

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 2018 adopted expenditure budget for the CPHD Development Fund is \$20,230,219, a two percent increase from the FY 2017 adopted budget. The FY 2018 adopted budget reflects:

- In support of the County Manager's strategic priorities, 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 positions added to improve management of Zoning Counter Services and Zoning Administrative functions and to provide post-production support to One Stop Arlington projects which are detailed below. Increase also reflect the transfer in of a Communications Specialist II (\$147,770 1.0 FTE) from the Business Operations Division in the General Fund, employee salary increases, an increase in the County's cost for employee health insurance, and retirement contributions based on current actuarial projections. The position changes related to One Stop Arlington include the conversion of a limited term Assistant Permit Processing Manager to a full-time position and the following additions:
 - Production Support Manager (\$148,500, 1.0 FTE)
 - GIS Systems Administrator (\$155,997, 1.0 FTE)
 - Two Help Desk Support positions required for the second half of FY 2018 (\$121,333, 2.0 FTEs)

The positions added to Zoning include:

- Addition of an Associate Planner position to serve as the Assistant Counter Services Manager in Zoning Administration (\$124,686, 1.0 FTE)
 - Addition of a Principal Planner to serve as the Zoning Administrative Supervisor in Zoning Administration (\$141,730, 1.0 FTE)
- ↓ Non-personnel decreases 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 increases due to the creation of a new permit type for Accessory Homestay home occupation at a rate of \$60 per application (\$29,452) and increase utilization of fund balance to cover projected expenses (\$282,662).

FINANCIAL SUMMARY

	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted	% Change '17 to '18
Personnel	\$9,816,703	\$11,005,396	\$12,140,068	10%
Non-Personnel	6,167,360	8,912,709	8,090,151	-9%
Total Expenditures	15,984,063	19,918,105	20,230,219	2%
Fees	15,095,796	14,809,496	14,838,948	-
Utilization of Fund Balance *	888,267	5,108,609	5,391,271	6%
Total Revenues	\$15,984,063	\$19,918,105	\$20,230,219	2%
Permanent FTEs	93.00	97.00	104.00	
Temporary FTEs	-	-	-	
Total Authorized FTEs	93.00	97.00	104.00	

* - The change in fund balance is reflected in the following Fund Statement.

Expenses by Line of Business

	FY 2016 Actuals	FY 2017 Adopted	FY 2018 Adopted	% Change '17 to '18
Zoning Administration	\$2,530,322	\$3,313,335	\$3,900,720	18%
Construction Permit Administration Services	7,102,662	10,411,474	10,143,539	-3%
Construction Field Inspection Services	3,709,108	3,007,243	3,167,339	5%
Construction Plan Review Services	2,641,971	3,186,053	3,018,621	-5%
Total Expenditures	\$15,984,063	\$19,918,105	\$20,230,219	2%

