

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 2017 adopted expenditure budget for the CPHD Development Fund is \$19,918,105, a 31 percent increase from the FY 2016 adopted budget. The FY 2017 adopted budget reflects:

- **In support of the County Manager's three 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 due to employee salary increases, **an increase in the County's cost** for employee health insurance, and the addition of four limited term positions to assist with the One-Stop Arlington initiative (\$375,080, 4.0 FTEs), offset by adjustments to retirement contributions based on current actuarial projections.
- ↑ Non-personnel increases due to costs associated with the One-Stop Arlington initiative including implementation of a new business permitting system, project management, system support, and space reconfiguration (\$3,610,962). In addition, non-personnel increases for adjustments to rent costs associated with the tenth floor office space (\$30,193) and an increase in the annual expense for the maintenance and replacement of County vehicles (\$6,750).
- Expense increases for FY 2017 are offset by the utilization of fund balance (\$5,108,609).
- There are no fee increases adopted for FY 2017.

FINANCIAL SUMMARY

	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted	% Change '16 to '17
Personnel	\$8,955,852	\$9,978,721	\$11,005,396	10%
Non-Personnel	5,420,462	5,264,804	8,912,709	69%
Total Expenditures	14,376,314	15,243,525	19,918,105	31%
Fees	13,990,042	14,809,496	14,809,496	-
Total Revenues	13,990,042	14,809,496	14,809,496	-
Change in Fund Balance	\$386,272	\$434,029	\$5,108,609	1077%
Permanent FTEs	89.50	93.00	97.00	
Temporary FTEs	-	-	-	
Total Authorized FTEs	89.50	93.00	97.00	

Expenses by Line of Business

	FY 2015 Actuals	FY 2016 Adopted	FY 2017 Adopted	% Change '16 to '17
Zoning Administration	\$2,777,304	\$3,292,789	\$3,313,335	1%
Construction Permit Administration Services	5,474,345	6,105,610	10,411,474	71%
Construction Field Inspection Services	3,435,308	2,998,432	3,007,243	-
Construction Plan Review Services	2,689,357	2,846,694	3,186,053	12%
Total Expenditures	\$14,376,314	\$15,243,525	\$19,918,105	31%

