



## **BUILDING FUND**



**As of fiscal year 2008-2009, the Building Division is presented as a “stand-alone” enterprise fund, #70. Refer to General Fund Organization Set #01-09 to see the 2008 and 2007 Actuals.**



# 2009 – 2010 Proposed Budget --- Budget Summary Building Fund

## 2009 – 2010 Building Fund Budget Highlights

- The current global, national, state, and local economic conditions, and corresponding lack of building activity, have resulted in a considerable reduction in revenues for the Building Fund. The estimated revenues for fiscal year 2008-2009 are approximately one-third of the adopted budget amounts. Due to the uncertainty of the economy, revenues for fiscal year 2009-2010 were conservatively estimated to be slightly less than the fiscal year 2008-2009 levels.
- In response to the lower revenue projections, expense reductions were implemented during fiscal year 2008-2009 and in the 2009-2010 proposed budget:
  - With the retirement of the Community Development Department Executive Secretary (shared position: 65% Building / 35% Engineering) in June 2008, the position was left unfilled. The position was eliminated from the proposed 2009-2010 budget;
  - With the retirement of a Building Inspector III in January 2009, the position was left unfilled. The position was eliminated from the proposed 2009-2010 budget;
  - The two Permit Technician positions are shared between Building, Engineering, and Planning. The time allocations for the positions were adjusted to reflect the fact that they are spending more time supporting Engineering projects;
  - Materials & Services expenses were reduced where possible; and
  - No capital expenses were proposed for the 2009-2010 budget.

- Even with the personnel changes, and reductions in operating expenses, the costs for the Building Division are exceeding the projected revenues. As a result the ending fund balance for Building Fund is declining. The ending fund balance, which was approximately \$760,000 at the beginning of fiscal year 2008-2009, is projected to be \$110,000 at the end of 2009-2010 fiscal year.
- Staff will continue to monitor revenues and expenses. Further staffing reductions may impact the Division's ability to provide the State mandated and approved services related to building permits and building code enforcement.

### Full-Time Equivalent

	<u>2008-2009</u>	<u>Change</u>	<u>2009-2010</u>
<b>FTE Adopted Budget</b>	<b>5.90</b>		
Building Inspector III		- 1.00	
Executive Secretary - Comm Dev		- 0.65	
Permit Technician - Comb. Dept		- 0.10	
Permit Technician - Eng/Bldg		- <u>0.40</u>	
<b>FTE Proposed Budget</b>		<b>2.15</b>	<b>3.75</b>

# 2009 – 2010 Proposed Budget --- Budget Summary

## Building Fund

### Short- and Long-Term Issues

#### **➤ Short- and Long-Term Issues**

**Customer Service:** Plans, examiners, and building inspectors are not always immediately available to respond to inquiries, both in person and/or over the phone. Generally, the inspectors are able to respond later that day or the next business day. Occasionally there might be a two, or more, day lag, due to research required, depending upon the questions. In the rare instances that this happens, it is the Building Division staff's habit to keep customers informed during the interim.



6,896 Inspections performed in 2008  
9,110 Inspections performed in 2007

### Core Services

#### **➤ Building Division**

- Hold pre-application meetings to identify and clarify issues particular to a commercial project prior to submittal of construction documents. These meetings are also attended by various other City departments as well as those interested parties on the applicant side of the project.
- Provide plan review services for residential, commercial and industrial projects prior to permit issuance.
- Conduct inspections in the field at various job sites during the construction process of the projects.
- Respond to code interpretation inquiries.
- Respond to contractors, design professionals, and citizens regarding questions and inquiries as needed.



## Building Fund --- Historical Highlights

- 1969** State of Oregon adopts the 1968 edition of the National Electrical Code.
- 1970s** Early 1970s City of McMinnville establishes the Building Division and begins conducting limited plan reviews and field inspections.
- 1974** State of Oregon adopts the 1973 edition of the Uniform Building & Mechanical Codes.
- 1975** State of Oregon adopts the 1973 edition of the Uniform Plumbing Code.
- 1988** City of McMinnville approved by the State of Oregon to conduct Fire and Life Safety Plan Reviews that were previously done by the State Building Codes Division.
- 1991** Building Division management moved to the Fire Chief.
- 1991** Building Division Advisory Board created with various stakeholders from the building community.

