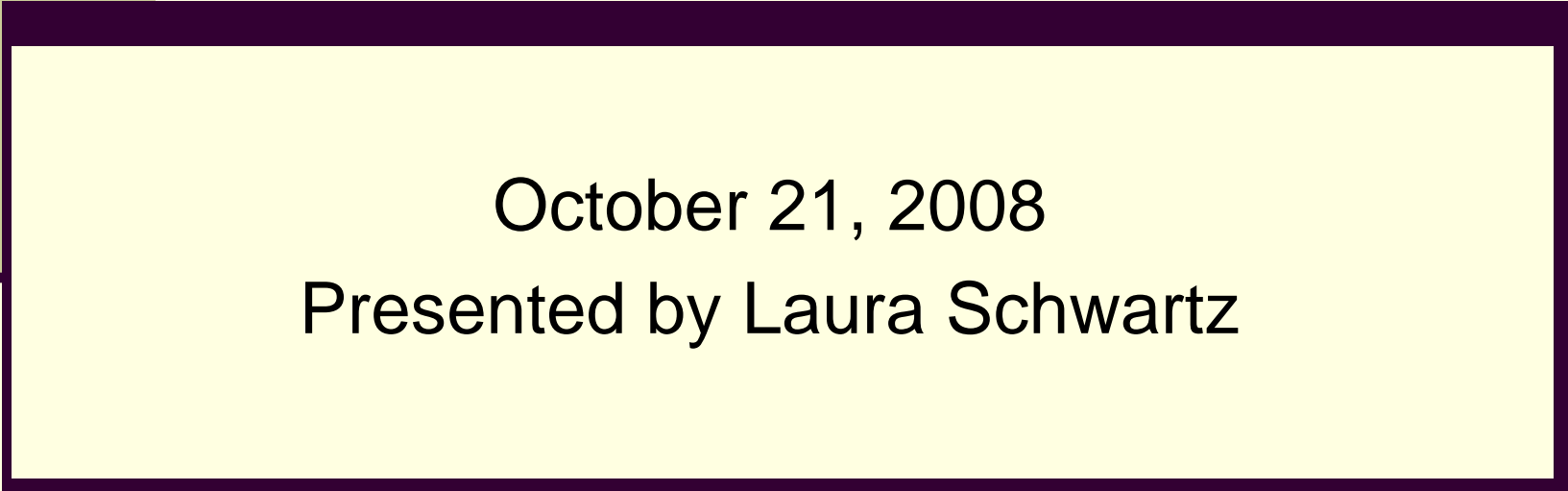




Development Services



October 21, 2008
Presented by Laura Schwartz

Revenue Shortfall

- FY 2008-09 Budget based on same level of permit activity as FY 2007-08
- 1st quarter permit revenues are down 50% from FY 2007-08 levels
- Using trend data from FY 2007-08 this would result in a projected revenue shortfall of approximately \$2,000,000
- Revenue shortfall is all within the Permits & Inspections / Permit Center division

Building Services Division

Permits & Inspections / Permit Center

- Budgeted revenues of \$4,532,810
- Projected revenues of \$2,532,810
- 100% of shortfall is attributable to this division due to lower building permit revenue
- Majority of proposed reductions are within this division
- Scenario C1 includes 2 proposed reductions in the Administrative division
- Both scenarios include leaving 1 Principle Planner vacant in Long Range planning
- There may be some impact on services in Code Compliance and Commercial Grading as these positions are fluid and can shift between multiple functions
- There are no changes proposed for Current planning services – Both scenarios do include the deletion of a Development Aide in Current Planning, however these duties will be redistributed among other staff

