



Commission Memorandum

REPORT TO: Honorable Mayor and City Commission

FROM: Bob Risk, Chief Building Official
Wendy Thomas, Director of Community Development

SUBJECT: Building Division 4th Quarter FY13 Update
April 1, 2013 – June 30, 2013

MEETING DATE: August 5, 2013

AGENDA ITEM TYPE: Consent

RECOMMENDATION: Accept this report detailing the financial and workload position of the Building Division for the quarter ending June 30, 2013.

BACKGROUND: To keep the City Commission and the City Administration informed regarding the Building Division revenues and workloads we committed to make quarterly reports regarding revenues, staffing levels and operating costs within the department.

The following sections represent the FY13 4th Quarter.

Note: Bold/Italicized/Underlined text also represents the FY13 year end numbers.

A. REVENUE: Our total revenue for the 4th quarter was **\$449,081**.

Fourth Quarter Monthly Revenues	
April	\$140,565
May	\$189,047
June	\$119,469
Average Monthly Revenues:	\$149,694

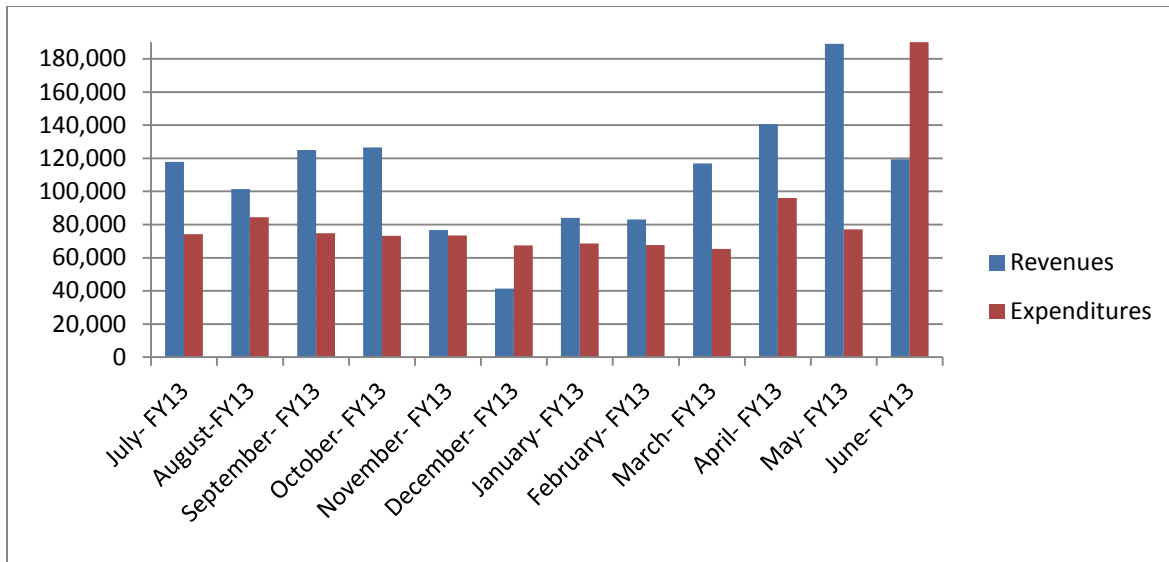
B. EXPENDITURES: Our total expenditures for the 4th Quarter were **\$528,506**

Fourth Quarter Expenditures	
April	\$94,997
May	\$95,997
June	\$337,512
Average Monthly Expenditures:	\$176,168

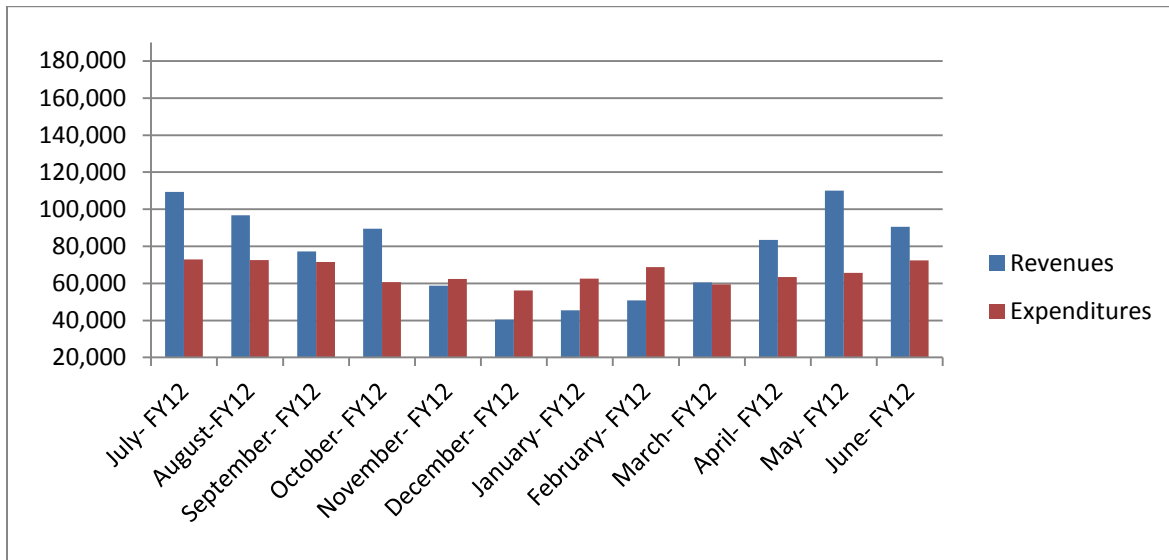
For Fiscal Year 2013, our total revenue amount equaled \$1,326,797 and our total expenditure amount equaled \$1,181,005. Note: Approximately \$227,000 of our June, FY13 expenditures were for technological upgrades. (Computer software and hardware)