- 1994** Staffing level grows to include 5 inspector/plans examiners, as well as the Building Official and administrative staff.
- 1995** Accela building permit computer system implemented for issuing, tracking, and record keeping of permits.
- 1997** Due to staff reductions related to Measure 47/50, Building Division begins to use additional outside consultants for plan reviews.
- 1997** Building Division management moved into the newly created Community Development Department with ultimate goal of a "one-stop" development center.
- 2000** Senate Bill 587 requires Building Division tracking and designation of building fee revenues over direct and indirect expenses.

- 2002** City Council increases building permit fees to provide adequate revenue for Building Division to become self-supporting.
- 2005** The annual review of the reserve balance indicated that the revenue reserve would exceed the reserve limits so the fee schedule applied to most building permits was reduced to reduce revenue generation by approximately 10%.
- 2006** Additional inspector position filled.
- 2007** Division moved to new Community Development Center. This fulfilled the goal of a "one-stop" center.



**30 new commercial buildings built in 2008**  
Value of construction = \$8.9 million

**162 new living units in 2008**  
**280 new living units in 2007**



**2009 - 2010 Proposed Budget --- Personal Services Summary**  
**Salaries Paid Form More Than One Source**  
**Building Fund**

<b><u>Position Description</u></b>	<b>Number of Employees</b>	<b>Range</b>	<b>Total Salary</b>	<b><u>Detailed Summary</u></b>	
<b>Fund Department</b>				<b>Page</b>	<b>Amount</b>
<b><u>Permit Technician</u></b>	1	328	43,566		
General Fund				24	26,140
Engineering (0.60 FTE)				294	17,426
Building Fund (0.40 FTE)					
<b><u>Permit Technician</u></b>	1	328	40,644		
General Fund					
Engineering (0.25 FTE)				24	10,161
Planning (0.50 FTE)				28	20,322
Building Fund (0.25 FTE)				294	10,161

## Budget Document Report

## 70 - BUILDING FUND

2007 ACTUAL	2008 ACTUAL	2009 AMENDED BUDGET	Department :N/A Section :N/A Program :N/A	2010 PROPOSED BUDGET	2010 APPROVED BUDGET	2010 ADOPTED BUDGET
<b>RESOURCES</b>						
<b><u>BEGINNING FUND BALANCE</u></b>						
0	0	0	<b>4090 Beginning Fund Balance</b> Estimated Building Division designated cash carryover at July 1, 2009 discloses estimated accumulation of building fees over costs since the statutory requirement to track the use of building fees began July 1, 2000.	356,000	356,000	418,000
<b>0</b>	<b>0</b>	<b>0</b>	<b><u>TOTAL BEGINNING FUND BALANCE</u></b>	<b>356,000</b>	<b>356,000</b>	<b>418,000</b>
<b><u>LICENSES AND PERMITS</u></b>						
0	0	0	<b>4400 Building Fees</b>	0	0	0
0	0	540,000	<b>4400-05 Building Fees - Building Permit Fees</b> Building plan review and permit fees; fire and life safety plan review fees.	150,000	150,000	175,000
0	0	62,000	<b>4400-10 Building Fees - Mechanical Permit Fees</b> Mechanical plan review and permit fees.	20,000	20,000	20,000
0	0	81,500	<b>4400-15 Building Fees - Plumbing Permit Fees</b> Plumbing plan review and permit fees.	30,000	30,000	30,000
0	0	4,785	<b>4400-20 Building Fees - Mobile Home Permit Fees</b> Manufactured home setup permit fees including mobile home park plan review and permit fees.	600	600	600
0	0	2,050	<b>4400-25 Building Fees - Miscellaneous Permit Fees</b> Miscellaneous Building Division charges including sidewalk, driveway, and re-inspection fees.	500	500	500
<b>0</b>	<b>0</b>	<b>690,335</b>	<b><u>TOTAL LICENSES AND PERMITS</u></b>	<b>201,100</b>	<b>201,100</b>	<b>226,100</b>
<b><u>MISCELLANEOUS</u></b>						
0	0	9,000	<b>6310 Interest</b>	9,600	9,600	9,600
0	0	0	<b>6600 Other Income</b>	0	0	0
0	0	0	<b>6600-97 Other Income - Building</b>	0	0	0
<b>0</b>	<b>0</b>	<b>9,000</b>	<b><u>TOTAL MISCELLANEOUS</u></b>	<b>9,600</b>	<b>9,600</b>	<b>9,600</b>
<b><u>TRANSFERS IN</u></b>						
0	0	0	<b>6900 Transfers In</b>	0	0	0
0	0	800,000	<b>6900-01 Transfers In - General Fund</b>	0	0	0
<b>0</b>	<b>0</b>	<b>800,000</b>	<b><u>TOTAL TRANSFERS IN</u></b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>0</b>	<b>0</b>	<b>1,499,335</b>	<b><u>TOTAL RESOURCES</u></b>	<b>566,700</b>	<b>566,700</b>	<b>653,700</b>

