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# 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 FY16 Operating Budget for the Department of Permitting Services is \$33,893,405, an increase of \$1,885,569 or 5.9 percent from the FY15 Approved Budget of \$32,007,836. Personnel Costs comprise 73.8 percent of the budget for 207 full-time positions and one part-time position, and a total of 212.50 FTEs. Total FTEs may include seasonal or temporary positions and may also reflect workforce charged to or from other departments or funds. Operating Expenses account for the remaining 26.2 percent of the FY16 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 FY15 estimates reflect funding based on the FY15 approved budget. The FY16 and FY17 figures are performance targets based on the FY16 recommended budget and funding for comparable service levels in FY17.

## ACCOMPLISHMENTS AND INITIATIVES

- ❖ ***The Department of Permitting Services has engaged in a comprehensive study of its fees. A significant outcome of the study is that the Department will be moving away from a construction cost-based fee for new commercial construction to a rate per square foot which more accurately reflects the necessary DPS staff work. This new approach is projected to yield a fee structure that is more equitable, predictable, and consistent with maintaining reserve policy. In FY15, DPS reduced the information technology surcharge fee by 50 percent and reduced fees for mid-rise woodframe construction. The FY16 budget is proposing a new permit fee structure that will result in materially lower permit fees across multiple charges for services.***
- ❖ ***DPS won the National Association of Counties (NACO) top award for “Best in Category” for their Apply Online program.***
- ❖ ***The Department expanded eServices (ePermits and ePlans) to include Residential permits (new homes, additions, renovations, and decks), Public Right-of-way permits (engineered plans, utility and driveway permits), Commercial Building permits (new construction and alterations), Fire alarm permits and Fire Protection System permits and Electrical permits and created and posted training videos to replace weekly in-office training for customers.***
- ❖ ***In FY15, DPS launched comprehensive legislative programs for Design for Life, Tree Canopy and Roadside Trees and expedited residential solar and electric vehicle charging station permits, and implemented the Zoning Rewrite***

and new State septic requirements.

- ❖ **The Department improved responses to complaints, launched cross-agency sign sweeps, provided education at numerous civic and community meetings, succeeded in getting Clarksburg Town Center work under open permits reactivated; and in coordination with the Department of Housing and Community Affairs and the County's Regional Service Centers, got extensive safety improvements and Zoning enforcement underway in multiple areas.**
- ❖ **In FY15, DPS created and launched the cross-agency "Recipes for Success" program which includes the Restaurant Welcome Package and Pre-Design Consultation to assist restaurants seeking to locate or expand in Montgomery County.**
- ❖ **The department continues to make progress in the adoption of Green Building Code to reduce building energy consumption by 10 percent, incorporate recycling/waste stream reduction into construction processes, reduce heat island effects, and generally implement construction related elements of the Climate Protection Plan.**
- ❖ **Streamlining the development process continues to be a priority for the County Executive. The Department of Permitting Services FY16 Recommended Budget maintains funding for ongoing streamlining activities and includes an additional \$551,344 for strategic efforts to improve the overall development approval process. With this additional funding, DPS will accomplish the following:**
  - **help the Department of Permitting Services meet its commitment to complete initial review and comment within 30 days for properly prepared and electronically submitted commercial plans**
  - **reduce the processing time for sediment control plans**
  - **staff more frequent revamped development review meetings with MNCPPC**
  - **continue the Department's move to electronic plans review and electronic permit processing**
  - **improve coordination of construction activities impacting business and community use of public rights-of-way in County business districts while facilitating orderly construction activities**
- ❖ **Productivity Improvements**
  - **Mandated a new 30-day turn around time for review of commercial plan processes.**
  - **eServices – DPS will continue transition to full online process for core services including: mechanical permits, sediment control permits, stormwater concept permits, special protection area permits, and demolition permits and ACH payments. In addition, DPS will create a concierge for in-office online permit application and processing.**
  - **Business process improvements include: created a Service Manual and training for MC311; launched Fee Payment Office; revised and created new performance measures; published nine datasets for dataMontgomery; and implemented 38 of the Cross-agency Streamlining Initiative recommendations.**

## PROGRAM CONTACTS

Contact Barbara Suter of the Department of Permitting Services at 240.777.6244 or Dennis Hetman of the Office of Management and Budget at 240.777.2770 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.

