a Mechanical Code Inspector position in Construction Field Inspection services (\$82,954, 1.0 FTE).
 - Addition of a Permit Processing Specialist in the Inspection Services Division (\$71,481, 1.0 FTE).
 - Transfer out of an Assistant Permit Administration Manager to the Department of Environmental Services (\$106,037, 1.0 FTE).
 - Personnel expenses also reflect an adjustment to account for savings due to staff vacancies and turnover (\$254,493).
- ↑ Non-personnel increases due to the increase of one-time costs associated with the implementation of the enterprise permitting system as part of the One-Stop Arlington initiative (\$810,284), increases to overhead costs related to General Fund operational support (\$391,087), and non-personnel funds added for the Mechanical Code Inspector and Permit Processing Specialist positions (\$26,900). The increase is partially offset by adjustments to rent costs associated with the 10th floor office space (\$131,479) and adjustments to the annual expense for maintenance and replacement of County vehicles (\$49,523).
- ↑ Revenue increases primarily due to the application of an Employment Cost Index increase of 2.5 percent to all existing fees (\$309,252), and increasing the existing Automation Enhancement Surcharge from five to 10 percent based upon the successful implementation of the first phase of the One-Stop Arlington on-line permitting system (\$316,983).

FINANCIAL SUMMARY

	FY 2017 Actual	FY 2018 Adopted	FY 2019 Adopted	% Change '18 to '19
Personnel	\$10,229,489	\$12,140,068	\$12,584,713	4%
Non-Personnel	7,433,156	8,090,151	9,137,420	13%
Total Expenditures	17,662,645	20,230,219	21,722,133	7%
Fees	16,013,656	14,838,948	15,526,903	5%
Total Revenues	\$17,662,645	\$20,230,219	\$21,722,133	7%
Change in Fund Balance	\$1,648,989	\$5,391,271	\$6,195,230	15%
Permanent FTEs	97.00	104.00	106.00	
Temporary FTEs	-	-	-	
Total Authorized FTEs	97.00	104.00	106.00	

**CPHD Development Fund
Fund Statement**

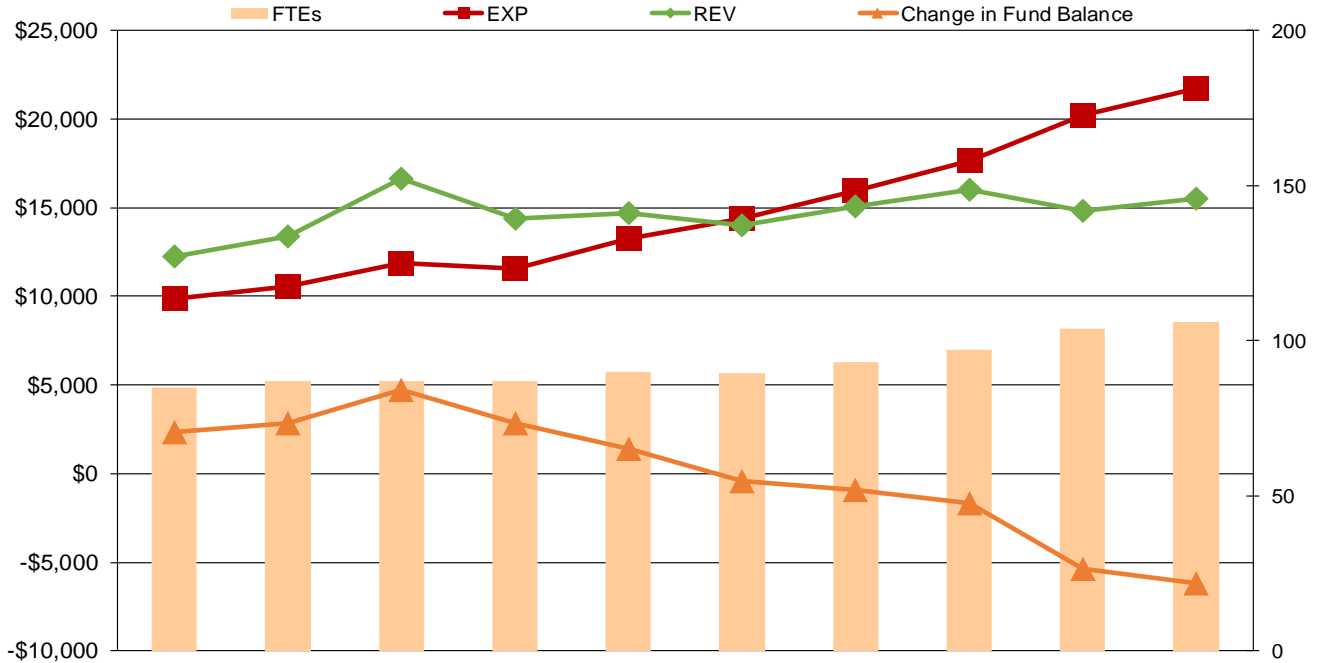
	FY 2017 Actual	FY 2018 Adopted	FY 2018 Re-estimate	FY 2019 Adopted
ADJUSTED BALANCE, JULY 1				
Contingent Fund Reserve	\$4,795,219	\$5,938,374	\$5,298,793	\$6,085,077
Capital Reserve	12,695,916	6,567,678	10,543,353	5,657,945
TOTAL BALANCE	17,491,135	12,506,052	15,842,146	11,743,022
REVENUE				
Fees	16,013,656	14,838,948	16,184,467	15,526,903
TOTAL REVENUE	16,013,656	14,838,948	16,184,467	15,526,903
TOTAL REVENUE & BALANCE	33,504,791	27,345,000	32,026,613	27,269,925
EXPENSES				
Personnel	10,229,489	12,140,068	10,633,613	12,584,713
Non-personnel	7,433,156	8,090,151	9,649,978	9,137,420
TOTAL EXPENSES	17,662,645	20,230,219	20,283,591	21,722,133
BALANCE, JUNE 30	15,842,146	7,114,781	11,743,022	5,547,792
Contingent Fund Reserve	5,298,793	6,069,066	6,085,077	5,547,792
Capital Reserve	10,543,353	1,045,715	5,657,945	-
TOTAL BALANCE	\$15,842,146	\$7,114,781	\$11,743,022	\$5,547,792

