

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: Zoning Administration, Counter Services, Zoning Enforcement, Zoning Plan Review, and Board of Zoning Appeals; and the following sections of the Inspection Services Division: Construction Permit Administration Services, Construction Field Inspection Services, and Construction Plan Review Services.

SIGNIFICANT BUDGET CHANGES

The FY 2021 adopted expenditure budget for the CPHD Development Fund is \$24,200,894, a five percent increase over the FY 2020 adopted budget. The FY 2021 adopted budget reflects:

- Personnel changes primarily due to the addition of the positions noted below, adjustments to salaries resulting from job family studies for trades and planners, an increase in the County's cost for employee health insurance, partially offset by the transfer out of three permit positions to DES General Fund and other adjustments associated with Permit Arlington (\$265,798, 3.0 FTEs) and lower retirement contributions based on current actuarial projections.
 - Zoning Administration: The addition of an Associate Planner added during the FY 2019 Closeout process (\$127,589, 1.0 FTE) and the addition of a Receptionist position which will be partially funded by DES General Fund (\$59,114, 1.0 FTE).
 - Counter Services: The addition of a Customer Experience Manager added during the FY 2019 Closeout process (\$100,375, 1.0 FTE).
- ↑ Non-personnel increases primarily due to the increase in overhead costs related to General Fund operational support (\$291,563), the addition of one-time funds to support the Board of Zoning Appeals (BZA) (\$100,000), and adjustments to the annual expense for maintenance and replacement of County vehicles (\$4,819), partially offset by a decrease associated with Permit Arlington (\$17,120).
- ↓ Revenue decreases primarily due to projected permit activity (\$1,097,896), partially offset by an inflationary increase of 2.5 percent (\$508,414), the addition of a Home Occupational Permit fee (\$27,682), increases to Sign Permit fees to align fees with the level of review required (\$42,231), and adjustments to Building Permit fees to align fees with the level of review required (\$365,960).

FINANCIAL SUMMARY

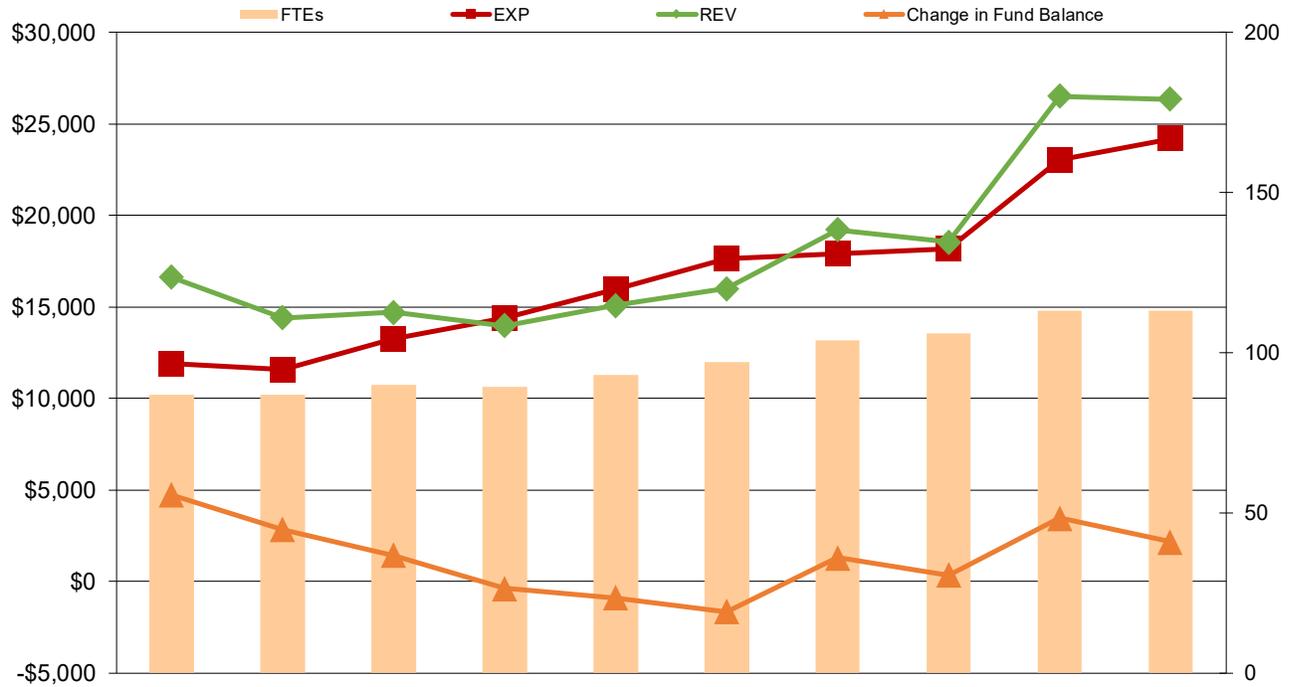
	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	% Change '20 to 21
Personnel	\$11,721,936	\$13,539,277	\$14,296,179	6%
Non-Personnel	6,469,068	9,497,693	9,904,715	4%
Total Expenditures	18,191,004	23,036,970	24,200,894	5%
Fees	18,547,159	26,511,763	26,363,154	-1%
Total Revenues	\$18,547,159	\$26,511,763	\$26,363,154	-1%
Permanent FTEs	106.00	113.00	113.00	
Temporary FTEs	-	-	-	
Total Authorized FTEs	106.00	113.00	113.00	