Budget Document Report

**70 - BUILDING FUND**

2007 ACTUAL	2008 ACTUAL	2009 AMENDED BUDGET	Department :N/A Section :N/A Program :N/A	2010 PROPOSED BUDGET	2010 APPROVED BUDGET	2010 ADOPTED BUDGET
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**REQUIREMENTS**

**PERSONAL SERVICES**

0	0	0	<b>7000</b>	<b>Salaries &amp; Wages</b>	0	0	0
0	0	352,599	<b>7000-05</b>	<b>Salaries &amp; Wages - Regular Full Time</b> Building Official - 1.00 FTE Building Inspector III - 2.00 FTE Permit Technician - Bldg / Eng - 0.40 FTE Permit Technician - Combined Depts - 0.25 FTE	240,039	240,039	240,039
0	0	4,500	<b>7000-15</b>	<b>Salaries &amp; Wages - Temporary</b> Extra Help - Building Plan Review - 0.10 FTE	10,000	10,000	5,000
0	0	1,800	<b>7000-20</b>	<b>Salaries &amp; Wages - Overtime</b>	1,000	1,000	1,000
0	0	0	<b>7300</b>	<b>Fringe Benefits</b>	0	0	0
0	0	22,253	<b>7300-05</b>	<b>Fringe Benefits - FICA - Social Security</b>	15,564	15,564	15,254
0	0	5,204	<b>7300-06</b>	<b>Fringe Benefits - FICA - Medicare</b>	3,640	3,640	3,567
0	0	85,055	<b>7300-15</b>	<b>Fringe Benefits - PERS - OPSRP - IAP</b>	48,208	48,208	48,208
0	0	53,946	<b>7300-20</b>	<b>Fringe Benefits - Medical Insurance</b>	30,731	30,731	29,469
0	0	365	<b>7300-25</b>	<b>Fringe Benefits - Life Insurance</b>	230	230	230
0	0	1,918	<b>7300-30</b>	<b>Fringe Benefits - Long Term Disability</b>	1,307	1,307	1,307
0	0	4,342	<b>7300-35</b>	<b>Fringe Benefits - Workers' Compensation Insurance</b>	4,055	4,055	3,965
0	0	0	<b>7300-37</b>	<b>Fringe Benefits - Workers' Benefit Fund</b>	121	121	167
<b>0</b>	<b>0</b>	<b>531,982</b>	<b><u>TOTAL PERSONAL SERVICES</u></b>		<b>354,894</b>	<b>354,894</b>	<b>348,206</b>