CAO Recommendation C1

	Filled	Vacant	Annual Costs	FY 08-09 Savings (based on 11/21 RIF date)
Fiscal Technicians	(2)		117,045	72,028
Sr. Civil Engineer		(1)	115,472	115,472
Branch Managers	(2)		273,647	168,398
Operations Supervisor	(1)		94,508	58,159
Sr. Building Inspectors	(4)		468,823	288,506
Building Inspector II	(7)		601,306	370,034
Sr. Dev Tech	(1)		75,591	46,518
Development Tech II	(3)		194,428	119,648
Development Aide II	(3)		176,643	108,703
Associate Planner		(1)	71,452	71,452
Sub-total	(23)	(2)	2,188,915	1,418,918
Other Savings				
Vacant Principal Planner			134,324	82,661
One time current salary savings				58,220
El Dorado Hills Office Rent			48,100	28,058
Cost Applied Savings			50,000	-
Rent & Lease Vehicles			54,289	54,289
Fuel Purchases			29,587	29,587
Sub-Total			316,300	252,815
Total			2,505,215	1,671,734
Furlough Savings				286,236
Total				1,957,970

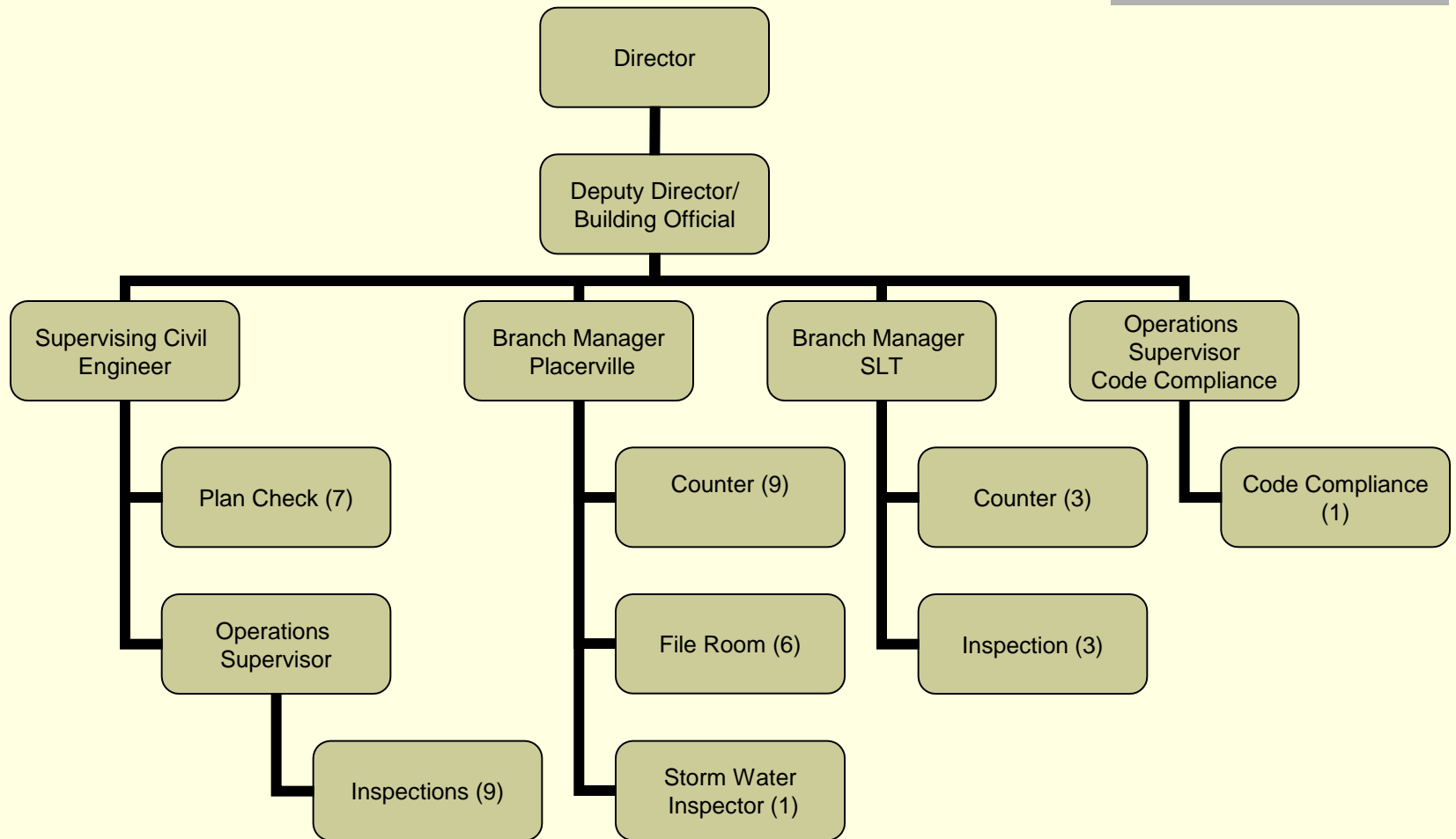
Scenario C1

- Based on a \$2,000,000 shortfall, this scenario would require \$42,030 of general fund contingency to balance the FY 2008-09 budget
- In FY 2009-10 these reductions result in savings of \$2,505,215.

Scenario C1- Future Savings

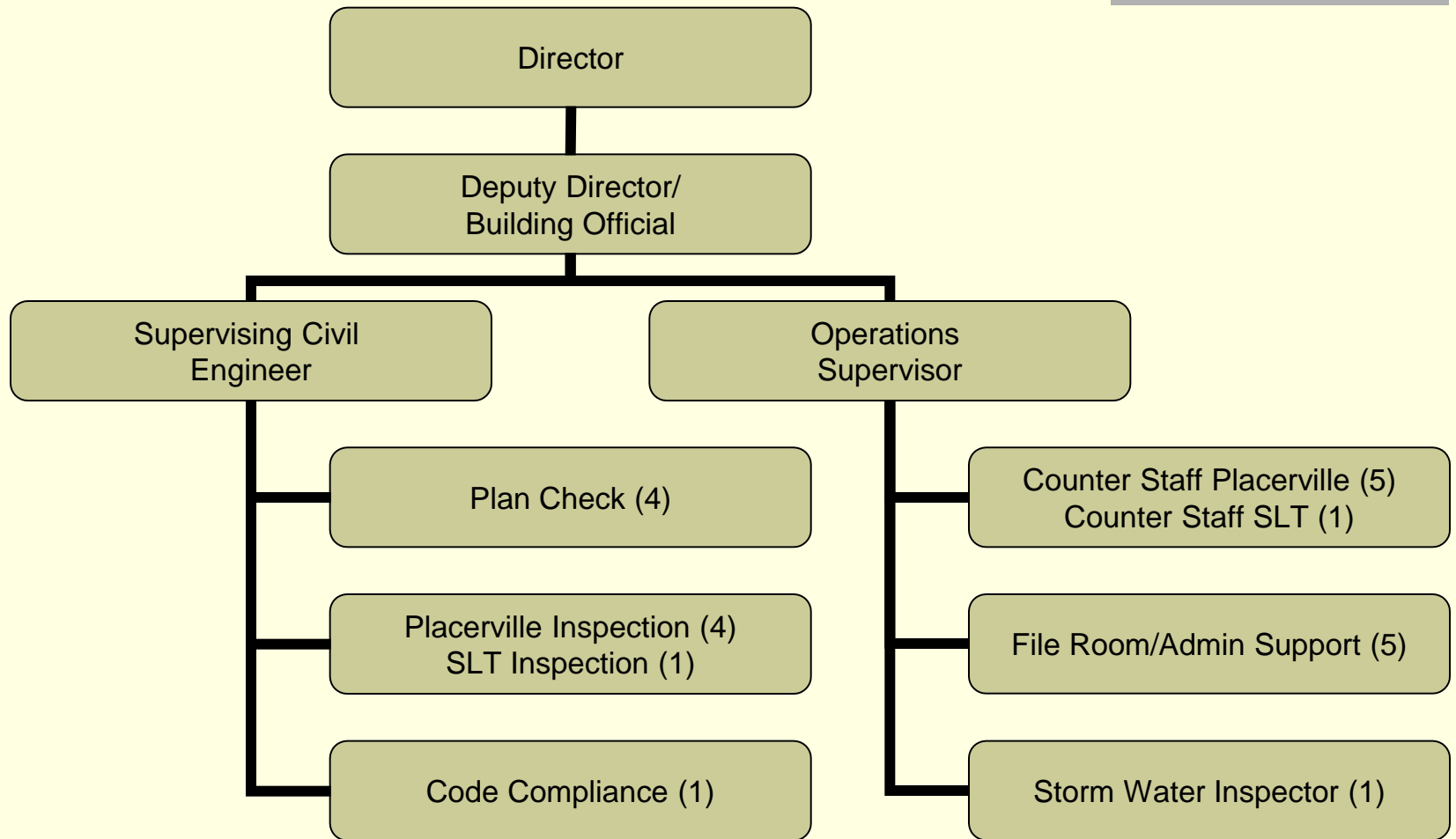
- If market remains flat and \$2,000,000 shortfall is maintained, department could have the following options in FY 2009-10:
 - Reduce net county cost by \$505,215 and help reduce overall County shortfall projection of \$8.5 million
 - Reinvest \$505,215 into department to gain greater efficiencies and improve outcomes
 - Create a contingency in case market conditions continue to decline

