

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: Policy, Research, and Information Management, 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 2022 adopted expenditure budget for the CPHD Development Fund is \$23,941,561, a one percent decrease from the FY 2021 adopted budget. The FY 2022 adopted budget reflects:

- The County Board added funding for a one percent merit pay adjustment, a five percent increase in the range, and an increase to the one-time bonus for staff from \$500 to approximately \$900.
- ↑ Personnel increases primarily due to the adjustments noted above, the addition of positions listed below, an increase to the personnel charge-outs to the Fire Department and the County Attorney's Office in the General Fund to align budget with current staff salaries (\$50,682), and adjustments to salaries resulting from job family studies for Engineers (\$401,433). These increases are partially offset by decreases due to adjustments made to personnel associated with the Permit Arlington project (\$228,128), lower retirement contributions based on current actuarial projections, a 2.5 percent decrease in Kaiser health insurance premiums, and the removal of the salaries for positions added in the FY 2021 budget before the COVID-19 pandemic but held vacant and removed in FY 2022 (\$720,379). It should be noted that the FTEs were removed from the adopted FY 2021 budget but the funding allocation remained if the County's financial condition improved in the fiscal year.
 - Addition of an Associate Planner in the Board of Zoning Appeals section (\$118,869, 1.0 FTE)
 - Addition of a Zoning Technician in the Zoning Counter Services Section (\$85,841, 1.0 FTE)
 - Transfer in of an Administrative Technician I from the CPHD General Fund (\$68,988, 1.0 FTE)
- ↓ Non-personnel decreases due to the removal of a contingent set-aside for Amazon development in FY 2020 (\$300,000), removal of one-time funds added in the FY 2021 budget to support the Board of Zoning Appeals (BZA) (\$100,000), printer reductions (\$16,098), and a decrease in costs associated with the Permit Arlington project (\$218,440). These decreases are partially offset by an increase in rent for the tenth floor (\$93,716), and adjustments to the annual expense for maintenance and replacement of County vehicles (\$1,002).
- ↓ Revenue decreases due to projected permit activity (\$6,510,627), partially offset by the addition of new fees for Zoning electrical, plumbing, and verification permits (\$61,820).

FINANCIAL SUMMARY

	FY 2020 Actual	FY 2021 Adopted	FY 2022 Adopted	% Change 21 to 22
Personnel	\$13,191,416	\$14,296,179	\$14,576,666	2%
Non-Personnel	6,753,824	9,904,715	9,364,895	-5%
Total Expenditures	19,945,240	24,200,894	23,941,561	-1%
Fees	18,265,113	26,363,154	19,914,347	-24%
Total Revenues	\$18,265,113	\$26,363,154	\$19,914,347	-24%
Permanent FTEs	113.00	113.00	116.00	
Temporary FTEs	-	-	-	
Total Authorized FTEs	113.00	113.00	116.00	

Expenses & Revenues by Line of Business

	FY 2020 Actual Expense	FY 2021 Adopted Expense	FY 2022 Adopted Expense	% Change '21 to '22	FY 2022 Adopted Revenue	FY 2022 Change in Fund Balance
Policy, Research and Information Mgmt.	\$3,281,079	\$1,025,126	\$1,306,438	27%	\$2,162,812	\$856,374
Counter Services	-	1,044,105	1,121,439	7%	-	(1,121,439)
Zoning Enforcement	-	828,306	850,416	3%	-	(850,416)
Zoning Plan Review	-	1,089,721	1,125,916	3%	-	(1,125,916)
Board of Zoning Appeals	-	225,934	256,165	13%	-	(256,165)
Construction Permit Admin. Services	9,705,996	13,184,210	12,157,469	-8%	10,627,817	(1,529,652)
Construction Field Inspection Services	4,205,148	3,561,168	3,646,542	2%	3,646,542	-
Construction Plan Review Services	2,753,017	3,242,324	3,477,176	7%	3,477,176	-
Total	\$19,945,240	\$24,200,894	\$23,941,561	-1%	\$19,914,347	(\$4,027,214)