<b>FY16 Recommended Changes</b>	<b>Expenditures</b>	<b>FTEs</b>
<b>FY15 Approved</b>	<b>7,217,744</b>	<b>60.50</b>
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	521,055	2.00
<b>FY16 CE Recommended</b>	<b>7,738,799</b>	<b>62.50</b>

### 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, strategic economic development projects such as White Flint, and faith based institutions). This division develops customer service surveys for the department, analyzes the results, reports findings, and recommends a course of action for improvement.

<b>Program Performance Measures</b>	<b>Actual FY13</b>	<b>Actual FY14</b>	<b>Estimated FY15</b>	<b>Target FY16</b>	<b>Target FY17</b>
Complaint Resolution -- Average number of days from complaint filing to final resolution	11.30	8.95	12.00	12.00	12.00
Complaint Response -- average number of days from the complaint being filed to first inspection contact with customer	7.15	4.21	5.00	5.00	6.00

<b>FY16 Recommended Changes</b>	<b>Expenditures</b>	<b>FTEs</b>
<b>FY15 Approved</b>	<b>1,070,923</b>	<b>10.00</b>
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	123,500	0.00
<b>FY16 CE Recommended</b>	<b>1,194,423</b>	<b>10.00</b>

## 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. 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.

<b>Program Performance Measures</b>	<b>Actual FY13</b>	<b>Actual FY14</b>	<b>Estimated FY15</b>	<b>Target FY16</b>	<b>Target FY17</b>
Commercial Fast Track -- Service within 2.5 hours	66.00%	64.13%	75.00%	90.00%	90.00%
Commercial Permits -- Additions -- Average total time (In days)	51.00	66.53	52.00	50.00	50.00
Commercial Permits -- Additions -- DPS average review time (In days)	39	31	35	30	30
Commercial Permits -- New Construction -- Average total time (In days)	265.00	174.66	150.00	120.00	120.00
Commercial Permits -- New Construction -- DPS average review time (In days)	82.00	61.55	60.00	30.00	30.00
Fire Protection (Sprinkler Permits) -- DPS average review time (In days)	12.0	33.6	28.0	21.0	21.0
Residential (home) Fast Track -- Service within 2.5 hours	95.00%	93.95%	95.00%	95.00%	95.00%
Residential (home) Permits - Additions - Average total time (In days)	17	17	16	15	14
Residential (home) Permits -- Additions -- DPS average review time (In days)	6	8	6	5	4
Residential (home) Permits -- New Construction -- Average total time (In days)	82.03	73.65	58.00	55.00	50.00
Residential (home) Permits -- New Construction -- DPS average review time (In days)	21.0	16.2	14.0	13.0	12.0

<b>FY16 Recommended Changes</b>	<b>Expenditures</b>	<b>FTEs</b>
<b>FY15 Approved</b>	<b>10,413,912</b>	<b>92.90</b>
Add: County Executive's Economic Development Initiative - 6 positions to ensure 30 day turnaround time for commercial plan reviews	551,344	6.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	411,816	-3.00
<b>FY16 CE Recommended</b>	<b>11,377,072</b>	<b>95.90</b>

## 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.

<b>Program Performance Measures</b>	<b>Actual FY13</b>	<b>Actual FY14</b>	<b>Estimated FY15</b>	<b>Target FY16</b>	<b>Target FY17</b>
Building Construction Inspections -- Percentage occurring on scheduled day	90.00%	93.54%	95.00%	95.00%	96.00%

