



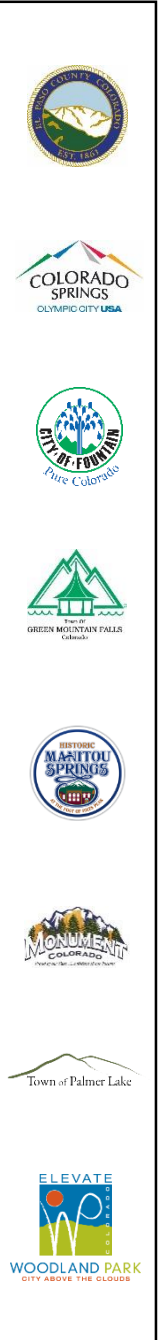
2019 Budget

October 22, 2018

City of Colorado Springs

City Council – Work Session

Ensuring life safety and welfare of our community through efficient and consistent application of adopted codes and standards





2018 Overview

- As of September 30, 2018:
 - 3,264 new single family home permits (13.2% increase compared to September 30, 2017)
 - \$2,501,987,081 total construction valuation (5.83% increase compared to September 30, 2017)
 - 1,442 apartment units (30.4% increase compared to September 30, 2017)
 - 8,054 submitted plans (23.4% increase compared to September 30, 2017)

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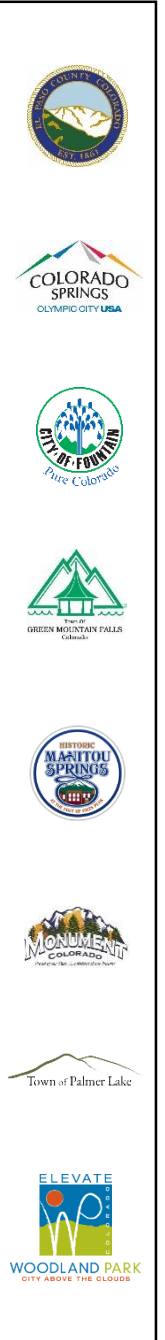




Accomplishments

- IT Security, Reliability & Innovation
 - Migration of databases to the cloud to improve reliability
- Electronic Plan Review
 - Approximately 50% of all plans submitted electronically
- Reduced Plan Review Time
 - 17% increase in plans reviewed
- Increased Permit Volume
 - 36% increase over 2016 & 2017
 - 164,298 issued permits over those 2 years
 - Approximately \$6.0 **billion** in valuation for 2016 & 2017

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Accomplishments

- Security Creek LOMR & Support of Affordable Housing
 - Approximately 100 structures removed from 100-year floodplain
 - Effective January 15, 2019
- Cheyenne Creek LOMR & Support of Affordable Housing
 - 1,321 structures expected to benefit with 798 being removed completely
 - Effective mid 2019
- 2015 International Codes
 - Increased energy efficiency and recognition of new construction technology

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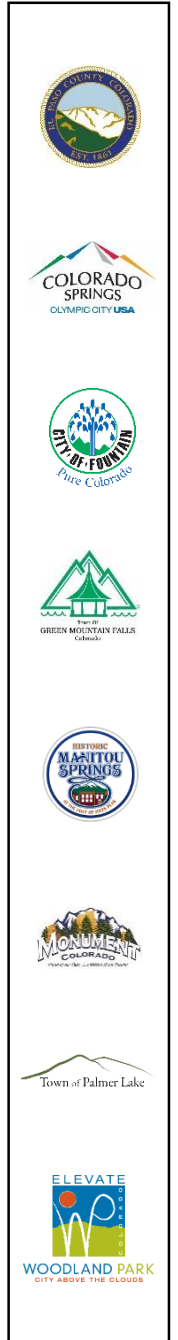