Authorized FTEs by Line of Business

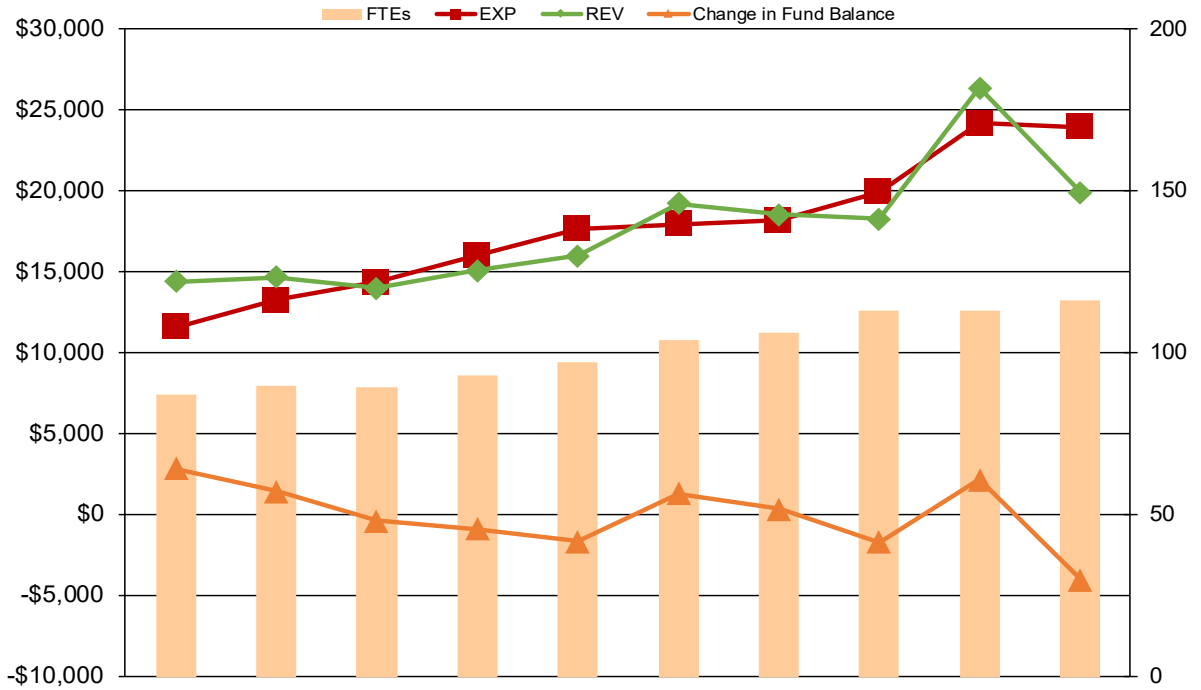
	FY 2021 FTEs Adopted	FY 2022 Permanent FTEs Adopted	FY 2022 Temporary FTEs Adopted	FY 2022 Total FTEs Adopted
Policy, Research and Information Management	7.00	8.00	-	8.00
Counter Services	10.00	10.00	-	10.00
Zoning Enforcement	7.00	7.00	-	7.00
Zoning Plan Review	9.00	9.00	-	9.00
Board of Zoning Appeals	1.00	2.00	-	2.00
Construction Permit Admin. Services	30.00	31.00	-	31.00
Construction Field Inspection Services	28.00	28.00	-	28.00
Construction Plan Review Services	21.00	21.00	-	21.00
Total	113.00	116.00	-	116.00

**CPHD Development
Fund Statement**

	FY 2020 Actual	FY 2021 Adopted	FY 2021 Re-estimate	FY 2022 Adopted
ADJUSTED BALANCE, JULY 1				
Contingent Fund Reserve	\$5,457,301	\$6,928,634	\$5,983,572	\$6,808,169
Capital Reserve	12,031,048	13,976,031	9,824,650	6,158,684
TOTAL BALANCE	17,488,349	20,904,665	15,808,222	12,966,853
REVENUE				
Fees	18,265,113	26,363,154	19,852,527	19,914,347
TOTAL REVENUE	18,265,113	26,363,154	19,852,527	19,914,347
TOTAL REVENUE & BALANCE	35,753,462	47,267,819	35,660,749	32,881,200
EXPENSES				
Personnel	13,191,416	14,296,179	13,164,086	14,576,666
Non-personnel	6,753,824	9,904,715	9,529,810	9,364,895
TOTAL EXPENSES	19,945,240	24,200,894	22,693,896	23,941,561
BALANCE, JUNE 30	15,808,222	23,066,925	12,966,853	8,939,639
Contingent Fund Reserve	5,983,572	7,260,268	6,808,169	7,182,468
Capital Reserve	9,824,650	15,806,657	6,158,684	1,757,171
TOTAL BALANCE	\$15,808,222	\$23,066,925	\$12,966,853	\$8,939,639

- 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.