	Actual FY13	Actual FY14	Estimated FY15	Target FY16	Target FY17
Electrical Permits -- Walk-in service permit within 2 hours	94.00%	96.54%	97.54%	98.54%	99.54%
Fire Protection (Sprinkler Permits) -- Average total time (In days)	15.3	34.6	31.0	24.0	24.0
Mechanical Permits -- Walk-in service permit within 2 hours	95.00%	96.53%	97.53%	98.53%	99.53%
MPIA responses - percent of information requests responded to within 30 days after receipt by DPS		99%	99%	99%	99%
Percent of MC311 Service Requests (SR) Meeting the Service Level Agreement (SLA) Response Time	87.35%	81.34%	85.00%	85.00%	85.00%
Quality Control Inspections -- under construction					
Record Plats -- DPS average review time (In days)		14.24	12.00	12.00	12.00
Right of way Permits -- DPS average review time (In days)		5.01	4.00	5.00	5.00
Sediment Control Enforcement -- % of sites in compliance within 5 days following NOV -- Under construction					
Sediment Control Permits - DPS average review time (In days)		39.21	35.00	37.00	35.00
Septic Permits -- DPS average review time (In days)		12.28	14.00	14.00	14.00
Successful Maryland Department of the Environment (MDE) Delegation of Review of Sediment Control and Storm-Water Management	Yes	Yes	Yes	Yes	Yes
Well Permits -- DPS average review time (In days)		10.25	11.00	11.00	11.00

<b>FY16 Recommended Changes</b>	<b>Expenditures</b>	<b>FTEs</b>
<b>FY15 Approved</b>	<b>9,513,408</b>	<b>13.10</b>
Increase Cost: Rent at 255 Rockville Pike	209,649	0.00
Increase Cost: Retiree Health Insurance Pre-funding Adjustment	123,030	0.00
Increase Cost: Expenditures for Credit Card Charges	62,000	0.00
Increase Cost: Risk Management Adjustment	59,128	0.00
Increase Cost: IT Maintenance Cost	1,960	0.00
Decrease Cost: IT Replacement Plan	-510,000	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.	237,976	0.00
<b>FY16 CE Recommended</b>	<b>9,697,151</b>	<b>13.10</b>

## Zoning and Site Plan Enforcement

The Zoning and Site Plan Enforcement program protects the quality of life in Montgomery County and the public safety, welfare, health, and comfort of the present and future inhabitants of Montgomery County, through the effective application and enforcement of zoning code standards and M-NCPPC certified site plan requirements. This division reviews plans prior to permit issuance and conducts inspections, as well as investigates complaints in order to administer and enforce the zoning standards established by Chapter 59 of the Montgomery County Code. This program regulates size, shape, height, and mass of a building and the uses that are allowed on the property.

<b>FY16 Recommended Changes</b>	<b>Expenditures</b>	<b>FTEs</b>
<b>FY15 Approved</b>	<b>3,791,849</b>	<b>30.00</b>
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	94,111	1.00
<b>FY16 CE Recommended</b>	<b>3,885,960</b>	<b>31.00</b>

## BUDGET SUMMARY

	Actual FY14	Budget FY15	Estimated FY15	Recommended FY16	% Chg Bud/Rec
<b>PERMITTING SERVICES</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	15,808,143	16,891,234	16,837,758	18,036,021	6.8%
Employee Benefits	6,228,739	6,314,202	6,719,763	6,979,039	10.5%
<b>Permitting Services Personnel Costs</b>	<b>22,036,882</b>	<b>23,205,436</b>	<b>23,557,521</b>	<b>25,015,060</b>	<b>7.8%</b>
Operating Expenses	7,895,639	8,802,400	8,525,700	8,878,345	0.9%
Capital Outlay	0	0	0	0	—
<b>Permitting Services Expenditures</b>	<b>29,932,521</b>	<b>32,007,836</b>	<b>32,083,221</b>	<b>33,893,405</b>	<b>5.9%</b>
<b>PERSONNEL</b>					
Full-Time	195	201	201	207	3.0%
Part-Time	1	1	1	1	—
FTEs	200.50	206.50	206.50	212.50	2.9%
<b>REVENUES</b>					
Automation Enhancement Fee	2,169,708	1,633,791	1,879,221	1,942,650	18.9%
Building Permits	21,872,917	21,001,416	19,768,926	17,303,987	-17.6%
Electrical Permits and Licenses	4,089,207	3,400,000	3,853,593	3,403,352	0.1%
Fire Code Enforcement Permits	1,935,911	1,544,934	1,747,053	2,435,618	57.7%
Grading/Storm Drains/Paving/Driveway Permits	5,730,606	6,000,000	4,889,931	4,777,732	-20.4%
Investment Income	24,815	24,000	45,640	177,460	639.4%
Mechanical Construction Permit	1,431,695	1,200,000	1,541,273	1,547,794	29.0%
Miscellaneous Revenues	7,537	0	0	0	—
Occupancy Permits	829,800	700,000	646,813	1,201,028	71.6%
Sediment Control Permits	2,912,151	2,569,000	2,685,389	1,222,542	-52.4%
Sign Permits	166,923	196,510	187,318	317,674	61.7%
Special Exception Fee	228,839	232,010	228,502	322,149	38.9%
Stormwater Mgmt and Water Quality Plan Fee	293,810	270,000	262,423	133,765	-50.5%
Utility Permits	0	0	0	1,175,879	—
Well and Septic	241,783	200,000	170,142	344,150	72.1%
Other Charges/Fees	76,601	92,784	58,519	75,059	-19.1%
Other Fines/Forfeitures	93,658	0	136,800	85,043	—
Other Licenses/Permits	1,158,402	1,146,180	810,456	1,954,704	70.5%
<b>Permitting Services Revenues</b>	<b>43,264,363</b>	<b>40,210,625</b>	<b>38,911,999</b>	<b>38,420,586</b>	<b>-4.5%</b>

