



## Commission Memorandum

**REPORT TO:** Honorable Mayor and City Commission

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

**SUBJECT:** Building Division 3rd Quarter FY13 Update  
January 1, 2013 – March 31, 2013

**MEETING DATE:** May 6, 2013

**AGENDA ITEM TYPE:** Consent

**RECOMMENDATION:** Accept this report detailing the financial and workload position of the Building Division for the quarter ending March 31, 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 3rd Quarter.**

A. REVENUE: Our total revenue for the 3rd quarter was **\$282,534**.

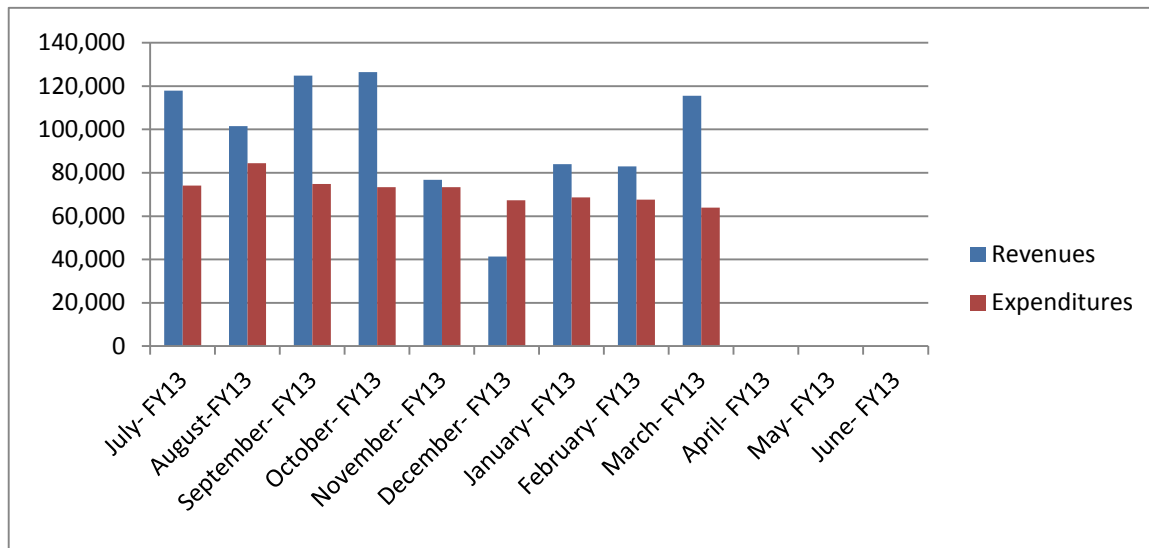
<b>Third Quarter Monthly Revenues</b>	
<b>October</b>	<b>\$83,962</b>
<b>November</b>	<b>\$83,003</b>
<b>December</b>	<b>\$115,569</b>
<b>Average Monthly Revenues:</b>	<b>\$94,178</b>

B. EXPENDITURES: Our total expenditures for the 3rd Quarter were **\$200,249**.

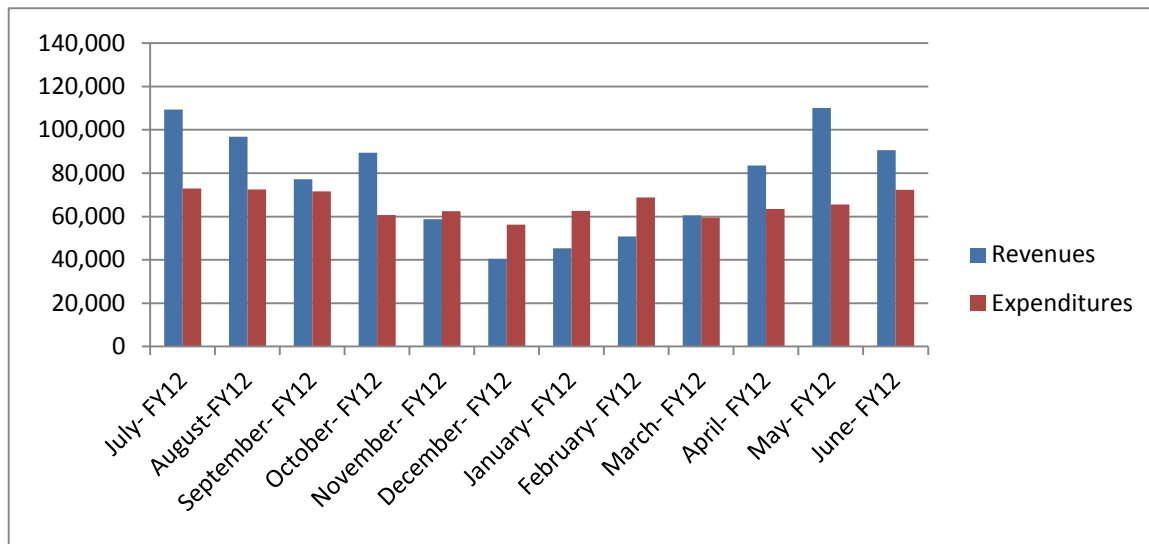
<b>Third Quarter Expenditures</b>	
<b>October</b>	<b>\$68,648</b>
<b>November</b>	<b>\$67,612</b>
<b>December</b>	<b>\$63,989</b>
<b>Average Monthly Expenditures:</b>	<b>\$66,749</b>

