



Commission Memorandum

REPORT TO: Honorable Mayor and City Commission

FROM: Bob Risk, Chief Building Official
Steve Worthington, Interim Director of Community Development

SUBJECT: Building Inspection 2nd Quarter FY13 Update
October 1, 2012 – December 31, 2012

MEETING DATE: January 14, 2013

AGENDA ITEM TYPE: Consent

RECOMMENDATION: Accept this report detailing the financial and workload position of the Building Inspection Division for the quarter ending December 31, 2012.

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 2nd Quarter.

A. REVENUE: Our total revenue for the 2nd quarter was **\$244,613**.

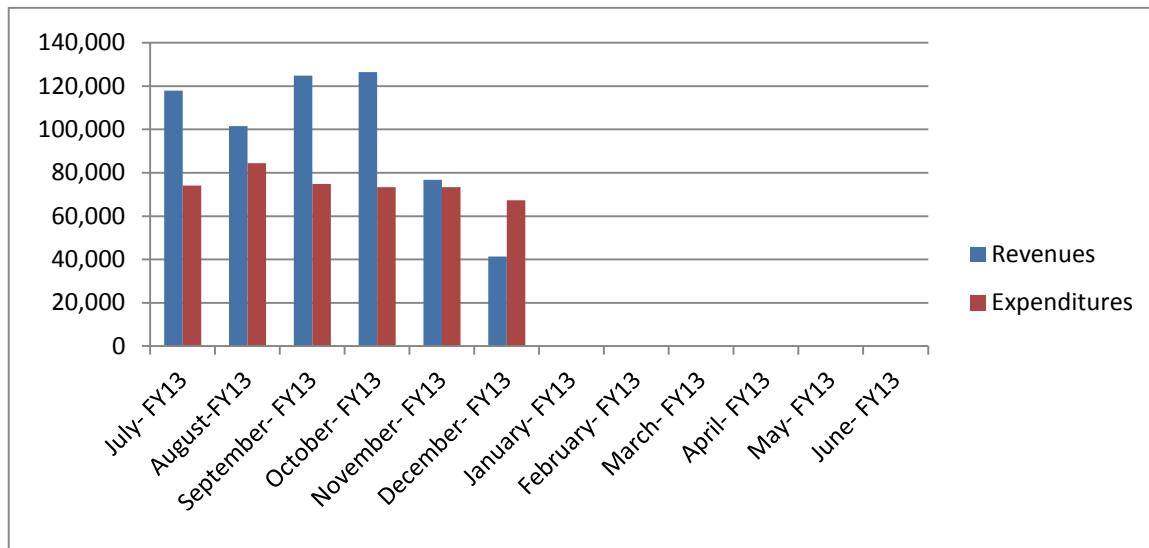
First Quarter Monthly Revenues	
October	\$126,485
November	\$76,803
December	\$41,325
Average Monthly Revenues:	\$81,538

B. EXPENDITURES: Our total expenditures for the 2nd Quarter were **\$214,043**.

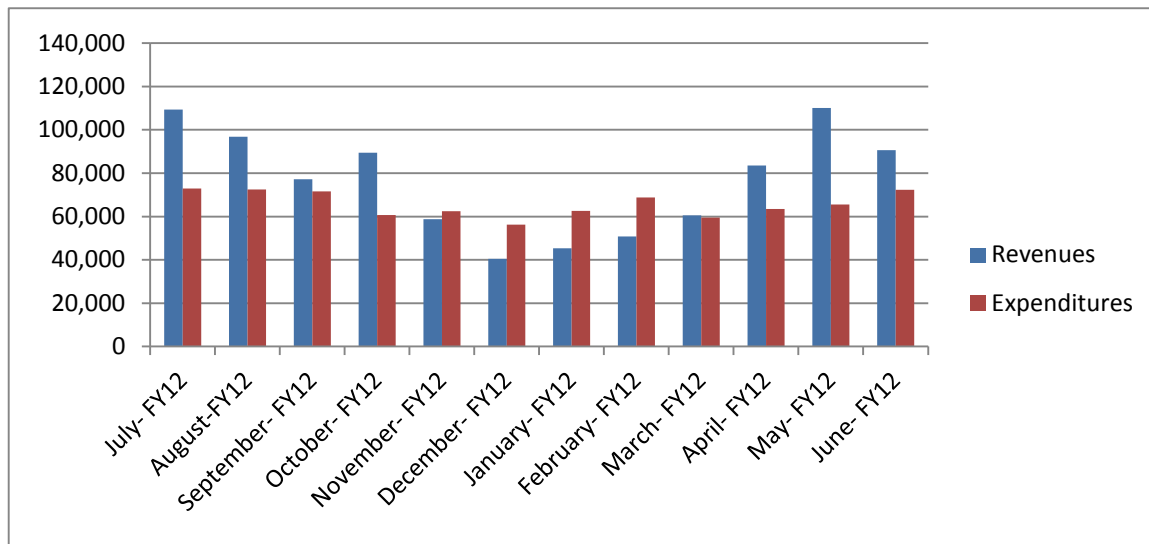
First Quarter Expenditures	
October	\$73,291
November	\$73,389
December	\$67,363
Average Monthly Expenditures:	\$71,348