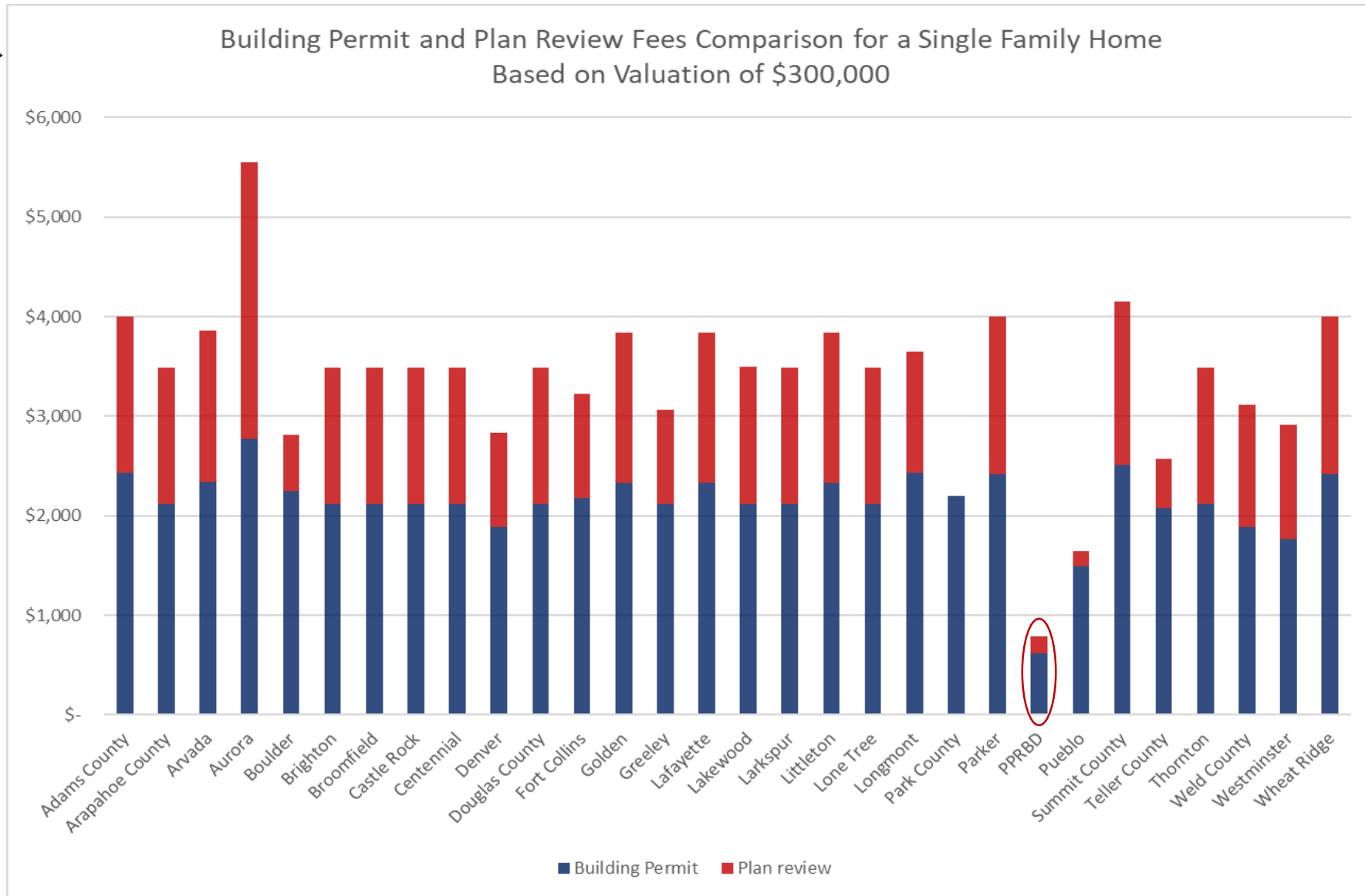


Strategic Goals

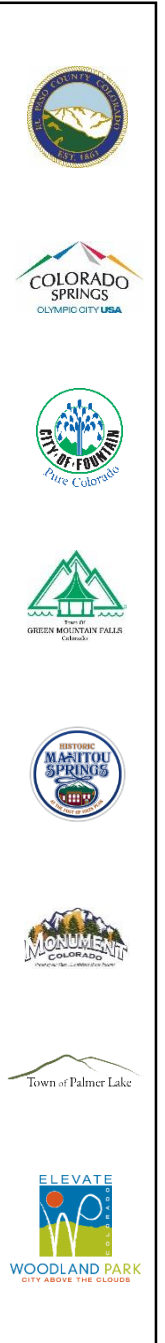
- Positive Image
- Education
- Streamline the Permitting Process
- Communication with Local Governments
- Customer Service
- Website Enhancement
- Future Planning & Sustainability