Notes:

- Beginning in FY 2013, the CPHD Development Fund maintains a contingent reserve, which is a 30 percent balance of the total fiscal year's operating budget; this amount is equivalent to three to four months of annual operating expenditures. The CPHD Development Fund is not authorized to spend from this contingent without the County Board's approval.
- The Capital Reserve is a funding source for planned and unanticipated needs that exceed the amount available in the annual operating budget. The multi-year technology and one-time projects utilizing the Capital Reserve monies are: implementation of the County Manager's One-Stop Arlington initiative which includes replacement of the enterprise-wide permitting system and business process re-engineering; website improvements; creation of a customer service center enhanced case management; and enabling the submission of electronic plans through E-Plan Review.

**CPHD DEVELOPMENT FUND
TEN-YEAR HISTORY**

EXPENDITURE, REVENUE, AND FULL-TIME EQUIVALENT TRENDS



\$ in 000s	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Adopted
EXP	\$9,859	\$10,566	\$11,902	\$11,564	\$13,258	\$14,376	\$15,984	\$17,663	\$20,230	\$21,722
REV	\$12,237	\$13,387	\$16,627	\$14,415	\$14,695	\$13,990	\$15,095	\$16,014	\$14,839	\$15,527
Change in Fund Balance	\$2,378	\$2,821	\$4,725	\$2,851	\$1,437	-\$386	-\$889	-\$1,649	-\$5,391	-\$6,195
FTEs	85.00	87.00	87.00	87.00	90.00	89.50	93.00	97.00	104.00	106.00

Fiscal Year	Description	FTEs
FY 2010	<ul style="list-style-type: none"> ▪ Revenue increased by \$413,337 due to a 4.7 percent increase in fee rates and a projection of constant and sustainable permitting activity. 	
FY 2011	<ul style="list-style-type: none"> ▪ Revenue increased by \$191,460, a two percent increase, due to minor fee rate increases for Zoning fees and a projection of constant and sustainable permitting activity. ▪ Transferred two Community Code Inspector positions from the General Fund Community Code Enforcement Program (\$134,398) resulting in an increase of Zoning field inspectors from three to five. 	2.0
FY 2012	<ul style="list-style-type: none"> ▪ Revenue increased based on a projected increase in permitting activity. There are no fee increases for FY 2012. 	
FY 2013	<ul style="list-style-type: none"> ▪ Increased personnel costs to support the cost of a Fire Department Inspector position for site plan reviews (\$103,768). The FTE for the position is in the Fire Department. ▪ Increased payment to the County that covers internal services provided by County staff (\$241,900). ▪ Increased building rent for the 10th floor of Courthouse Plaza (\$43,630). ▪ Revenue increases are based on a projected increase in permitting activity (\$569,300). There are no fee increases in FY 2013. 	
FY 2014	<ul style="list-style-type: none"> ▪ Increased personnel costs due to the addition of a Sign Coordinator position (\$106,020), a Zoning Plan Reviewer position (\$84,169), and a Business Systems Analyst position (\$102,737). ▪ Non-personnel expenditures decreased due to the following items: reduction in consultant services (\$210,000), elimination of the contingent funding (\$210,000), reduction in other non-personnel costs to reflect actual spending (\$167,000), partially offset by an increase in building rent for the 10th floor of Courthouse Plaza (\$130,588). ▪ Revenue decreases are based on three fee reductions: the automation fee decreases from 10% to 5% (\$590,920), the permitting fees for residential construction and residential additions to one-and two-family buildings decreased by \$0.05 per square foot from \$0.54 to \$0.49 per square foot (\$79,071), and the minimum permit fee and application filing fee for new construction, alteration and addition to one-and two-family residential buildings decreased by \$25 from \$92 per application to \$57 per application (\$76,950). These three fee changes also reduced the amount of indirect cost revenue (\$23,404). The reduction in revenue from these fee changes is partially offset by a projected increase in permitting activity (\$570,000). 	3.0