## FY16 RECOMMENDED CHANGES

	Expenditures	FTEs
<b>PERMITTING SERVICES</b>		
<b>FY15 ORIGINAL APPROPRIATION</b>	<b>32,007,836</b>	<b>206.50</b>
<b><u>Changes (with service impacts)</u></b>		
Add: County Executive's Economic Development Initiative - 6 positions to ensure 30 day turnaround time for commercial plan reviews [Building Construction]	551,344	6.00
<b><u>Other Adjustments (with no service impacts)</u></b>		
Increase Cost: FY16 Compensation Adjustment	743,407	0.00
Increase Cost: Retirement Adjustment	338,768	0.00
Increase Cost: Rent at 255 Rockville Pike [Administration]	209,649	0.00
Increase Cost: Annualization of FY15 Personnel Costs	148,723	0.00
Increase Cost: Retiree Health Insurance Pre-funding Adjustment [Administration]	123,030	0.00
Increase Cost: Annualization of FY15 Lapsed Positions	113,427	0.00
Increase Cost: Expenditures for Credit Card Charges [Administration]	62,000	0.00
Increase Cost: Group Insurance Adjustment	60,207	0.00
Increase Cost: Risk Management Adjustment [Administration]	59,128	0.00
Increase Cost: Motor Pool Rate Adjustment	38,471	0.00
Increase Cost: Expenditures for General Office Supplies	35,580	0.00
Increase Cost: IT Maintenance Cost [Administration]	1,960	0.00
Decrease Cost: Printing and Mail	-19,948	0.00
Decrease Cost: Elimination of One-Time Items Approved in FY15	-70,177	0.00
Decrease Cost: IT Replacement Plan [Administration]	-510,000	0.00
<b>FY16 RECOMMENDED:</b>	<b>33,893,405</b>	<b>212.50</b>

## PROGRAM SUMMARY

Program Name	FY15 Approved		FY16 Recommended	
	Expenditures	FTEs	Expenditures	FTEs
Land Development	7,217,744	60.50	7,738,799	62.50
Customer Service	1,070,923	10.00	1,194,423	10.00
Building Construction	10,413,912	92.90	11,377,072	95.90
Administration	9,513,408	13.10	9,697,151	13.10
Zoning and Site Plan Enforcement	3,791,849	30.00	3,885,960	31.00
<b>Total</b>	<b>32,007,836</b>	<b>206.50</b>	<b>33,893,405</b>	<b>212.50</b>