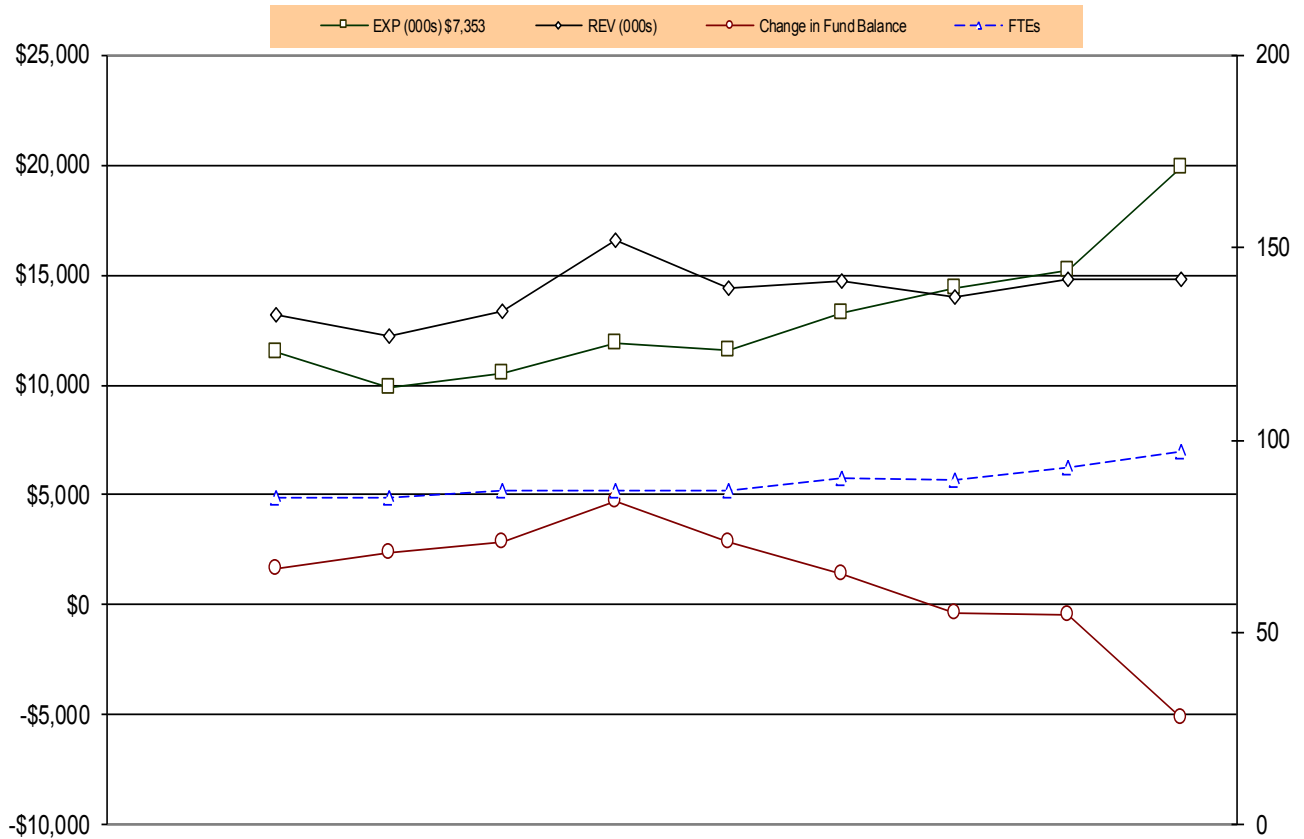
CPHD Development Fund
Fund Statement

	FY 2015 Actual	FY 2016 Adopted	FY 2016 Re-estimate	FY 2017 Adopted
ADJUSTED BALANCE, JULY 1				
Contingent Fund Reserve	\$3,977,420	\$4,573,057	\$4,573,057	\$5,975,431
Capital Reserve	14,788,254	13,767,066	13,806,345	11,969,942
TOTAL BALANCE	18,765,674	18,340,123	18,379,402	17,945,373
REVENUE				
Fees	13,990,042	14,809,496	14,809,496	14,809,496
TOTAL REVENUE	13,990,042	14,809,496	14,809,496	14,809,496
TOTAL REVENUE & BALANCE	32,755,716	33,149,619	33,188,898	32,754,869
EXPENSES				
Personnel	8,955,852	9,978,721	9,978,721	11,005,396
Non-personnel	5,420,462	5,264,804	5,264,804	8,912,709
TOTAL EXPENSES	14,376,314	15,243,525	15,243,525	19,918,105
BALANCE, JUNE 30	18,379,402	17,906,094	17,945,373	12,836,764
Contingent Fund Reserve	4,312,894	4,573,058	4,573,058	5,975,431
Capital Reserve	14,066,508	13,333,037	13,372,315	6,861,333
TOTAL BALANCE	\$18,379,402	\$17,906,094	\$17,945,373	\$12,836,764

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 Department currently anticipates the following multi-year technology and one-time projects may require the use of Capital Reserve monies: **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.

EXPENDITURE, REVENUE, AND FULL-TIME EQUIVALENT TRENDS



	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted Budget	FY 2017 Adopted Budget
EXP (000s)		\$11,531	\$9,859	\$10,566	\$11,902	\$11,564	\$13,258	\$14,376	\$15,244	\$19,918
REV (000s)		\$13,204	\$12,237	\$13,387	\$16,627	\$14,415	\$14,695	\$13,990	\$14,809	\$14,809
Change in Fund Balance		\$1,673	\$2,378	\$2,821	\$4,725	\$2,851	\$1,437	-\$386	-\$435	-\$5,109
FTEs		85.00	85.00	87.00	87.00	87.00	90.00	89.50	93.00	97.00

Note: Beginning in FY 2009, the Zoning Administration, Permit Processing, Code Compliance, and Plan Review Sections within the Department of Community Planning, Housing and Development (CPHD) became a separate fund, the CPHD Development Fund. At that time, 65.00 FTEs were transferred from the CPHD General Fund to the CPHD Development Fund.

Fiscal Year	Description	FTEs
FY 2009	<ul style="list-style-type: none"> ▪ Transfer of FTEs from the CPHD General Fund to the CPHD Development Fund. 	65.0
	<ul style="list-style-type: none"> ▪ Twenty new positions (20.0 FTEs and \$1,991,806) were added that were originally approved by the County Board as an FY 2008 supplemental appropriation. 	20.0
	<ul style="list-style-type: none"> ▪ Non-personnel expenditures increased to reflect increased operating expenses to support the 20 new FTEs (\$98,046). In addition, increases were included to fund the following items: a lease for the space DCPHD Development Fund staff will occupy (\$880,000), various technology improvements in support of improved customer service (\$1,100,000), five additional vehicles and ongoing Auto Fund charge increases (\$149,526), and the move to new space, including new furniture (\$325,518). In addition, the CPHD Development Fund, like other enterprise funds in the County, pays a County overhead charge to the County's General Fund to cover the cost of support services, such as human resources, legal, and finance (\$1,285,704). 	
	<ul style="list-style-type: none"> ▪ Fee revenue included \$5,428,468 due to fee increases as of October 1, 2007. In addition, revenue increased to reflect a 3.3 percent increase in fee rates and a projected increase in permitting and construction activity (\$671,418). 	
	<ul style="list-style-type: none"> ▪ Upon creation of the CPHD Development Fund, ten temporary FTEs were converted to permanent 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. 	
	<ul style="list-style-type: none"> ▪ 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. 	
	<ul style="list-style-type: none"> ▪ Increased payment to the County that covers internal services provided by County staff (\$241,900). 	
	<ul style="list-style-type: none"> ▪ Increased building rent for the 10th floor of Courthouse Plaza (\$43,630). 	

Fiscal Year	Description	FTEs
	<ul style="list-style-type: none"> ▪ 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
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)
FY 2016	<ul style="list-style-type: none"> ▪ Transferred a Business Systems Analyst from the CPHD General Fund (\$72,739). ▪ Added a Plan review (\$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. 	0.5 3.0

- 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).
 - Non-personnel increased for adjustments to rent costs associated with the tenth floor office space (\$30,193).
- 4.0