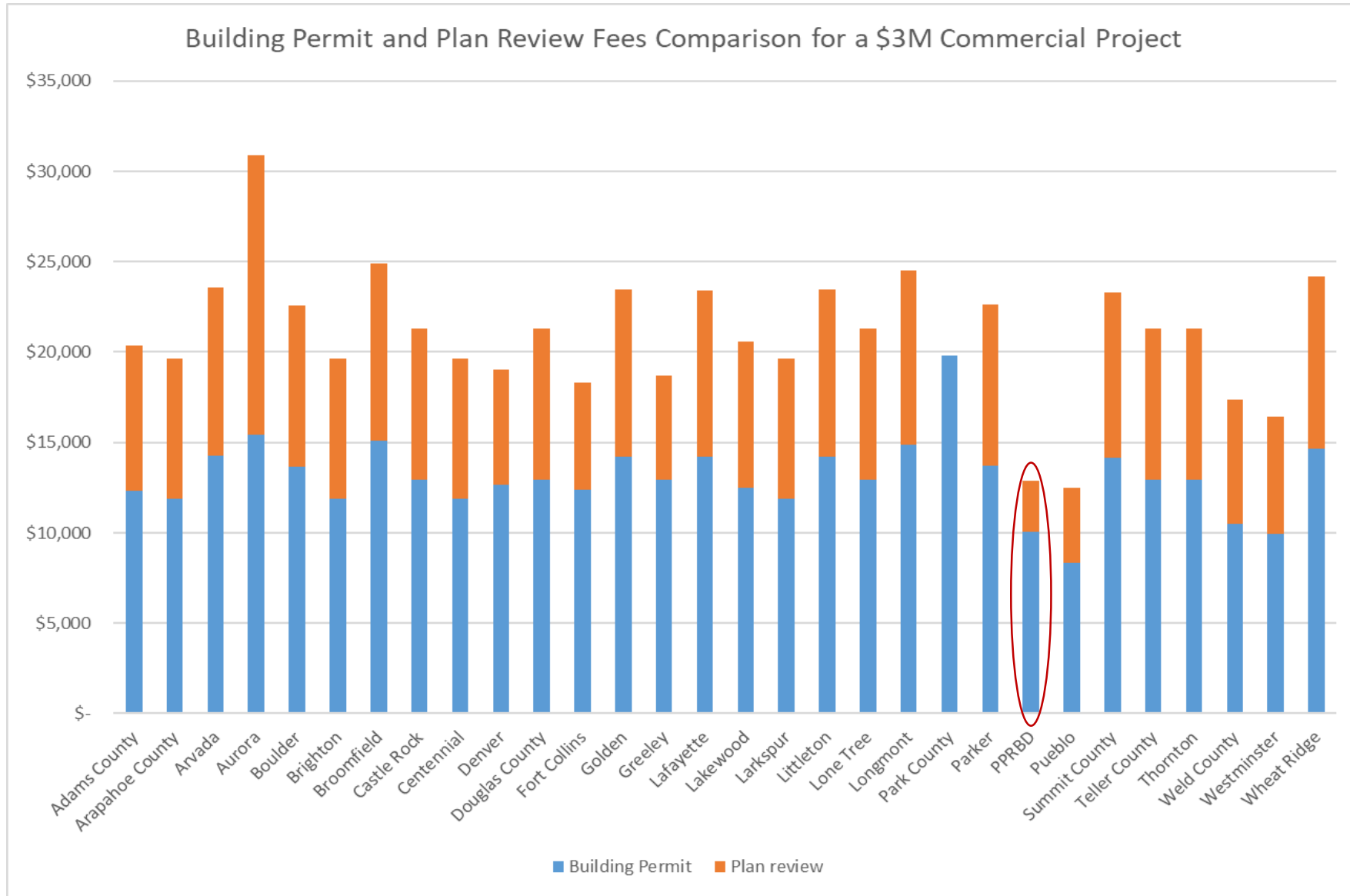
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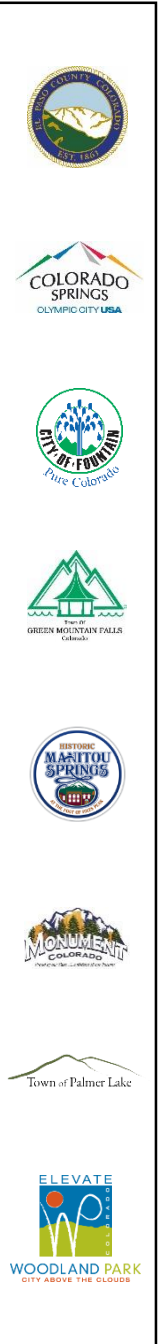