## FUTURE FISCAL IMPACTS

Title	CE REC.		(\$000's)			
	FY16	FY17	FY18	FY19	FY20	FY21
This table is intended to present significant future fiscal impacts of the department's programs.						
<b>PERMITTING SERVICES</b>						
<b>Expenditures</b>						
<b>FY16 Recommended</b>	<b>33,893</b>	<b>33,893</b>	<b>33,893</b>	<b>33,893</b>	<b>33,893</b>	<b>33,893</b>
No inflation or compensation change is included in outyear projections.						
<b>Elimination of One-Time Items Recommended in FY16</b>	<b>0</b>	<b>-112</b>	<b>-112</b>	<b>-112</b>	<b>-112</b>	<b>-112</b>
Items approved for one-time funding in FY16, including costs for computers, phones, and vehicle will be eliminated from the base in the outyears.						
<b>Labor Contracts</b>	<b>0</b>	<b>111</b>	<b>111</b>	<b>111</b>	<b>111</b>	<b>111</b>
These figures represent the estimated annualized cost of general wage adjustments, service increments, and associated benefits.						
<b>IT Maintenance Costs</b>	<b>0</b>	<b>102</b>	<b>76</b>	<b>179</b>	<b>81</b>	<b>84</b>
Represents additional maintenance costs for the system upgrades and post-warranty maintenance for servers, scanners, and printers.						
<b>IT Replacement Plan</b>	<b>0</b>	<b>0</b>	<b>69</b>	<b>629</b>	<b>419</b>	<b>-32</b>
Key components of Permitting Service's technology replacement plan include:						
FY18 Scanners (\$100,000);						
FY19 Printers (\$60,000), Servers (\$600,000);						
FY20 Permit DB Servers - Hardware & Software (\$450,000).						
<b>Office Rent</b>	<b>0</b>	<b>190</b>	<b>386</b>	<b>588</b>	<b>796</b>	<b>796</b>
Represents projected rent increase.						
<b>Retiree Health Insurance Pre-funding</b>	<b>0</b>	<b>0</b>	<b>-36</b>	<b>-76</b>	<b>-97</b>	<b>-120</b>
These figures represent the estimated cost of pre-funding retiree health insurance costs for the County's workforce.						
<b>Subtotal Expenditures</b>	<b>33,893</b>	<b>34,185</b>	<b>34,387</b>	<b>35,211</b>	<b>35,091</b>	<b>34,621</b>