Building Division Revenue/Expenditure Comparison- FY13/FY12

FY 2013



FY 2012



4th Quarter Budget Status - 100% of Year Lapsed, 0% Remains

	Budget	Spent	Amount Remaining	Percent Remaining
Personnel	\$731,428	(\$713,615)	\$17,813	2.4%
Operating	\$155,188	(\$240,603)	(\$85,415)	-55.0%
CIP	\$132,500	(\$226,788)	(\$94,288)	-
Total	\$1,019,116	(\$1,181,005)	(\$161,890)	-15.8%

C. CASH RESERVE: The Administrative Rules of Montana allow the building division to maintain a “cash reserve fund” derived from building permit fees provided that the reserve amount does not exceed the building division operating costs for a 12 month period.

At the beginning of the fiscal year the Building Inspection Fund Cash Reserve was \$1,005,484. At the end of the fiscal year the Cash Reserve Balance was \$1,151,276 which is an overall increase for the year of \$145,792 or 12%. Our current Cash Reserve Fund balance of \$1,151,276 represents about 85% of our adjusted FY14 Budget Request of \$1,356,763.

D. PERMIT ACTIVITY: Permits for New Construction, Tenant Improvements, Remodels, etc.

Permit Type	1st QTR	2nd QTR	3rd QTR	4th QTR	<u>Yearly Totals</u>
Building	503	345	240	341	1429
Electrical	230	187	195	269	881
Plumb/Mech	314	274	282	343	1213
Fire Systems	4	24	14	5	47
Demolition	12	10	7	12	41
Total Permits	1063	840	738	853	3611

E. PLAN REVIEW: Completed Plan Reviews.

Permit Type	1st QTR	2nd QTR	3rd QTR	4th QTR	<u>Yearly Totals</u>
Commercial	184	129	126	184	623
Residential	251	243	221	385	1100
Total	435	372	347	569	1723

F. BUILDING INSPECTION: Completed Building Inspections;

Average Daily Inspections (per inspector)	Standard 15
April	17.39
May	20.51
June	19.45
Average inspections per day for the quarter	19.12

The total number of completed inspections for FY13 was 18,627

G. STAFFING: At this time, the Building Division staff consists of the Chief Building Official, 2 Plans Examiners, 5 Building Inspectors, 1 Fire/Building Inspector, 2 Building Permit Coordinators and 1 Temp Permit Technician. We are currently recruiting to fill a vacant Code Compliance Officer Position.

H. STATE OF THE DIVISION: Construction remained steady throughout FY13 and new housing starts along with consistent commercial building activity kept staff extremely busy. To meet the current and projected division workload we filled several vacant staff positions by hiring one Building Inspector, two Building Permit Coordinators and one Temporary Building Permit Technician.

I. As part of our continuing effort to improve our already excellent customer service, we've expanded our general services to include flexible pre-development, pre-construction consultation for small and medium size projects. This service has proved to be extremely valuable to homeowners and one-time/single project building permit applicants.

We are also implementing new software programs that will give our customers direct online access to our permit management software allowing them to: check their permit application status, request building inspections, check building inspection results, and facilitate online building permit application submittals and electronic plan review. This program will go live in August. The local building community has told staff this will be a tremendous improvement for them and the inspection process.

After extensive research and planning we are implementing new computer software that will simplify our inspection scheduling process and allow the building inspectors to document their inspection results while in the field. The time savings benefit from the new software

should allow each inspector to complete one or two additional inspections during the work day. In addition, the new software will help to provide consistency and improve our inspection documentation. This program will go live in October.

This winter we will launch our Electronic Plan Review Program that will allow our customers to make electronic plan submittals during the initial application process and to also submit electronic revisions during the plan review process and, if necessary, during construction. This program will save our customers time and money during the permit application and approval process. In addition, it will also increase the efficiency and effectiveness of the building division plan review staff.

We are about to enter a new code cycle based on the 2012 International Building Codes. In preparation for the upcoming code changes, we are beginning to plan our Third Annual Winter Training Program which will be open to anyone who is interested, including all COB employees, building departments from other jurisdictions, contractors, design professionals and homeowners.

For the year ahead, the building division staff will continue to make customer service our top priority. We are anticipating that FY14 will be busy, much like the previous year. As we begin the new 2014 fiscal year, we are all looking forward to the opportunities and challenges the new year will bring.

UNRESOLVED ISSUES: None.

ALTERNATIVES: As suggested by the City Commission.

FISCAL EFFECTS: Our monthly **revenue** for the 4th Quarter averaged **\$146,694** per month and totaled **\$449,081** for the quarter. **Our total revenue for FY13 was \$1,326,797.**

Our monthly **expenditures** for the 4th quarter averaged **\$149,694** per month and totaled **\$528,506** for the quarter. **Our total expenditures for FY13 were \$1,181,005.**

The Building Division Reserve Fund balance at the end of the 4th Quarter was \$1,151,276 which equals approximately 85% of our adjusted FY14 Budget Request of \$1,356,763.

Attachments: None

Report Compiled On: July 10, 2013