# Permitting Services

## MISSION STATEMENT

The mission of the Department of Permitting Services (DPS) is to protect the safety and welfare of County residents and businesses through the permitting and inspections process to ensure that the structures in which we live, work, congregate, and recreate are safe, secure and in compliance with zoning and building requirements. DPS contributes to the economic vitality of Montgomery County through the effective and efficient processing of land development and building construction permits and licenses.

## BUDGET OVERVIEW

The total recommended FY13 Operating Budget for the Department of Permitting Services is $27,623,925, an increase of $2,595,295 or 10.4 percent from the FY12 Approved Budget of $25,028,630. Personnel Costs comprise 77.3 percent of the budget for 192 full-time positions and one part-time position for 197.60 FTEs. Operating Expenses account for the remaining 22.7 percent of the FY13 budget.

## LINKAGE TO COUNTY RESULT AREAS

While this program area supports all eight of the County Result Areas, the following are emphasized:

❖ *A Responsive, Accountable County Government*

❖ *An Effective and Efficient Transportation Network*

❖ *Healthy and Sustainable Neighborhoods*

❖ *Safe Streets and Secure Neighborhoods*

❖ *Strong and Vibrant Economy*

❖ *Vital Living for All of Our Residents*

## DEPARTMENT PERFORMANCE MEASURES

Performance measures for this department are included below, with multi-program measures displayed at the front of this section and program-specific measures shown with the relevant program. The FY12 estimates reflect funding based on the FY12 approved budget. The FY13 and FY14 figures are performance targets based on the FY13 recommended budget and funding for comparable service levels in FY14.

## ACCOMPLISHMENTS AND INITIATIVES

❖ *DPS received a NACO Achievement Award for its "Permitting Services Case Management Program".*

❖ *DPS maintained maximum allowable delegation of sediment control inspections from Maryland Department of the Environment (MDE) and is working on changes to the Code to comply with new Maryland sediment control regulations and for the protection of street trees.*

❖ *DPS improved its Insurance Services Office (ISO) Building Code Grading for residential property from the last assessment from 5 to 4. DPS maintained the rating of 4 for commercial and industrial property. The lower Building Code Grading has an indirect positive impact on insurance rates for residents and businesses.*

❖ *DPS developed a quality control program and technical training programs through new field supervision. DPS is also initiating a final inspection protocol to ensure completion and close out of permits.*

❖ *DPS will upgrade to Hansen 8 for improved permit tracking and initial steps towards e-permitting.*

❖ *DPS launched a redesigned website.*

❖ **DPS will develop short-term and long-term strategies for electronic receipt, processing and storage of permit applications and approved plans which will result in reduced costs to the Department and permit review and issuance efficiencies.**

❖ **In conjunction with the Planning Board and other agencies, DPS will analyze the development process and initiate changes for streamlining the entitlements and inspections processes. DPS will also work to improve permit requirements and coverage to more effectively address one-time events taking place in established communities.**

❖ **Productivity Improvements**

- **In cooperation with MCFRS, the inspection of new construction Fire Protection Systems was transferred to DPS. This ensures the entire permit process is now housed in one department with inspection scheduling times reduced from two weeks to 24 hours.**

- **To improve efficiencies at permit counters and provide enhanced services, DPS is in the process of defining hours for "heavy users" (applicants with multiple permit packages) and will be establishing defined "pick up" times for permit issuance.**

- **Improved the enterprise fund cash flow through new executive regulations to allow collection of 30% of DPS fees at time of permit application, and began collecting fees from all utility companies for permits for construction within public rights of way as allowed under the law.**

- **Integration of environmental site design and stormwater management in the public right-of-way in collaboration with the Planning Board, DOT, DEP, and other agencies.**

# PROGRAM CONTACTS

Contact Alicia Thomas of the Department of Permitting Services at 240.777.6392 or Amy Wilson of the Office of Management and Budget at 240.777.2775 for more information regarding this department's operating budget.