FY16-21 PUBLIC SERVICES PROGRAM: FISCAL PLAN			Permitting Services				
FISCAL PROJECTIONS	FY15 ESTIMATE	FY16 REC	FY17 PROJECTION	FY18 PROJECTION	FY19 PROJECTION	FY20 PROJECTION	FY21 PROJECTION
<b>ASSUMPTIONS</b>							
Indirect Cost Rate	15.87%	15.98%	15.98%	15.98%	15.98%	15.98%	15.98%
CPI (Fiscal Year)	1.7%	2.0%	2.2%	2.3%	2.5%	2.8%	3.1%
Investment Income Yield	0.17%	0.65%	1.25%	1.75%	2.25%	2.75%	3.50%
Rate Stabilization factor	1.00	1.00	1.00	1.00	1.00	1.00	1.00
<b>BEGINNING FUND BALANCE</b>	<b>28,183,801</b>	<b>12,601,123</b>	<b>9,363,056</b>	<b>9,184,186</b>	<b>9,866,183</b>	<b>10,246,146</b>	<b>9,095,997</b>
<b>REVENUES</b>							
Licenses & Permits	36,791,819	36,140,374	38,291,769	40,540,274	41,565,943	42,729,790	44,067,232
Charges For Services	1,937,740	2,017,709	2,062,099	2,110,145	2,163,532	2,224,111	2,293,726
Fines & Forfeitures	136,800	85,043	86,914	88,939	91,189	93,742	96,677
Miscellaneous	45,640	177,460	341,270	477,780	614,290	750,800	955,560
<b>Subtotal Revenues</b>	<b>38,911,999</b>	<b>38,420,586</b>	<b>40,782,052</b>	<b>43,217,139</b>	<b>44,434,955</b>	<b>45,798,443</b>	<b>47,413,195</b>
<b>INTERFUND TRANSFERS (Net Non-CIP)</b>	<b>(4,090,186)</b>	<b>(4,206,430)</b>	<b>(4,224,180)</b>	<b>(3,070,410)</b>	<b>(3,070,410)</b>	<b>(3,070,410)</b>	<b>(3,070,410)</b>
Transfers To The General Fund	(4,090,186)	(4,206,430)	(4,224,180)	(4,224,180)	(4,224,180)	(4,224,180)	(4,224,180)
Indirect Costs	(3,682,700)	(3,997,410)	(4,015,160)	(4,015,160)	(4,015,160)	(4,015,160)	(4,015,160)
DCM Replacement	(109,020)	(109,020)	(109,020)	(109,020)	(109,020)	(109,020)	(109,020)
Technology Modernization CIP project	(198,466)	0	0	0	0	0	0
DOT Lab testing Transfer	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
Transfers From The General Fund	0	0	0	1,153,770	1,153,770	1,153,770	1,153,770
Payment for Public Agency Permits	0	0	0	1,059,660	1,059,660	1,059,660	1,059,660
Payment for Green Tape Position	0	0	0	94,110	94,110	94,110	94,110
<b>TOTAL RESOURCES</b>	<b>63,005,614</b>	<b>46,815,279</b>	<b>45,920,928</b>	<b>49,330,914</b>	<b>51,230,728</b>	<b>52,974,179</b>	<b>53,438,782</b>
<b>PSP OPER. BUDGET APPROP/ EXP'S.</b>							
Operating Budget	(32,083,221)	(33,893,405)	(35,139,355)	(36,479,415)	(37,946,225)	(39,577,245)	(41,411,825)
Labor Agreement	n/a	0	(111,127)	(111,127)	(111,127)	(111,127)	(111,127)
Annualizations and One-Time	n/a	n/a	111,940	111,940	111,940	111,940	111,940
IT Maintenance	n/a	n/a	(101,999)	(76,038)	(178,634)	(81,282)	(83,983)
IT Replacement Plan	n/a	n/a	0	(68,500)	(628,500)	(418,500)	31,500
Office Rent	n/a	n/a	(190,188)	(386,082)	(587,853)	(795,677)	(795,677)
Retiree Health Insurance Pre-Funding	n/a	n/a	160	35,990	76,390	97,400	119,910
<b>Subtotal PSP Oper Budget Approp / Exp's</b>	<b>(32,083,221)</b>	<b>(33,893,405)</b>	<b>(35,430,569)</b>	<b>(36,973,232)</b>	<b>(39,264,009)</b>	<b>(40,774,491)</b>	<b>(42,139,262)</b>
<b>OTHER CLAIMS ON FUND BALANCE</b>	<b>(18,321,270)</b>	<b>(3,558,818)</b>	<b>(1,306,173)</b>	<b>(2,491,500)</b>	<b>(1,720,573)</b>	<b>(3,103,691)</b>	<b>0</b>
<b>TOTAL USE OF RESOURCES</b>	<b>(50,404,491)</b>	<b>(37,452,223)</b>	<b>(36,736,742)</b>	<b>(39,464,732)</b>	<b>(40,984,582)</b>	<b>(43,878,182)</b>	<b>(42,139,262)</b>
<b>YEAR END FUND BALANCE</b>	<b>12,601,123</b>	<b>9,363,056</b>	<b>9,184,186</b>	<b>9,866,183</b>	<b>10,246,146</b>	<b>9,095,997</b>	<b>11,299,520</b>
<b>END-OF-YEAR RESERVES AS A</b>							
<b>PERCENT OF RESOURCES</b>	<b>20.0%</b>	<b>20.0%</b>	<b>20.0%</b>	<b>20.0%</b>	<b>20.0%</b>	<b>17.2%</b>	<b>21.1%</b>

**Assumptions:**

- 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 to fee or tax rates, usage, inflation, future labor agreements, and other factors not assumed here.
- Revenue projections in FY16 and future years assume a gradual increase in construction market activity.
- Key components of Permitting Service's technology replacement plan include:  
FY18 Scanners (\$100,000);  
FY19 Printers (\$60,000), Servers (\$600,000)  
FY20 Permit DB Servers - Hardware & Software (\$450,000);
- "Other Claims on Fund Balance" are to fund the department's proptional share of the new headquarters in Wheaton. Current estimates for the cost to DPS is approximately \$35 million.
- The Rate Stabilization Factor (RSF) is the factor by which the fee rate is adjusted, up or down, to maintain the reserve policy of 20% of total resources in the budget year.
- The Permitting Services fund balance policy target is 20% of resources, after the IT set-aside, and 15% to 20% in the out years.
- The General Fund transfer for Public Agency Permits and Green Tape will be deferred from FY15-FY17 for fiscal reasons.