**CPHD Development
Fund Statement**

	FY 2019 Actual	FY 2020 Adopted	FY 2020 Re-estimate	FY 2021 Adopted
ADJUSTED BALANCE, JULY 1				
Contingent Fund Reserve	\$5,380,841	\$6,628,132	\$5,457,301	\$6,928,634
Capital Reserve	11,751,353	10,447,789	12,031,048	13,976,031
TOTAL BALANCE	17,132,194	17,075,921	17,488,349	20,904,665
REVENUE				
Fees	18,547,159	26,511,763	26,511,763	26,363,154
TOTAL REVENUE	18,547,159	26,511,763	26,511,763	26,363,154
TOTAL REVENUE & BALANCE	35,679,353	43,587,684	44,000,112	47,267,819
EXPENSES				
Personnel	11,721,936	13,539,277	12,987,213	14,296,179
Non-personnel	6,469,068	9,497,693	10,108,234	9,904,715
TOTAL EXPENSES	18,191,004	23,036,970	23,095,447	24,200,894
BALANCE, JUNE 30	17,488,349	20,550,714	20,904,665	23,066,925
Contingent Fund Reserve	5,457,301	6,165,214	6,928,634	7,260,268
Capital Reserve	12,031,048	14,385,500	13,976,031	15,806,657
TOTAL BALANCE	\$17,488,349	\$20,550,714	\$20,904,665	\$23,066,925

- 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 Permit 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.
- In FY 2020, a Future Development Contingency Fund of \$300,000 was added to allow for flexibility in planning and development capacities related to Amazon.

EXPENDITURE, REVENUE, AND FULL-TIME EQUIVALENT TRENDS



	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted Budget	FY 2021 Adopted Budget
\$ in 000s										
EXP	\$11,902	\$11,564	\$13,258	\$14,376	\$15,984	\$17,663	\$17,936	\$18,191	\$23,037	\$24,201
REV	\$16,627	\$14,415	\$14,695	\$13,990	\$15,095	\$16,014	\$19,226	\$18,547	\$26,512	\$26,363
Change in Fund Balance	\$4,725	\$2,851	\$1,437	-\$386	-\$889	-\$1,649	\$1,290	\$356	\$3,475	\$2,162
FTEs	87.00	87.00	90.00	89.50	93.00	97.00	104.00	106.00	113.00	113.00

Fiscal Year	Description	FTEs
FY 2012	<ul style="list-style-type: none"> ▪ Revenue increased based on a projected increase in permitting activity. There were 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 increased 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 decreased based on three fee reductions: the automation fee decreases from ten to five percent (\$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
FY 2015	<ul style="list-style-type: none"> ▪ Transferred a Business Systems Analyst from the CPHD General Fund (\$72,110). ▪ Converted an Elevator Inspector (\$106,910) as well as position reclassification savings (\$43,090) to contractual services for the elevator inspection program. ▪ Increased building rent for the 10th floor of Courthouse Plaza (\$13,643). ▪ Reduced annual expense for maintenance and replacement of County vehicles (\$927). 	0.5 (1.0)