**MATERIALS AND SERVICES**

0	0	1,800	<b>7520</b>	<b>Public Notices &amp; Printing</b> Building inspection/correction notices and various building inspection job cards, as well as brochures to inform contractors of code changes, departmental policies, and other relevant information.	750	750	750
0	0	400	<b>7540</b>	<b>Employee Development</b>	400	400	400
0	0	7,500	<b>7550</b>	<b>Travel &amp; Education</b> Training seminars and classes to maintain staff certifications, some of which are required by the State of Oregon.	4,500	4,500	4,500
0	0	3,000	<b>7590</b>	<b>Fuel - Vehicle &amp; Equipment</b>	2,000	2,000	2,000
0	0	2,400	<b>7600</b>	<b>Electric &amp; Natural Gas</b> Division's share of Community Development Center's electricity expense, ~25%.	2,100	2,100	2,100
0	0	0	<b>7610</b>	<b>Insurance</b>	0	0	0

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2007 ACTUAL	2008 ACTUAL	2009 AMENDED BUDGET	Department :N/A Section :N/A Program :N/A	2010 PROPOSED BUDGET	2010 APPROVED BUDGET	2010 ADOPTED BUDGET
0	0	3,400	<b>7610-05 Insurance - Liability</b>	3,300	3,300	3,300
0	0	800	<b>7610-10 Insurance - Property</b>	800	800	800
0	0	5,200	<b>7620 Telecommunications</b>	4,500	4,500	4,500
0	0	1,800	<b>7650 Janitorial</b> Division's share of Community Development Center janitorial service and supplies cost, ~25%.	1,700	1,700	1,700
0	0	9,500	<b>7660 Materials &amp; Supplies</b> Code books and related material regarding structural, mechanical, plumbing, and fire codes; office supplies; postage; uniforms and safety equipment.	5,500	5,500	5,500
0	0	1,500	<b>7720 Repairs &amp; Maintenance</b> Repairs and maintenance of vehicles and office equipment.	1,000	1,000	1,000
0	0	5,700	<b>7720-08 Repairs &amp; Maintenance - Building Repairs</b> Department's share of Community Development Center's repairs and improvements. For 2009-2010, work may include rebalancing and adjusting the building HVAC system, building weatherization work, and adding audio/visual improvements to the large conference room, ~25%.	7,500	7,500	7,500
0	0	1,900	<b>7720-10 Repairs &amp; Maintenance - Building Maintenance</b> Department's share of routine building maintenance costs including pest control, garbage service, alarm and lighting repair and maintenance, gutter cleaning and roof preventative maintenance, and carpet cleaning, ~25%.	1,900	1,900	1,900
0	0	3,500	<b>7750 Professional Services</b>	2,500	2,500	2,500
			<u>Description</u>	<u>Units</u>	<u>Amt/Unit</u>	<u>Total</u>
			Audit fee allocation	1	770	770
			Section 125 administration fee	1	50	50
			Miscellaneous professional services	1	1,680	1,680
0	0	12,500	<b>7750-33 Professional Services - Contract Inspections</b> Contract inspection services for large commercial projects and to augment staff building inspectors, when needed.	5,000	5,000	5,000
0	0	16,000	<b>7750-36 Professional Services - Contract Plan Review</b> Contract plan reviews and engineering services on commercial projects.	5,000	5,000	5,000
0	0	0	<b>7790 Maintenance &amp; Rental Contracts</b>	0	0	0
0	0	2,000	<b>7790-20 Maintenance &amp; Rental Contracts - Community Development Center</b> Division's share of Community Development Center HVAC services; alarm monitoring; landscape maintenance; and copier leases, ~25%.	1,700	1,700	1,700
0	0	1,500	<b>7800 M &amp; S Equipment</b>	0	0	0
0	0	0	<b>7830 M &amp; S Computer Charges - IS Fund</b>	0	0	0