Current Building Services Structure



44 FTE's under Deputy Director

Scenario C1 Revised Structure



24 Employees under Deputy Director (Reduction of 20 FTE's – 1 Vacant)

Scenario C1- Remaining Reductions

- Fiscal/Admin Unit
 - 2 Fiscal Technician
- 2 FTE reductions are within the Permit Center Planning functions
 - 1 Associate Planner (vacant)
 - 1 Development Tech
- 1 FTE within the Current Planning function
 - 1 Development Aide
- Total Reduction of 25 FTE's (2 vacant)

Scenario C1 – Other Savings

- Vacant Principal Planner
- Current Salary Savings (one time only)
- No presence in El Dorado Hills
 - Rent savings
- Cost applied Savings in future years due to reduction in FTE's
- Rent & Lease vehicles & Fuel purchases
(Need less vehicles due to reduced staffing)

Furlough Savings

- A mandatory 10 day furlough for all development services employees would result in additional savings of \$286,236
- Savings are one-time in nature to help bridge the gap of salaries already expended

Scenario C1

- Service/program impacts are unknown and difficult to quantify
- Department feels that these cuts may be too deep and that the department would have difficulty providing core services
- Department would need to closely monitor these impacts and report back to the Board
- Adjustments could be made during the FY 2009-10 proposed budget cycle if needed