Building Division Revenue/Expenditure Comparison- FY13/FY12

FY 2013



FY 2012



2nd Quarter Budget Status - 50% of Year Lapsed, 50% Remains

	Budget	Spent	Amount Remaining	Percent Remaining
Personnel	\$731,428	(\$353,644)	\$377,784	51.7%
Operating	\$155,188	(\$96,732)	\$58,456	37.7%
CIP	\$100,000	-	\$100,000	-
Total	986,616	(\$450,375)	\$536,241	54.4 %

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. Our estimate of the building division operating costs for FY13 was \$986,616.

At the beginning of the 2nd quarter the Building Inspection Fund Cash Reserve was **\$1,113,471**. At the end of the 2nd quarter our Cash Reserve balance was **\$1,144,041**.

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

Permit Type	1st QTR	2nd QTR	3rd QTR	4th QTR	Yearly Totals
Building	889	626			1515
Electrical	230	187			417
Plumb/Mech	314	274			588
Fire Systems	4	24			28
Demolition	12	10			22
Total Permits	1449	1121			2570

E. NEW BUILDING VALUATION - Does not include Tenant Improvements, Remodels, etc.

Occupancy Type	1st QTR	2nd QTR	3rd QTR	4th QTR	Yearly Totals
Commercial	\$19,349,625	\$5,807,253			\$25,156,878
Residential	\$26,589,615	\$28,640,461			\$55,230,076
Total	\$45,939,240	\$34,447,714			\$80,386,954

F. PLAN REVIEW: Completed Plan Reviews.

Permit Type	1st QTR	2nd QTR	3rd QTR	4th QTR	Yearly Totals
Commercial	184	129			313
Residential	251	243			494
Total	435	372			807

G. BUILDING INSPECTION: Completed Building Inspections;

Average Daily Inspections (per inspector)	Standard 15
October	16.96
November	17.93
December	15.55
Average inspections per day for the quarter	16.81

The total number of completed inspections, to date, for FY13 equals **9180**

H. CODE COMPLIANCE:

Activity	1st QTR	2nd QTR	3rd QTR	4th QTR	<i>Yearly Totals</i>
New Cases	8	8			16
Closed Cases	13	10			23
Citizen Complaints	21	15			36
Stop Work Orders	7	5			12
Business License Inspections	109	107			216

I. STAFFING: At this time, the Building Division staff consists of the Chief Building Official, 2 Plans Examiners, 4 Building Inspectors, 1 Code Compliance Officer, and 1 Building Permit Coordinator. We are currently are recruiting to fill a vacant Building Permit Technician position and in anticipation of a heavy workload for our 2013/2014 building season we are also recruiting to increase our inspection staff by 1 Building Inspector.

UNRESOLVED ISSUES: None.

ALTERNATIVES: As suggested by the City Commission.

FISCAL EFFECTS: Our monthly **revenue** for the 2nd Quarter averaged **\$81,538** per month and totaled **\$244,613** for the quarter.

Our monthly **expenditures** for the 2nd quarter averaged **\$71,348** per month and totaled **\$214,043** for the quarter.

The Building Division Reserve Fund balance at the end of the 2nd Quarter was \$1,144,041 which equals approximately 115% of our FY13 Budget Request of \$986,616.

While we are currently at about 115% of our allowable cash reserve our anticipated increase in inspection staffing, the purchase of a new vehicle for our inspection staff, in conjunction with the upcoming winter slow season, will adjust our reserve balance to appropriate levels.

Attachments: None
Report Compiled On: January 7, 2013