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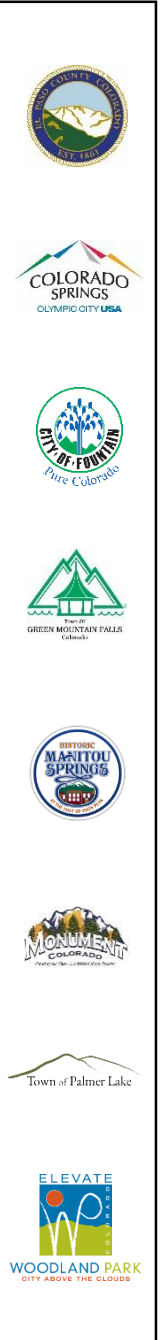




Summary of Revenue and Expenditures

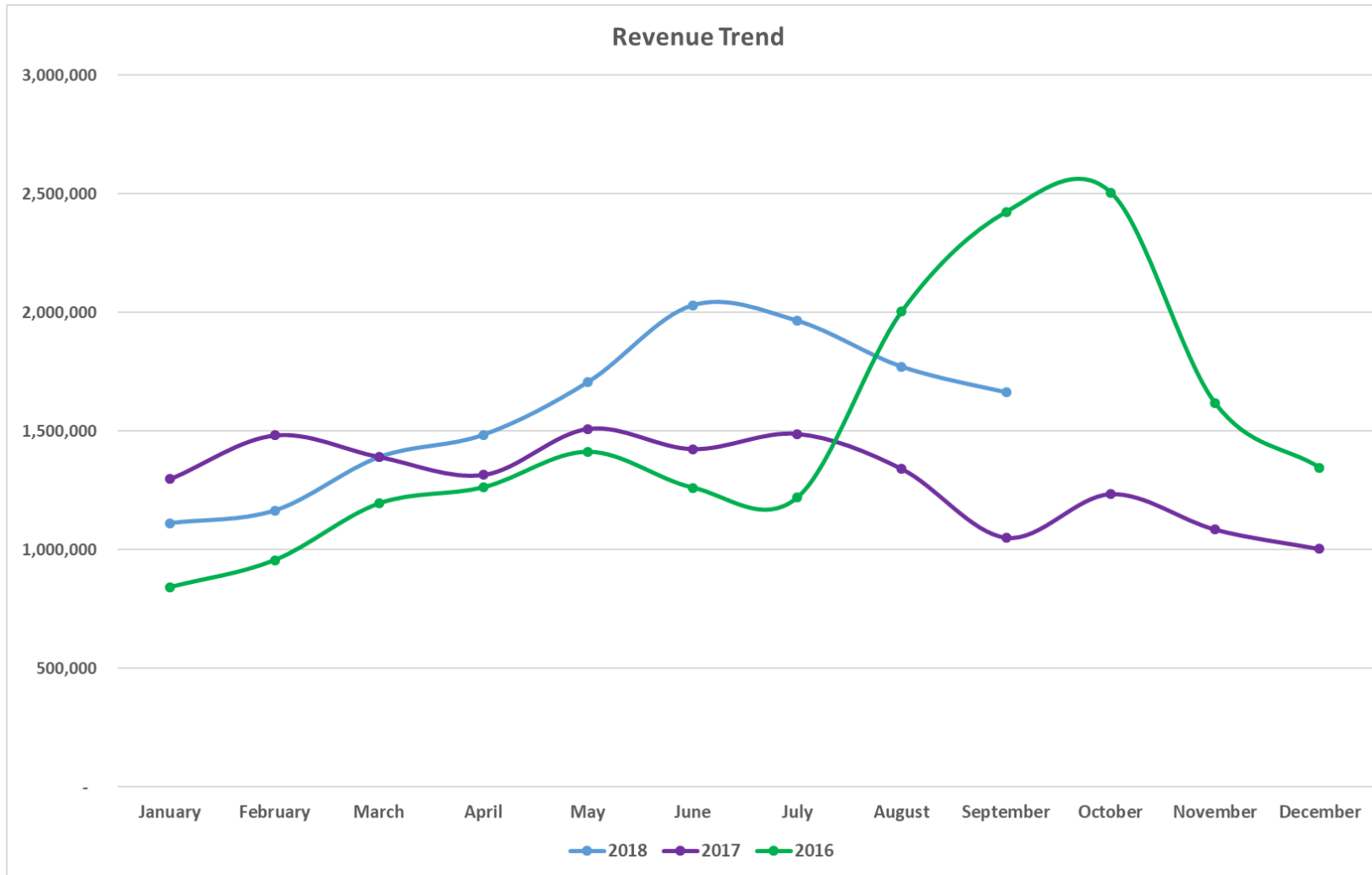
| | 2015 Actual | 2016 Actual | 2017 Actual | 2018 Amended Budget | 2019 Budget | % Change |
|----------------------------|-------------------|-------------------|-------------------|---------------------|--------------------|-----------|
| Revenue | | | | | | |
| Operating Revenue | \$ 12,387,124 | \$ 17,602,038 | \$ 15,149,197 | \$ 15,451,000 | \$ 15,832,450 | 2% |
| Other Revenue | 347,957 | 334,938 | 1,521,689 | 389,000 | 455,000 | 17% |
| Total Revenue | 12,735,081 | 17,936,976 | 16,670,886 | 15,840,000 | 16,287,450 | 3% |
| Expenses | | | | | | |
| Salary & Benefits | 8,601,786 | 8,619,583 | 10,064,069 | 11,821,857 | 13,118,182 | 11% |
| Operating Expenses | 3,727,296 | 4,223,766 | 6,490,852 | 4,362,385 | 4,400,123 | 1% |
| Cost of Sales | 189,355 | 235,634 | 225,476 | 285,000 | 325,000 | 14% |
| Total Expenses | 12,518,437 | 13,078,983 | 16,780,397 | 16,469,242 | 17,843,305 | 8% |
| Net Income | 216,644 | 4,857,993 | (109,511) | (629,242) | (1,555,855) | |
| Beginning Fund Balance | 4,650,337 | 4,866,981 | 9,724,974 | 9,615,463 | 8,986,221 | |
| Ending Fund Balance | 4,866,981 | 9,724,974 | 9,615,463 | 8,986,221 | 7,430,366 | |