# PROGRAM DESCRIPTIONS

## Land Development

The Land Development program is responsible for ensuring the protection of the County's land and water resources and for the protection of the environment and the safety of residents and businesses through its engineering and inspection functions related to stormwater management, sediment control, floodplain management, special protection areas, well-and-septic systems approval, storm drain design and construction, and work in the public right-of-way.

| FY13 Recommended Changes | Expenditures | FTEs |
|---|---|---|
| **FY12 Approved** | **6,810,950** | **57.30** |
| Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.  Other large variances are related to the transition from the previous mainframe budgeting system to Hyperion. | 420,848 | 5.20 |
| **FY13 CE Recommended** | **7,231,798** | **62.50** |

## Customer Service

The Customer Service program ensures customer service and satisfaction. This division measures customer satisfaction through communication and public outreach. Customer service receives complaints, processes information requests, responds to departmental correspondence, maintains the DPS web site, publishes the DPS newsletter, and coordinates outreach events and seminars for residents, civic organizations and professionals. Customer Service assists applicants with intake and issuance of permits and facilitates the processing of permits for "green tape" projects (i.e., affordable housing and areas such as the Silver Spring, Wheaton, and Long Branch enterprise zones). This division develops customer service surveys for the department, analyzes the results, reports findings, and recommends a course of action for improvement.

| Program Performance Measures | Actual FY10 | Actual FY11 | Estimated FY12 | Target FY13 | Target FY14 |
|---|---|---|---|---|---|
| Response time on complaint investigations - Average number of days from the complaint being filed to first contact between a Permitting Inspector and the customer | 3.4 | 5.0 | 5.0 | 5.0 | 5.0 |
| Response time on complaint investigations - Average number of days from the complaint being filed to final resolution of the complaint | 6.3 | 14.0 | 13.0 | 13.0 | 13.0 |
| Percent of complaints that are resolved on the first inspection | 83.6 | 80.0 | 80.0 | 80.0 | 80.0 |

| FY13 Recommended Changes | Expenditures | FTEs |
|---|---|---|
| **FY12 Approved** | **945,010** | **12.10** |
| Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.  Other large variances are related to the transition from the previous mainframe budgeting system to Hyperion. | 68,802 | -1.10 |
| **FY13 CE Recommended** | **1,013,812** | **11.00** |

## Building Construction

The Building Construction program ensures public safety and welfare through the effective enforcement of construction, zoning codes and standards, and site plan requirements. This division reviews engineering plans for permit issuance and conducts construction inspections in the administration and enforcement of building, structural, electrical, mechanical, fire-safety, energy conservation, green building, and accessibility codes and standards. This division assists businesses and applicants through pre-submission meetings and guidance. County zoning standards are maintained by this division through review of building applications for zoning compliance and investigation of zoning complaints. The program is also responsible for conducting county-wide damage assessments during natural and other disasters and incidents and provides assistance in disaster recovery efforts.

| Program Performance Measures | Actual FY10 | Actual FY11 | Estimated FY12 | Target FY13 | Target FY14 |
|---|---|---|---|---|---|
| Average number of days to issue a permit - New construction: Commercial permits | 177.0 | 160.0 | 163.0 | 163.0 | 163.0 |
| Average number of days to issue a permit - New construction: Residential permits | 138.3 | 110.0 | 90.0 | 90.0 | 90.0 |
| Average number of days to issue a permit - Additions: Commercial permits | 117.8 | 78.0 | 73.0 | 73.0 | 73.0 |
| Average number of days to issue a permit - Additions: Residential permits | 22.0 | 21.0 | 16.0 | 16.0 | 16.0 |
| Median number of minutes to issue a permit - Permits for commercial alterations obtained using the Department of Permitting Services' Fast Track process | 137.0 | 140.0 | 160.0 | 160.0 | 160.0 |
| Median number of minutes to issue a permit - Residential permits using the Department of Permitting Services' Fast Track process | 53.0 | 60.0 | 58.0 | 58.0 | 58.0 |
| Percent of building permits issued that received a final inspection: Commercial permits | 34.8 | 38.0 | 50.0 | 50.0 | 50.0 |
| Percent of building permits issued that received a final inspection: Commercial permits through the Department of Permitting Services' Fast Track process | 57.2 | 77.0 | 74.0 | 74.0 | 74.0 |
| Percent of building permits issued that received a final inspection: Residential new construction | 42.9 | 85.0 | 83.0 | 83.0 | 83.0 |
| Percent of building permits issued that received a final inspection: Residential all construction | 47.5 | 70.0 | 63.0 | 63.0 | 63.0 |

| FY13 Recommended Changes | Expenditures | FTEs |
|---|---|---|
| **FY12 Approved** | **10,861,060** | **93.90** |
| Add: Fire Code Inspections | 546,360 | 6.00 |
| Enhance: Add two Plan Reviewers and two Inspectors to the Building Construction Division | 273,676 | 4.00 |
| Increase Cost: Adjustment to Overtime to Better Reflect Actual  Expenditures - increased cost is funded by the overtime offset fee | 204,500 | 0.00 |
| Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.  Other large variances are related to the transition from the previous mainframe budgeting system to Hyperion. | 701,796 | 8.10 |
| **FY13 CE Recommended** | **12,587,392** | **112.00** |