CPHD Development Fund
Fund Statement

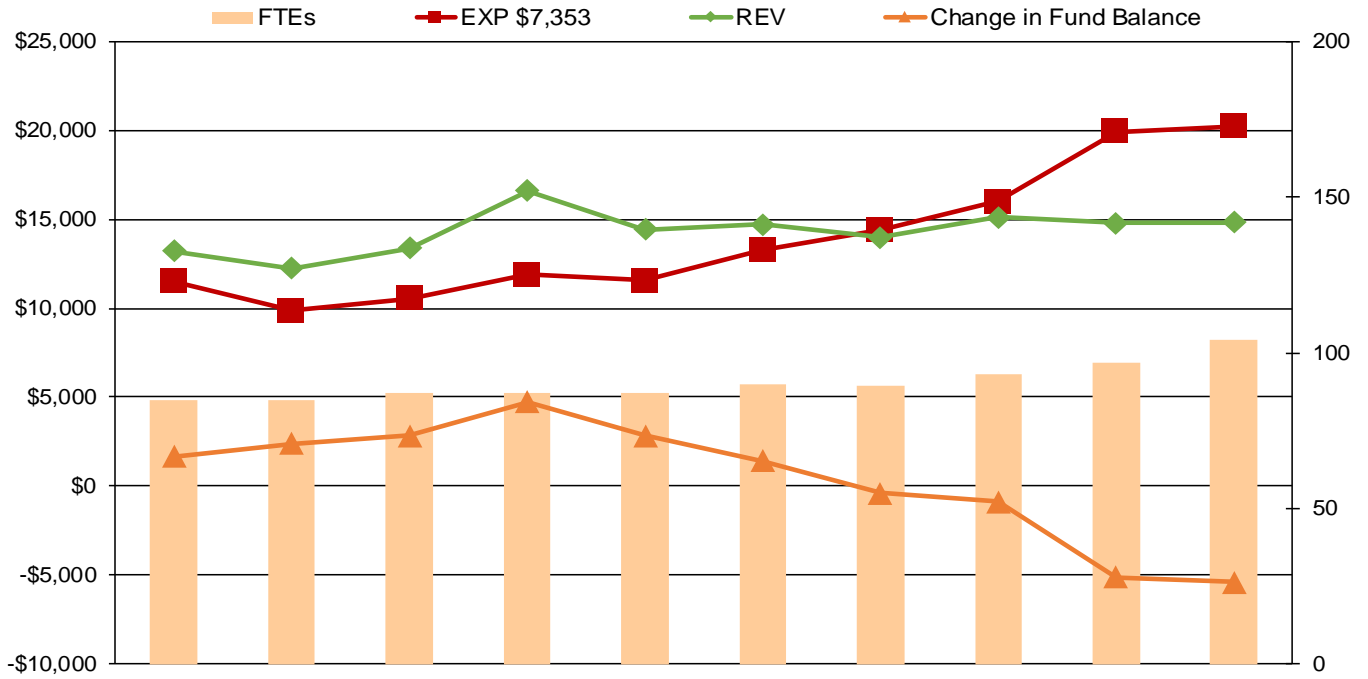
	FY 2016 Actual	FY 2017 Adopted	FY 2017 Re-estimate	FY 2018 Adopted
ADJUSTED BALANCE, JULY 1				
Contingent Fund Reserve	\$4,312,894	\$5,975,431	\$4,795,219	\$5,938,374
Capital Reserve	14,066,508	11,969,942	12,695,916	6,567,678
TOTAL BALANCE	18,379,402	17,945,373	17,491,135	12,506,052
REVENUE				
Fees	15,095,796	14,809,496	14,809,496	14,838,948
TOTAL REVENUE	15,095,796	14,809,496	14,809,496	14,838,948
TOTAL REVENUE & BALANCE	33,475,198	32,754,869	32,300,631	27,345,000
EXPENSES				
Personnel	9,816,703	11,005,396	11,005,396	12,140,068
Non-personnel	6,167,360	8,912,709	8,789,183	8,090,151
TOTAL EXPENSES	15,984,063	19,918,105	19,794,579	20,230,219
BALANCE, JUNE 30	17,491,135	12,836,764	12,506,052	7,114,781
Contingent Fund Reserve	4,795,219	5,975,432	5,938,374	6,069,065
Capital Reserve	12,695,916	6,861,333	6,567,678	1,045,716
TOTAL BALANCE	\$17,491,135	\$12,836,764	\$12,506,052	\$7,114,781

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



	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted Budget	FY 2018 Adopted Budget
\$ in 000s										
EXP	\$11,531	\$9,859	\$10,566	\$11,902	\$11,564	\$13,258	\$14,376	\$15,984	\$19,918	\$20,230
REV	\$13,204	\$12,237	\$13,387	\$16,627	\$14,415	\$14,695	\$13,990	\$15,095	\$14,809	\$14,839
Change in Fund Balance										
Balance	\$1,673	\$2,378	\$2,821	\$4,725	\$2,851	\$1,437	-\$386	-\$889	-\$5,109	-\$5,391
FTEs	85.00	85.00	87.00	87.00	87.00	90.00	89.50	93.00	97.00	104.00

Fiscal Year	Description	FTEs
FY 2009	▪ Transfer of FTEs from the CPHD General Fund to the CPHD Development Fund.	65.0
	▪ 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
	▪ 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).	
	▪ 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).	
	▪ Upon creation of the CPHD Development Fund, ten temporary FTEs were converted to permanent FTEs.	
FY 2010	▪ 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	▪ 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	▪ Revenue increased based on a projected increase in permitting activity. There are no fee increases for FY 2012.	
FY 2013	▪ 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).	

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

Fiscal Year	Description	FTEs
FY 2017	<ul style="list-style-type: none"> ▪ 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
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). 	1.0 1.0 4.0 1.0