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Revenue Trend



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| | 2015 Actual | 2016 Actual | 2017 Actual | 2018 Amended Budget | 2019 Budget | 2019 Budget - 2018 Amend. Budget | % Change |
|-----------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------------------|---------------|
| Revenue | | | | | | | |
| Plan Check Fees | \$ 1,226,880 | \$ 1,604,309 | \$ 1,894,306 | \$ 2,000,000 | \$ 2,100,000 | \$ 100,000 | 5.00% |
| Building Permits | 7,082,038 | 11,501,628 | 10,065,037 | 10,200,000 | 10,733,500 | 533,500 | 5.23% |
| Permit Fee Discount | - | - | (1,320,146) | (1,500,000) | (2,000,000)* | (500,000) | 33.33% |
| Electrical Permits | 1,007,883 | 1,149,982 | 1,235,881 | 1,300,000 | 1,350,000 | 50,000 | 3.85% |
| Mechanical/Plumbing Permits | 1,622,857 | 1,704,304 | 1,833,331 | 2,000,000 | 2,100,000 | 100,000 | 5.00% |
| Elevator Permits | 24,109 | 32,162 | 44,105 | 32,000 | 50,000 | 18,000 | 56.25% |
| Floodplain Permits | 15,250 | 15,271 | 12,525 | 17,000 | 17,000 | - | 0.00% |
| Mobile Home Permits | 18,048 | 21,480 | 30,534 | 25,000 | 31,000 | 6,000 | 24.00% |
| Elevator Inspections | 292,478 | 304,424 | 304,365 | 330,000 | 330,000 | - | 0.00% |
| Contractor Licenses | 497,929 | 483,988 | 511,057 | 500,000 | 525,000 | 25,000 | 5.00% |
| Licensing Reward Program | - | - | (250,000) | (300,000) | (300,000)* | - | 0.00% |
| Mechanical Licenses | 13,565 | 12,585 | 12,715 | 16,000 | 16,000 | - | 0.00% |
| Special | 193,306 | 288,111 | 296,679 | 320,000 | 348,950 | 28,950 | 9.05% |
| Re-Inspections | 110,010 | 154,450 | 152,050 | 150,000 | 155,000 | 5,000 | 3.33% |
| Variance Requests | 11,705 | 12,100 | 13,200 | 15,000 | 15,000 | - | 0.00% |
| Address Assignment Fees | 137,465 | 163,640 | 169,086 | 195,000 | 200,000 | 5,000 | 2.56% |
| Floodplain Plan Review | 70,830 | 82,460 | 87,336 | 90,000 | 90,000 | - | 0.00% |
| Utility Fees | 8,632 | 10,116 | 11,688 | 10,000 | 12,000 | 2,000 | 20.00% |
| Misc. Revenue | 54,139 | 61,029 | 45,449 | 51,000 | 59,000 | 8,000 | 15.69% |
| Total Revenue | 12,387,124 | 17,602,038 | 15,149,197 | 15,451,000 | 15,832,450 | 381,450 | 2.47% |
| Other Revenue | | | | | | | |
| Code Sales | 75,122 | 101,357 | 115,334 | 225,000 | 200,000 | (25,000) | -11.11% |
| Rental Income | 141,976 | 121,605 | 9,875 | 15,000 | 15,000 | - | 0.00% |
| Gain On Sale Of Assets | 87,513 | 46,445 | 1,294,000 | - | - | - | 0.00% |
| Interest Earnings | 4,955 | 27,139 | 73,685 | 130,000 | 200,000 | 70,000 | 53.85% |
| EPC CAM Back Bill | 38,391 | 38,391 | 28,794 | 19,000 | 40,000 | 21,000 | 110.53% |
| Total Other Revenue | 347,957 | 334,938 | 1,521,689 | 389,000 | 455,000 | 66,000 | 16.97% |
| Total Revenue | \$ 12,735,081 | \$ 17,936,975 | \$ 16,670,886 | \$ 15,840,000 | \$ 16,287,450 | \$ 447,450 | 2.82% |