**Building Division Revenue/Expenditure Comparison- FY13/FY12**

FY 2013



FY 2012



**3rd Quarter Budget Status - 75% of Year Lapsed, 25% Remains**

	<b>Budget</b>	<b>Spent</b>	<b>Amount Remaining</b>	<b>Percent Remaining</b>
<b>Personnel</b>	\$731,428	(\$517,302)	<b>\$214,126</b>	<b>29.3%</b>
<b>Operating</b>	\$155,188	(\$133,835)	<b>\$21,353</b>	<b>13.8%</b>
<b>CIP</b>	\$100,000	-	<b>\$100,000</b>	<b>-</b>
<b>Total</b>	<b>986,616</b>	<b>(\$651,137)</b>	<b>\$335,479</b>	<b>34.0 %</b>

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 unadjusted estimate of the building division operating costs for FY13 was \$986,616. At the beginning of the 3rd quarter the Building Inspection Fund Cash Reserve was \$1,113,471. At the end of the 3rd quarter our Cash Reserve balance was \$1,230,774.

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

<b>Permit Type</b>	<b>1<sup>st</sup> QTR</b>	<b>2<sup>nd</sup> QTR</b>	<b>3<sup>rd</sup> QTR</b>	<b>4<sup>th</sup> QTR</b>	<b>Yearly Totals</b>
<b>Building</b>	503	345	<b>240</b>		<b>1088</b>
<b>Electrical</b>	230	187	<b>195</b>		<b>612</b>
<b>Plumb/Mech</b>	314	274	<b>282</b>		<b>870</b>
<b>Fire Systems</b>	4	24	<b>14</b>		<b>42</b>
<b>Demolition</b>	12	10	<b>7</b>		<b>29</b>
<b>Total Permits</b>	1063	840	<b>738</b>		<b>2641</b>

E. NEW BUILDING VALUATION - Does Not Include Tenant Improvements, Remodels, etc.

<b>Occupancy Type</b>	<b>1<sup>st</sup> QTR</b>	<b>2<sup>nd</sup> QTR</b>	<b>3<sup>rd</sup> QTR</b>	<b>4<sup>th</sup> QTR</b>	<b>Yearly Totals</b>
<b>Commercial</b>	\$19,349,625	\$5,807,253	<b>\$5,459,075</b>		<b>\$25,156,878</b>
<b>Residential</b>	\$26,589,615	\$28,640,461	<b>\$27,462,935</b>		<b>\$55,230,076</b>
<b>Total</b>	\$45,939,240	\$34,447,714	<b>\$32,922,010</b>		<b>\$113,308,964</b>

F. PLAN REVIEW: Completed Plan Reviews.

Permit Type	1 <sup>st</sup> QTR	2 <sup>nd</sup> QTR	3 <sup>rd</sup> QTR	4 <sup>th</sup> QTR	Yearly Totals
<b>Commercial</b>	184	129	<b>126</b>		<b>439</b>
<b>Residential</b>	251	243	<b>221</b>		<b>715</b>
<b>Total</b>	435	372	<b>347</b>		<b>1154</b>

G. BUILDING INSPECTION: Completed Building Inspections;

Average Daily Inspections (per inspector)	Standard 15
<b>January</b>	<b>17.32</b>
<b>February</b>	<b>17.11</b>
<b>March</b>	<b>19.01</b>
<b>Average inspections per day for the quarter</b>	<b>17.81</b>

The total number of completed inspections, to date, for FY13 equals **13,795**

H. STAFFING: At this time, the Building Division staff consists of the Chief Building Official, 2 Plans Examiners, 5 Building Inspectors, 1 Fire Inspector, 1 Code Compliance Officer, 1 Building Project/Permit Coordinator and 1 Building Permit Technician.

**UNRESOLVED ISSUES:** None.

**ALTERNATIVES:** As suggested by the City Commission.

**FISCAL EFFECTS:** Our monthly **revenue** for the 3rd Quarter averaged **\$94,178** per month and totaled **\$282,534** for the quarter.

Our monthly **expenditures** for the 3rd quarter averaged **\$66,794** per month and totaled **\$200,249** for the quarter.

The Building Division Reserve Fund balance at the end of the 3rd Quarter was \$1,230,774.

Attachments: None

Report Compiled On: April 9, 2013