CPHD DEVELOPMENT FUND
TEN-YEAR HISTORY

Fiscal Year	Description	FTEs
FY 2015	▪ Transferred a Business Systems Analyst from the CPHD General Fund (\$72,110).	0.5
	▪ Converted an Elevator Inspector (\$106,910) as well as position reclassification savings (\$43,090) to contractual services for the elevator inspection program.	(1.0)
	▪ Increased building rent for the 10 th floor of Courthouse Plaza (\$13,643).	
	▪ Reduced annual expense for maintenance and replacement of County vehicles (\$927).	
FY 2016	▪ Transferred a Business Systems Analyst from the CPHD General Fund (\$72,739).	0.5
	▪ Added a Plan review (\$84,711), Records Technician (\$74,079), and a Zoning Planner (\$79,382).	3.0
	▪ Added \$83,000 for Zoning related expense in the Office of the County Attorney for an Assistant County Attorney.	
	▪ Non-personnel expenses increased for consulting expenses (\$18,297) and for the ongoing costs of records management and scanning (\$225,000).	
	▪ Revenue increased due to projected increase in permitting activity (\$1,202,541). There are no fee increases for FY 2016.	
FY 2017	▪ Expense increases due to One-Stop Arlington including implementation of a new business permitting system, project management, system support, space reconfiguration, and the addition of four limited term positions (\$3,986,042).	4.0
	▪ Non-personnel increased for adjustments to rent costs associated with the tenth floor office space (\$30,193).	
FY 2018	▪ Added an Associate Planner position to serve as the Assistant Counter Services Manager in Zoning Administration (\$124,686).	1.0
	▪ Added a Principal Planner to serve as the Zoning Administrative Supervisor in Zoning Administration (\$141,730).	1.0
	▪ Added positions related to One Stop Arlington including: Production Support Manager (\$148,500), GIS Systems Administrator (\$155,997), two Help Desk support positions for the second half of FY 2018 (141,730). Changes include a conversion of a limited term Assistant Permit Processing Manager position to a full-time position.	4.0
	▪ Transferred a Communications Specialist II (\$147,770) from the Business Operations Division to the Permits Administration Division in the Development Fund.	1.0

Fiscal Year	Description	FTEs
	<ul style="list-style-type: none"> ▪ Non-personnel decreased due to the removal of one-time costs associated with the implementation of the business permitting system as part of the One-Stop Arlington Initiative (\$949,250), and adjustments to the annual expense for maintenance and replacement of County vehicles (\$13,928). The decrease is partially offset by non-personnel increases for adjustments to rent costs associated with the 10th floor office space (\$63,832) and indirect costs related to General fund operational support (\$62,134). ▪ Revenue increased due to the creation of a new permit type for Accessory Homestay home occupation at a rate of \$60 per application (\$29,452) and increased utilization of fund balance to cover projected expenses (\$282,662). 	
FY 2019	<ul style="list-style-type: none"> ▪ Transfer in of a position for the Department of Human Services for the creation of Program Manager position in the Construction Permit Administration section to support the One Stop Arlington initiative (\$173,478). ▪ Addition of a Mechanical Code Inspector position in Construction Field Inspection services (\$82,954). ▪ Addition of a Permit Processing Specialist in the Inspection Services Division (\$71,481). ▪ Transfer out of an Assistant Permit Administration Manager to the Department of Environmental Services (\$106,037). ▪ Personnel expenses also reflect an adjustment to account for savings due to staff vacancies and turnover (\$254,493). ▪ Non-personnel increased due to the increase of one-time costs associated with the implementation of the enterprise permitting system as part of the One-Stop Arlington initiative (\$810,284), increases to overhead costs related to General Fund operational support (\$391,087), and non-personnel funds added for the Mechanical Code Inspector and Permit Processing Specialist positions (\$26,900). The increase is partially offset by adjustments to rent costs associated with the 10th floor office space (\$131,479) and adjustments to the annual expense for maintenance and replacement of County vehicles (\$49,523). ▪ Revenue increased primarily due to the application of an Employment Cost Index increase of 2.5 percent to all existing fees (\$309,252), and increasing the existing Automation Enhancement Surcharge from five to 10 percent based upon the successful implementation of the first phase of the One-Stop Arlington on-line permitting system (\$316,983). 	<p>1.0</p> <p>1.0</p> <p>1.0</p> <p>(1.0)</p>