## Administration

The Administration program provides policy development and leadership for all programs within the department. Staff specialists are responsible for a full range of administrative, financial, and budgetary tasks, including daily operations, automation, human resources management, training, safety, quality assurance, legislative coordination, space management, historic files management, and management services.

| FY13 Recommended Changes | Expenditures | FTEs |
|---|---|---|
| **FY12 Approved** | **6,411,610** | **14.50** |
| Add: IT Strategic Plan for Electronic Plan Filing and Review | 200,000 | 0.00 |
| Increase Cost: Increase IT Funding for Hardware, Software, Supplies, and Training | 100,000 | 0.00 |
| Increase Cost: Rent adjustment | 71,560 | 0.00 |
| Increase Cost: Replacement of Scanners - cost reflects annual payment of five year financing plan | 31,500 | 0.00 |

|  | Expenditures | FTEs |
|---|---|---|
| Decrease Cost: IT Maintenance Costs | -11,700 | 0.00 |
| Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. Other large variances are related to the transition from the previous mainframe budgeting system to Hyperion. | -12,047 | -2.40 |
| **FY13 CE Recommended** | **6,790,923** | **12.10** |

## BUDGET SUMMARY

|  | Actual FY11 | Budget FY12 | Estimated FY12 | Recommended FY13 | % Chg Bud/Rec |
|---|---|---|---|---|---|
| **PERMITTING SERVICES** | | | | | |
| **EXPENDITURES** | | | | | |
| Salaries and Wages | 14,801,220 | 14,271,570 | 13,987,624 | 15,437,044 | 8.2% |
| Employee Benefits | 5,295,209 | 4,847,140 | 5,024,390 | 5,914,321 | 22.0% |
| *Permitting Services Personnel Costs* | *20,096,429* | *19,118,710* | *19,012,014* | *21,351,365* | *11.7%* |
| Operating Expenses | 5,062,890 | 5,909,920 | 5,816,890 | 6,272,560 | 6.1% |
| Debt Service Other | 12,256 | 0 | 0 | 0 | — |
| Capital Outlay | 0 | 0 | 0 | 0 | — |
| *Permitting Services Expenditures* | *25,171,575* | *25,028,630* | *24,828,904* | *27,623,925* | *10.4%* |
| **PERSONNEL** | | | | | |
| Full-Time | 182 | 182 | 182 | 192 | 5.5% |
| Part-Time | 1 | 1 | 1 | 1 | — |
| FTEs | 173.00 | 177.80 | 177.80 | 197.60 | 11.1% |
| **REVENUES** | | | | | |
| Automation Enhancement Fee | 2,656,161 | 2,742,810 | 3,380,520 | 2,864,710 | 4.4% |
| Building Permits | 13,599,237 | 15,950,310 | 17,143,420 | 14,343,500 | -10.1% |
| Electrical Permits and Licenses | 2,666,404 | 2,699,190 | 3,124,760 | 2,726,170 | 1.0% |
| Fire Code Enforcement Permits | 723,579 | 783,930 | 650,500 | 1,529,410 | 95.1% |
| Grading/Storm Drains/Paving/Driveway Permits | 4,356,597 | 4,732,410 | 4,340,040 | 4,737,000 | 0.1% |
| Investment Income | 4,986 | 4,530 | 4,420 | 4,520 | -0.2% |
| Mechanical Construction Permit | 710,356 | 744,230 | 744,230 | 751,670 | 1.0% |
| Miscellaneous Revenues | 2,623 | 0 | 0 | 4,630 | — |
| Occupancy Permits | 361,999 | 346,260 | 429,060 | 555,760 | 60.5% |
| Sediment Control Permits | 2,037,230 | 3,071,580 | 2,330,400 | 2,569,000 | -16.4% |
| Sign Permits | 175,783 | 194,560 | 227,290 | 196,510 | 1.0% |
| Special Exception Fee | 227,065 | 229,710 | 229,710 | 232,010 | 1.0% |
| Stormwater Mgmt and Water Quality Plan Fee | 404,897 | 454,920 | 301,760 | 518,260 | 13.9% |
| Well and Septic | 281,091 | 308,860 | 224,480 | 293,870 | -4.9% |
| Other Charges/Fees | 58,445 | 71,390 | 53,200 | 72,100 | 1.0% |
| Other Fines/Forfeitures | 64,193 | 85,410 | 65,030 | 87,270 | 2.2% |
| Other Licenses/Permits | 1,057,627 | 673,010 | 691,640 | 639,030 | -5.0% |
| *Permitting Services Revenues* | *29,388,273* | *33,093,110* | *33,940,460* | *32,125,420* | *-2.9%* |