* Conditional upon the Department's administrative staff determining that funds are available for any amount not exceeding the one, as approved, and authority to terminate at any time.

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Of Employees

Salary & Benefits

Rent

Supplies

Maintenance

Insurance

Services

Common Area Maintenance

Community Engagement & Education

Other

Cost Of Sales

Total Expenditures

| | 2016 Actual | 2017 Actual | 2018 Amended Budget | 2019 Budget | Variance Total \$ | Variance Total % |
|----------------------------------|-------------------|-------------------|---------------------------|-------------------|-------------------------|------------------------|
| # Of Employees | 93 | 98 | 120 | 124 | 4 | 3% |
| Salary & Benefits | 8,619,583 | 10,064,069 | 12,071,857 | 13,118,182 | 1,046,325 | 9% |
| Rent | 577,878 | 578,685 | 578,848 | 578,848 | - | 0% |
| Supplies | 365,723 | 250,955 | 495,500 | 519,150 | 23,650 | 5% |
| Maintenance | 378,579 | 363,599 | 307,000 | 339,000 | 32,000 | 10% |
| Insurance | 161,401 | 198,948 | 255,000 | 259,705 | 4,705 | 2% |
| Services | 488,820 | 602,446 | 1,026,030 | 1,253,263 | 227,233 | 22% |
| Common Area Maintenance | 357,706 | 357,706 | 357,707 | 357,707 | - | 0% |
| Community Engagement & Education | 612,264 | 483,376 | 292,000 | 292,000 | - | 0% |
| Other | 1,281,396 | 3,655,138 | 800,300 | 800,450 | 150 | 0% |
| Cost Of Sales | 235,634 | 225,476 | 285,000 | 325,000 | 40,000 | 14% |
| Total Expenditures | 13,078,983 | 16,780,397 | 16,469,242 | 17,843,305 | 1,374,063 | 8% |

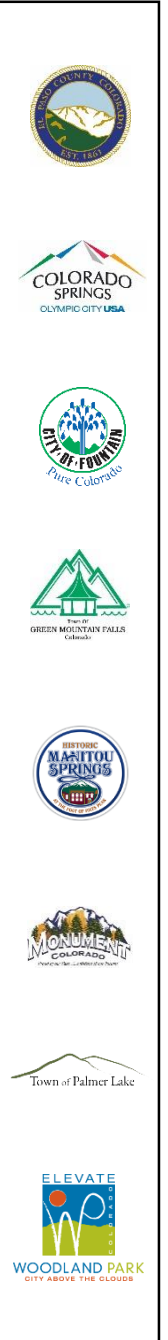
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Questions?