EXPENDITURE, REVENUE, AND FULL-TIME EQUIVALENT TRENDS



	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
\$ in 000s	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Adopted Budget	Adopted Budget
EXP	\$11,564	\$13,258	\$14,376	\$15,984	\$17,663	\$17,936	\$18,191	\$19,945	\$24,201	\$23,942
REV	\$14,415	\$14,695	\$13,990	\$15,095	\$16,014	\$19,226	\$18,547	\$18,265	\$26,363	\$19,914
Change in Fund Balance	\$2,851	\$1,437	-\$386	-\$889	-\$1,649	\$1,290	\$356	-\$1,680	\$2,162	-\$4,028
FTEs	87.00	90.00	89.50	93.00	97.00	104.00	106.00	113.00	113.00	116.00

Fiscal Year	Description	FTEs
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). 	3.00
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). 	0.50 (1.00)
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). 	0.50 3.00

Fiscal Year	Description	FTEs
	<ul style="list-style-type: none"> ▪ 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	<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). 	4.00
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). 	1.00 1.00 4.00 1.00
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). ▪ Added a Mechanical Code Inspector position in Construction Field Inspection Services (\$82,954). 	1.00 1.00

Fiscal Year	Description	FTEs
	<ul style="list-style-type: none"> ▪ Added a Permit Processing Specialist in the Inspection Services Division (\$71,481). 1.00 ▪ Transferred out an Assistant Permit Administration Manager to the Department of Environmental Services (\$106,037). (1.00) ▪ 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). 	
FY 2020	<ul style="list-style-type: none"> ▪ Eliminated a Deputy Building Official (\$198,829). (1.00) ▪ Added positions due to an anticipated increase in development activity and ancillary development activity associated with Amazon, including: <ul style="list-style-type: none"> ○ Zoning Plan Reviewer in the Zoning Division (\$90,000) and 1.00 ○ Fire Protection Engineer in the Construction Plan Review Services Division (\$125,000). 1.00 ▪ Transferred in three Code Enforcement positions from the CPHD General Fund to the Construction Permit Administration Services Division (\$401,395). 3.00 ▪ Added a Business System Analyst in the Construction Permit Administration Services Division (\$101,131). 1.00 ▪ Added a Permit Processing Specialist in the Construction Permit Administration Services Division (\$75,322). 1.00 ▪ Added a Fire Inspector in the Construction Field Inspection Services Division (\$116,896). 1.00 ▪ 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). 	

Fiscal Year	Description	FTEs
	<ul style="list-style-type: none"> ▪ 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> 	2.00
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 was 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). 	(3.00) 1.00
FY 2022	<ul style="list-style-type: none"> ▪ The County Board added funding for a one-percent merit pay adjustment, a five percent increase in the range, and an increase to the one-time bonus for staff from \$500 to approximately \$900. ▪ Added an Associate Planner in the Board of Zoning Appeals section (\$118,869). ▪ Added a Zoning Technician in the Zoning Counter Services Section (\$85,841). ▪ Transferred in an Administrative Technician I from the CPHD General Fund (\$68,988). ▪ Increased the charge out to the Fire Department and County Attorney's Office in the General Fund to align budget with current staff salaries (\$50,682). ▪ Added funding for increased salaries resulting from job family studies for Engineers (\$401,433). ▪ Adjusted personnel associated with the Permit Arlington project (\$228,128). ▪ Removal of the salaries for positions added in the FY 2021 budget before the COVID-19 pandemic but held vacant and removed in FY 2022 (\$720,379). It should be noted that the FTEs were removed from the adopted FY 2021 budget but the funding allocation remained if the County's financial condition improved in the fiscal year. ▪ Removal of a contingent set-aside for Amazon development in FY 2020 (\$300,000). ▪ Removed one-time funds added in the FY 2021 budget to support the Board of Zoning Appeals (BZA) (\$100,000). ▪ Reduced printer expenses (\$16,098) ▪ Reduced non-personnel budget for the Permit Arlington project (\$218,440). 	1.00 1.00 1.00

Fiscal Year	Description	FTEs
	<ul style="list-style-type: none">▪ Increased rent expenses associated with the tenth floor (\$93,716).▪ Revenue decreases due to projected permit activity (\$6,510,627), partially offset by the addition of new fees for Zoning electrical, plumbing, and verification permits (\$61,820).	