# FY13 RECOMMENDED CHANGES

| | Expenditures | FTEs |
|---|---:|---:|
| **PERMITTING SERVICES** | | |
| **FY12 ORIGINAL APPROPRIATION** | **25,028,630** | **177.80** |
| **Changes (with service impacts)** | | |
| Add: Fire Code Inspections [Building Construction] | 546,360 | 6.00 |
| Enhance: Add two Plan Reviewers and two Inspectors to the Building Construction Division [Building Construction] | 273,676 | 4.00 |
| Add: IT Strategic Plan for Electronic Plan Filing and Review [Administration] | 200,000 | 0.00 |
| **Other Adjustments (with no service impacts)** | | |
| Increase Cost: Retirement Adjustment | 530,199 | 0.00 |
| Increase Cost: Lump Sum Wage Adjustment | 372,578 | 0.00 |
| Increase Cost: Group Insurance Adjustment | 334,561 | 0.00 |
| Increase Cost: Adjustment to Overtime to Better Reflect Actual Expenditures - increased cost is funded by the overtime offset fee [Building Construction] | 204,500 | 0.00 |
| Increase Cost: Increase IT Funding for Hardware, Software, Supplies, and Training [Administration] | 100,000 | 0.00 |
| Increase Cost: Rent adjustment [Administration] | 71,560 | 0.00 |
| Increase Cost: Replacement of Scanners - cost reflects annual payment of five year financing plan [Administration] | 31,500 | 0.00 |
| Increase Cost: Motor Pool Rate Adjustment | 31,430 | 0.00 |
| Increase Cost: Risk Management Adjustment | 9,180 | 0.00 |
| Increase Cost: Longevity Adjustment | 7,561 | 0.00 |
| Technical Adj: Conversion of WYs to FTEs in the New Hyperion Budgeting System; FTEs are No Longer Measured for Overtime and Lapse | 0 | 9.84 |
| Technical Adj: Decrease FTEs Due to Rounding | 0 | -0.03 |
| Decrease Cost: Printing and Mail Adjustment | -1,670 | 0.00 |
| Shift: Help Desk - Desk Side Support to the Desktop Computer Modernization NDA | -6,670 | 0.00 |
| Shift: Remove Occupational Medical Services Chargeback from OHR | -7,440 | -0.01 |
| Decrease Cost: IT Maintenance Costs [Administration] | -11,700 | 0.00 |
| Decrease Cost: Retiree Health Insurance Pre-Funding | -90,330 | 0.00 |
| **FY13 RECOMMENDED:** | **27,623,925** | **197.60** |

# PROGRAM SUMMARY

| | FY12 Approved | | FY13 Recommended | |
|---|---:|---:|---:|---:|
| Program Name | Expenditures | FTEs | Expenditures | FTEs |
| Land Development | 6,810,950 | 57.30 | 7,231,798 | 62.50 |
| Customer Service | 945,010 | 12.10 | 1,013,812 | 11.00 |
| Building Construction | 10,861,060 | 93.90 | 12,587,392 | 112.00 |
| Administration | 6,411,610 | 14.50 | 6,790,923 | 12.10 |
| **Total** | **25,028,630** | **177.80** | **27,623,925** | **197.60** |