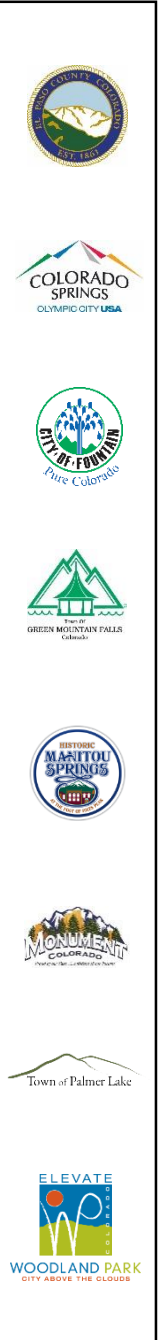
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| | 2019 |
|-------------------------------|-------------------------|
| | <u>Budget</u> |
| Capital Project | |
| Fleet Replacement | 1,000,000 |
| Fleet Additions | 200,000 |
| Office Remodel | 75,000 |
| Server Array Replacement | 50,000 |
| Scanner Upgrades | 20,000 |
| Total Capital Spending | <u>1,345,000</u> |

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| | Actual 2015 | Actual 2016 | Actual 2017 | Amended Budget 2018* | Budget 2019* |
|------------------------|----------------|----------------|----------------|----------------------------|-----------------|
| Operating Cash Balance | \$ 5,746,899 | \$ 9,089,269 | \$ 9,606,948 | \$ 9,202,190 | \$ 7,145,656 |
| Budget | 12,939,599 | 13,636,415 | 15,881,429 | 16,361,256 | 17,836,033 |
| Cash as a % of Budget | 44.41% | 66.65% | 60.49% | 56.24% | 40.06% |

* projected

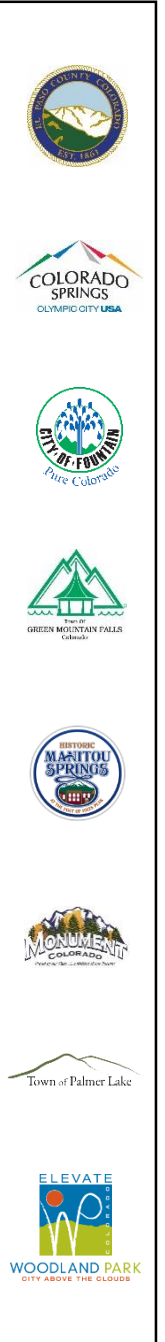
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| | <u>Budget 2019</u> | <u>Approved 2018</u> | <u>Actual 2017</u> | <u>Actual 2016</u> | <u>Actual 2015</u> |
|---------------------------------|------------------------|--------------------------|------------------------|------------------------|------------------------|
| Building Administration | 7 | 7 | 5.5 | 5.5 | 5.5 |
| Finance/Human Resources | 5 | 5 | 5 | 5 | 6 |
| Building Inspections | 25 | 24 | 23 | 21 | 16 |
| Electrical Inspections | 16 | 16 | 13 | 12 | 11 |
| Elevator Inspections | 4 | 4 | 3 | 3 | 3 |
| Mechanical/Plumbing Inspections | 29 | 28 | 21 | 19 | 19 |
| Building Plans/Floodplain | 17 | 16 | 14 | 13 | 14 |
| Licensing | 5 | 5 | 2 | 2 | 2 |
| Permits | 9 | 9 | 9 | 8 | 7 |
| Information Technology | 7 | 6 | 5 | 4 | 5 |
| | <u>124</u> | <u>120</u> | <u>100.5</u> | <u>92.5</u> | <u>88.5</u> |

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Community Engagement & Education

| | 2018 Budget | 2018 Amended Budget | 2019 Budget | Variance Total \$ | Variance Total % | Notes: |
|---|----------------|---------------------------|----------------|-------------------------|------------------------|------------------------------|
| Economic Vitality | 35,000 | 35,000 | 35,000 | - | 0% | The Greater CS Chamber & EDC |
| Education/Training Program | 22,000 | 22,000 | 22,000 | - | 0% | Mech IV training |
| Community Outreach | 125,000 | 125,000 | 125,000 | - | 0% | Community outreach/PIO |
| Misc. Programs | 30,000 | 30,000 | - | - | 0% | Senior Reroof assistance |
| Workforce Development Program | 70,000 | 70,000 | 100,000 | - | 0% | Careers in Construction |
| Neighborhood Improve. Project | 10,000 | 10,000 | 10,000 | - | 0% | CONO |
| Community Engagement & Education | 292,000 | 292,000 | 292,000 | - | 0% | |

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