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2007 ACTUAL	2008 ACTUAL	2009 AMENDED BUDGET	Department :N/A Section :N/A Program :N/A			2010 PROPOSED BUDGET	2010 APPROVED BUDGET	2010 ADOPTED BUDGET
0	0	23,084	<b>7830-98</b>	<b>M &amp; S Computer Charges - IS Fund - Computer Services</b>		7,526	7,526	7,506
				Network and PC support agreements, licenses, financial systems, internet connection etc.				
				<u>Description</u>	<u>Units</u>	<u>Amt/Unit</u>		<u>Total</u>
				Shared network services cost	1	7,506		7,506
0	0	7,900	<b>7830-99</b>	<b>M &amp; S Computer Charges - IS Fund - Computer M&amp;S Equipment</b>		1,576	1,576	2,009
				<u>Description</u>	<u>Units</u>	<u>Amt/Unit</u>		<u>Total</u>
				IS Department shared hardware and software	1	709		709
				Laser printer, replacement - Katie L.	1	1,300		1,300
<b>0</b>	<b>0</b>	<b>111,384</b>	<b><u>TOTAL MATERIALS AND SERVICES</u></b>			<b>59,252</b>	<b>59,252</b>	<b>59,665</b>
			<b><u>CAPITAL OUTLAY</u></b>					
0	0	13,500	<b>8850</b>	<b>Vehicles</b>		0	0	0
<b>0</b>	<b>0</b>	<b>13,500</b>	<b><u>TOTAL CAPITAL OUTLAY</u></b>			<b>0</b>	<b>0</b>	<b>0</b>
			<b><u>TRANSFERS OUT</u></b>					
0	0	0	<b>9700</b>	<b>Transfers Out</b>		0	0	0
0	0	51,166	<b>9700-01</b>	<b>Transfers Out - General Fund</b>		31,996	31,996	31,996
				Transfer to General Fund for personnel cost allocations for Administration, Finance, and Engineering support services.				
0	0	11,428	<b>9700-80</b>	<b>Transfers Out - Information Systems</b>		10,736	10,736	10,736
				Transfer to Information Services Fund for personnel cost allocations for computer support.				
<b>0</b>	<b>0</b>	<b>62,594</b>	<b><u>TOTAL TRANSFERS OUT</u></b>			<b>42,732</b>	<b>42,732</b>	<b>42,732</b>
			<b><u>CONTINGENCIES</u></b>					
0	0	100,000	<b>9800</b>	<b>Contingencies</b>		50,000	50,000	150,000
<b>0</b>	<b>0</b>	<b>100,000</b>	<b><u>TOTAL CONTINGENCIES</u></b>			<b>50,000</b>	<b>50,000</b>	<b>150,000</b>
			<b><u>ENDING FUND BALANCE</u></b>					
0	0	679,875	<b>9999</b>	<b>Unappropriated Ending Fd Balance</b>		59,822	59,822	53,097
				Budgeted undesignated cash carryover for July 1, 2010. Actual cash carryover will also include all remaining money from the Contingency account and the excess (deficit) of revenues over (under) expenditures from 2009-2010 operations.				
<b>0</b>	<b>0</b>	<b>679,875</b>	<b><u>TOTAL ENDING FUND BALANCE</u></b>			<b>59,822</b>	<b>59,822</b>	<b>53,097</b>
<b>0</b>	<b>0</b>	<b>1,499,335</b>	<b><u>TOTAL REQUIREMENTS</u></b>			<b>566,700</b>	<b>566,700</b>	<b>653,700</b>

Budget Document Report

**70 - BUILDING FUND**

2007 ACTUAL	2008 ACTUAL	2009 AMENDED BUDGET	Department :N/A Section :N/A Program :N/A	2010 PROPOSED BUDGET	2010 APPROVED BUDGET	2010 ADOPTED BUDGET
0	0	1,499,335	<b>TOTAL RESOURCES</b>	566,700	566,700	653,700
0	0	1,499,335	<b>TOTAL REQUIREMENTS</b>	566,700	566,700	653,700