# FUTURE FISCAL IMPACTS

| | CE REC. | ($000's) | | | | |
|---|---:|---:|---:|---:|---:|---:|
| Title | FY13 | FY14 | FY15 | FY16 | FY17 | FY18 |
| This table is intended to present significant future fiscal impacts of the department's programs. | | | | | | |
| **PERMITTING SERVICES** | | | | | | |
| **Expenditures** | | | | | | |
| **FY13 Recommended** | **27,624** | **27,624** | **27,624** | **27,624** | **27,624** | **27,624** |
| No inflation or compensation change is included in outyear projections. | | | | | | |
| **Annualization of Positions Recommended in FY13** | **0** | **73** | **73** | **73** | **73** | **73** |
| New positions in the FY13 budget are generally lapsed due to the time it takes a position to be created and filled. Therefore, the amounts above reflect annualization of these positions in the outyears. | | | | | | |
| **Elimination of One-Time Items Recommended in FY13** | **0** | **-202** | **-202** | **-202** | **-202** | **-202** |
| Items approved for one-time funding in FY13, including development of an IT strategic plan for electronic plan filing and review, and one-time expenditures for new positions, will be eliminated from the base in the outyears. | | | | | | |
| **Elimination of One-Time Lump Sum Wage Adjustment** | **0** | **-373** | **-373** | **-373** | **-373** | **-373** |
| This represents the elimination of the one-time lump sum wage increases paid in FY13. | | | | | | |

| Title | CE REC. FY13 | FY14 | FY15 | ($000's) FY16 | FY17 | FY18 |
|---|---|---|---|---|---|---|
| **IT Maintenance Costs** | 0 | 115 | 42 | 46 | 150 | 99 |
| Represents additional maintenance costs for the system upgrades and post-warranty maintenance for servers, scanners, and printers. | | | | | | |
| **IT Replacement Plan** | 0 | 660 | 440 | 140 | 0 | -32 |
| Key components of Permitting Service's technology replacement plan include: FY13 Scanners ($31,500), and Software upgrades and maintence, training, and professional services ($100,000); FY14 Printers ($60,000), Scanners ($31,500), Servers ($600,000), Software upgrades and maintence, training, and professional services ($100,000); FY15 Scanners ($31,500), Database servers and services ($440,000), Software upgrades and maintence, training, and professional services ($100,000); FY16 Scanners ($31,500), Network switch ($140,000), Software upgrades and maintence, training, and professional services ($100,000); FY17 Scanners ($31,500), Software upgrades and maintence, training, and professional services ($100,000); FY18 Software upgrades and maintence, training, and professional services ($100,000). | | | | | | |
| **Longevity Adjustment** | 0 | 1 | 1 | 1 | 1 | 1 |
| This represents the annualization of longevity wage increments paid during FY13. | | | | | | |
| **Office Rent** | 0 | 74 | 150 | 229 | 311 | 395 |
| Represents projected rent increase. | | | | | | |
| **Retiree Health Insurance Pre-Funding** | 0 | -180 | -465 | -483 | -489 | -489 |
| These figures represent the estimated cost of the multi-year plan to pre-fund retiree health insurance costs for the County's workforce. | | | | | | |
| *Subtotal Expenditures* | 27,624 | 27,792 | 27,291 | 27,056 | 27,096 | 27,098 |

# ANNUALIZATION OF PERSONNEL COSTS AND FTES

| | FY13 Recommended Expenditures | FTEs | FY14 Annualized Expenditures | FTEs |
|---|---|---|---|---|
| Enhance: Add two Plan Reviewers and two Inspectors to the Building Construction Division [Building Construction] | 264,116 | 4.00 | 337,346 | 4.00 |
| **Total** | **264,116** | **4.00** | **337,346** | **4.00** |