Fiscal Year	Description	FTEs
FY 2016	<ul style="list-style-type: none"> ▪ Transferred a Business Systems Analyst from the CPHD General Fund (\$72,739). ▪ Added a Plan Reviewer (\$84,711), Records Technician (\$74,079), and a Zoning Planner (\$79,382). ▪ 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. 	<p>0.5</p> <p>3.0</p>
FY 2017	<ul style="list-style-type: none"> ▪ Expenses increased 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). ▪ Non-personnel increased for adjustments to rent costs associated with the tenth-floor office space (\$30,193). 	<p>4.0</p>
FY 2018	<ul style="list-style-type: none"> ▪ Added an Associate Planner position to serve as the Assistant Counter Services Manager in Zoning Administration (\$124,686). ▪ Added a Principal Planner to serve as the Zoning Administrative Supervisor in Zoning Administration (\$141,730). ▪ 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. ▪ Transferred a Communications Specialist II (\$147,770) from the Business Operations Division to the Permits Administration Division in the Development Fund. ▪ 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). 	<p>1.0</p> <p>1.0</p> <p>4.0</p> <p>1.0</p>

Fiscal Year	Description	FTEs
FY 2019	<ul style="list-style-type: none"> ▪ Transferred in a position from 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
	<ul style="list-style-type: none"> ▪ Added a Mechanical Code Inspector position in Construction Field Inspection Services (\$82,954). 	1.0
	<ul style="list-style-type: none"> ▪ Added a Permit Processing Specialist in the Inspection Services Division (\$71,481). 	1.0
	<ul style="list-style-type: none"> ▪ Transferred out an Assistant Permit Administration Manager to the Department of Environmental Services (\$106,037). 	(1.0)
	<ul style="list-style-type: none"> ▪ Personnel expenses also reflect an adjustment to account for savings due to staff vacancies and turnover (\$254,493). 	
	<ul style="list-style-type: none"> ▪ 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). 	
	<ul style="list-style-type: none"> ▪ 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). 	
FY 2020	<ul style="list-style-type: none"> ▪ Eliminated a Deputy Building Official (\$198,829). 	(1.0)
	<ul style="list-style-type: none"> ▪ Added positions due to an anticipated increase in development activity and ancillary development activity associated with Amazon, including a: <ul style="list-style-type: none"> ○ Zoning Plan Reviewer in the Zoning Division (\$90,000), and a ○ Fire Protection Engineer in the Construction Plan Review Services Division (\$125,000). 	1.0 1.0
	<ul style="list-style-type: none"> ▪ Transferred in three Code Enforcement positions from the CPHD General Fund to the Construction Permit Administration Services Division (\$401,395). 	3.0
	<ul style="list-style-type: none"> ▪ Added a Business System Analyst in the Construction Permit Administration Services Division (\$101,131). 	1.0
	<ul style="list-style-type: none"> ▪ Added a Permit Processing Specialist in the Construction Permit Administration Services Division (\$75,322). 	1.0
	<ul style="list-style-type: none"> ▪ Added a Fire Inspector in the Construction Field Inspection Services Division (\$116,896). 	1.0

Fiscal Year	Description	FTEs
	<ul style="list-style-type: none"> ▪ Personnel increased due to adjustments to overstrength positions associated with Permit Arlington (\$84,492). ▪ Added non-personnel funding for a Future Development Contingency Fund that will allow for flexibility in planning and development capacities related to Amazon (\$300,000). ▪ Added overhead costs related to General Fund operational support (\$170,529), operating expenses associated with new position adds (\$29,000), and increased rent associated with the 10th floor office space (\$16,798). ▪ Reduced non-personnel budget for Permit Arlington (\$148,626). ▪ Reduced the annual expense for maintenance and replacement of County vehicles (\$7,428). ▪ <i>As part of FY 2019 closeout, the County Board approved the addition of an Associate Planner (\$127,589) and a Customer Experience Manager (\$100,375) in the Zoning Division.</i> 	2.0
FY 2021	<ul style="list-style-type: none"> ▪ Transferred out three permit positions to DES General Fund and other adjustments associated with Permit Arlington (\$265,798). ▪ Added a Receptionist position which will be partially funded by the DES General Fund (\$59,114). ▪ Non-personnel increases due to the increase in overhead costs related to General Fund operational support (\$291,563), the addition of one-time funds to support the Board of Zoning Appeals (BZA) (\$100,000), partially offset by a decrease associated with Permit Arlington (\$17,120). 	(3.0) 1.0