| FY13-18 PUBLIC SERVICES PROGRAM: FISCAL PLAN | | | Permitting Services | | | | |
|---|---|---|---|---|---|---|---|
| **FISCAL PROJECTIONS** | **FY12 ESTIMATE** | **FY13 REC** | **FY14 PROJECTION** | **FY15 PROJECTION** | **FY16 PROJECTION** | **FY17 PROJECTION** | **FY18 PROJECTION** |
| **ASSUMPTIONS** | | | | | | | |
| Indirect Cost Rate | 12.59% | **12.13%** | 12.13% | 12.13% | 12.13% | 12.13% | 12.13% |
| CPI (Fiscal Year) | 3.1% | **2.7%** | 2.9% | 2.9% | 2.7% | 2.7% | 2.7% |
| Investment Income Yield | 0.0015 | **0.0025** | 0.0035 | 0.0085 | 0.016 | 0.0235 | 0.0285 |
| **BEGINNING FUND BALANCE** | **(5,410,100)** | **2,032,380** | **4,625,110** | **6,251,590** | **7,461,210** | **8,092,730** | **7,692,370** |
| **REVENUES** | | | | | | | |
| Licenses & Permits | 30,437,290 | **29,092,190** | 29,383,120 | 29,676,930 | 29,973,710 | 30,273,450 | 30,576,170 |
| Charges For Services | 3,433,720 | **2,936,810** | 2,966,180 | 2,995,840 | 3,025,800 | 3,056,060 | 3,086,620 |
| Fines & Forfeitures | 65,030 | **87,270** | 88,140 | 89,020 | 89,910 | 90,810 | 91,720 |
| Miscellaneous | 4,420 | **9,150** | 9,310 | 9,490 | 9,680 | 9,880 | 10,080 |
| **Subtotal Revenues** | **33,940,460** | **32,125,420** | **32,446,750** | **32,771,280** | **33,099,100** | **33,430,200** | **33,764,590** |
| **INTERFUND TRANSFERS (Net Non-CIP)** | **(1,669,080)** | **(1,908,770)** | **(1,799,820)** | **(1,772,430)** | **(1,645,170)** | **(1,645,170)** | **(1,645,170)** |
| Transfers To The General Fund | (2,822,850) | (3,062,540) | (2,953,590) | (2,926,200) | (2,798,940) | (2,798,940) | (2,798,940) |
| Transfers From The General Fund | 1,153,770 | 1,153,770 | 1,153,770 | 1,153,770 | 1,153,770 | 1,153,770 | 1,153,770 |
| **TOTAL RESOURCES** | **26,861,280** | **32,249,030** | **35,272,040** | **37,250,440** | **38,915,140** | **39,877,760** | **39,811,790** |
| **PSP OPER. BUDGET APPROP/ EXP'S.** | | | | | | | |
| Operating Budget | (24,828,900) | (27,623,925) | (28,852,045) | (30,122,275) | (31,390,195) | (32,713,555) | (34,111,195) |
| Annualizations and One-Time | n/a | n/a | 500,290 | 500,290 | 500,290 | 500,290 | 500,290 |
| IT Maintenance | 0 | 0 | (114,870) | (41,820) | (45,850) | (149,950) | (99,140) |
| IT Replacement Plan | 0 | 0 | (660,000) | (440,000) | (140,000) | 0 | 31,500 |
| Office Rent | 0 | 0 | (73,940) | (150,370) | (229,380) | (311,050) | (395,470) |
| Retiree Health Insurance Pre-Funding | 0 | 0 | 180,110 | 464,940 | 482,720 | 488,870 | 488,870 |
| **Subtotal PSP Oper Budget Approp / Exp's** | **(24,828,900)** | **(27,623,925)** | **(29,020,455)** | **(29,789,235)** | **(30,822,415)** | **(32,185,395)** | **(33,585,145)** |
| **TOTAL USE OF RESOURCES** | **(24,828,900)** | **(27,623,925)** | **(29,020,455)** | **(29,789,235)** | **(30,822,415)** | **(32,185,395)** | **(33,585,145)** |
| **YEAR END FUND BALANCE** | **2,032,380** | **4,625,110** | **6,251,590** | **7,461,210** | **8,092,730** | **7,692,370** | **6,226,650** |
| **END-OF-YEAR RESERVES AS A** | | | | | | | |
| **PERCENT OF RESOURCES** | **7.6%** | **14.3%** | **17.7%** | **20.0%** | **20.8%** | **19.3%** | **15.6%** |

**Notes and Assumptions:**

1.These projections are based on the Executive's Recommended budget and include the revenue and resource assumptions of that budget. The projected future expenditures, revenues, and fund balances may vary based on changes not assumed here to fee or tax rates, usage, inflation, future labor agreements, and other factors not assumed here.

2. The year-end unrestricted net asset fund balances are targeted to restore the fund balance to the policy level and to protect against the cyclical downturns in the construction market and related permit fee revenues.

3. Revenue projections in FY13 and future years assume a gradual increase in construction market activity.

4. Key components of Permitting Service's technology replacement plan include:

FY13 Scanners ($31,500), and Software upgrades and maintence, training, and professional services ($100,000);

FY14 Printers ($60,000), Scanners ($31,500), Servers ($600,000), Software upgrades and maintence, training, and professional services ($100,000);

FY15 Scanners ($31,500), Database servers and services ($440,000), Software upgrades and maintence, training, and professional services ($100,000);

FY16 Scanners ($31,500), Network switch ($140,000), Software upgrades and maintence, training, and professional services ($100,000);

FY17 Scanners ($31,500), Software upgrades and maintence, training, and professional services ($100,000);

FY18 Software upgrades and maintence, training, and professional services ($100,000).