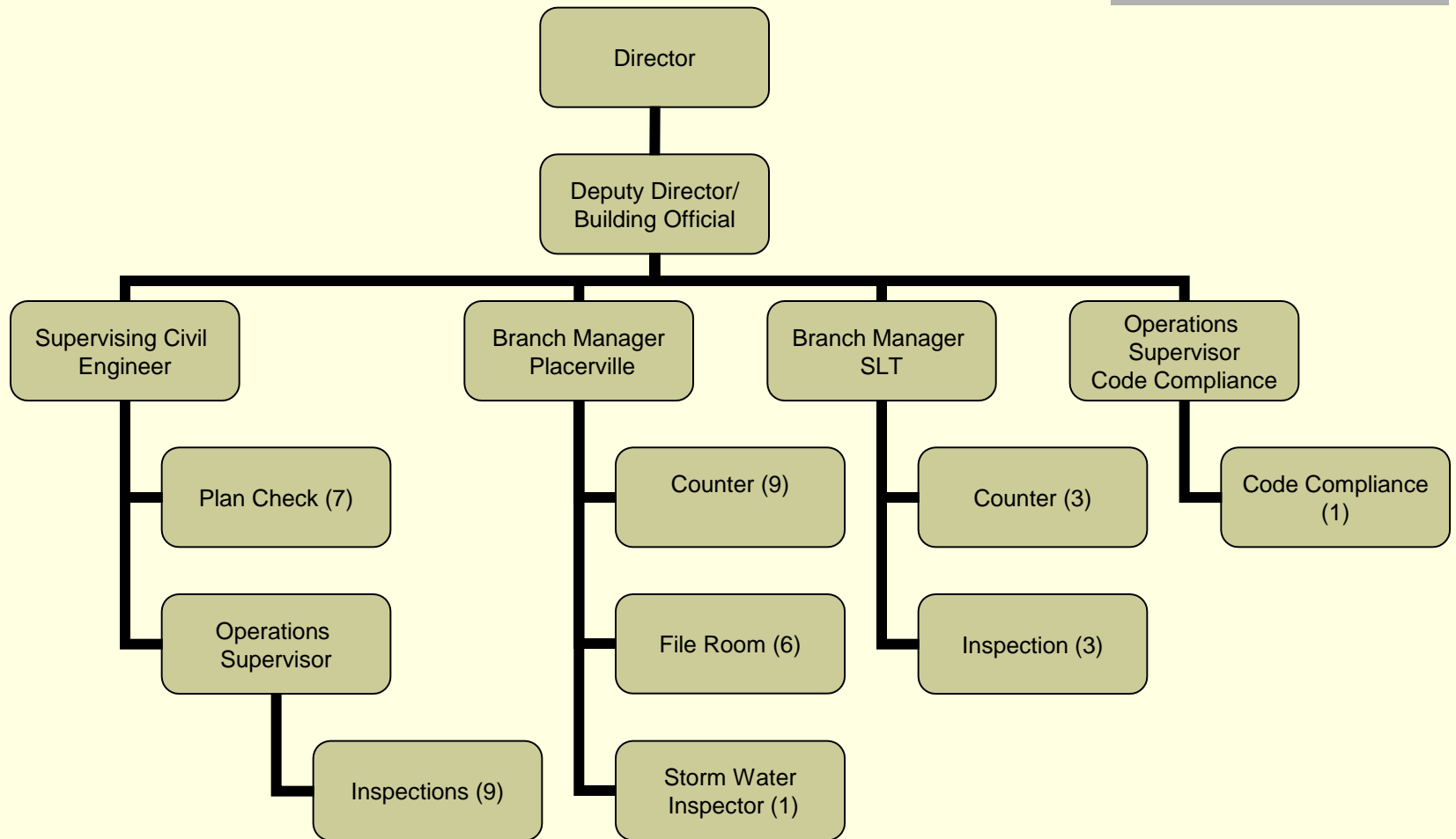
DS Recommendation A1

	Filled	Vacant	Annual Costs	FY 08-09 Savings (based on 11/21 RIF date)
Sr. Civil Engineer		(1)	115,472	115,472
Associate Planner		(1)	71,452	71,452
Branch Managers	(2)		273,647	168,398
Operations Supervisor	(1)		94,508	58,159
Sr. Building Inspectors	(3)		374,695	230,582
Building Inspector II	(4)		601,306	370,034
Sr. Dev Tech	(1)		75,591	46,518
Development Tech II	(1)		65,312	40,192
Development Aide II	(3)		176,643	108,703
Sub-total	(15)	(2)	1,848,626	1,209,510
Other Savings				
Vacant Principal Planner			134,324	82,661
One time current salary savings			-	58,220
El Dorado Hills Office Rent			48,100	28,058
Cost Applied Savings			50,000	-
Rent & Lease Vehicles			27,145	27,145
Fuel Purchases			14,794	14,794
Sub-Total			274,362	210,877
Total			2,122,988	1,420,387
Furlough Savings				307,504
Total				1,727,891

Scenario A1

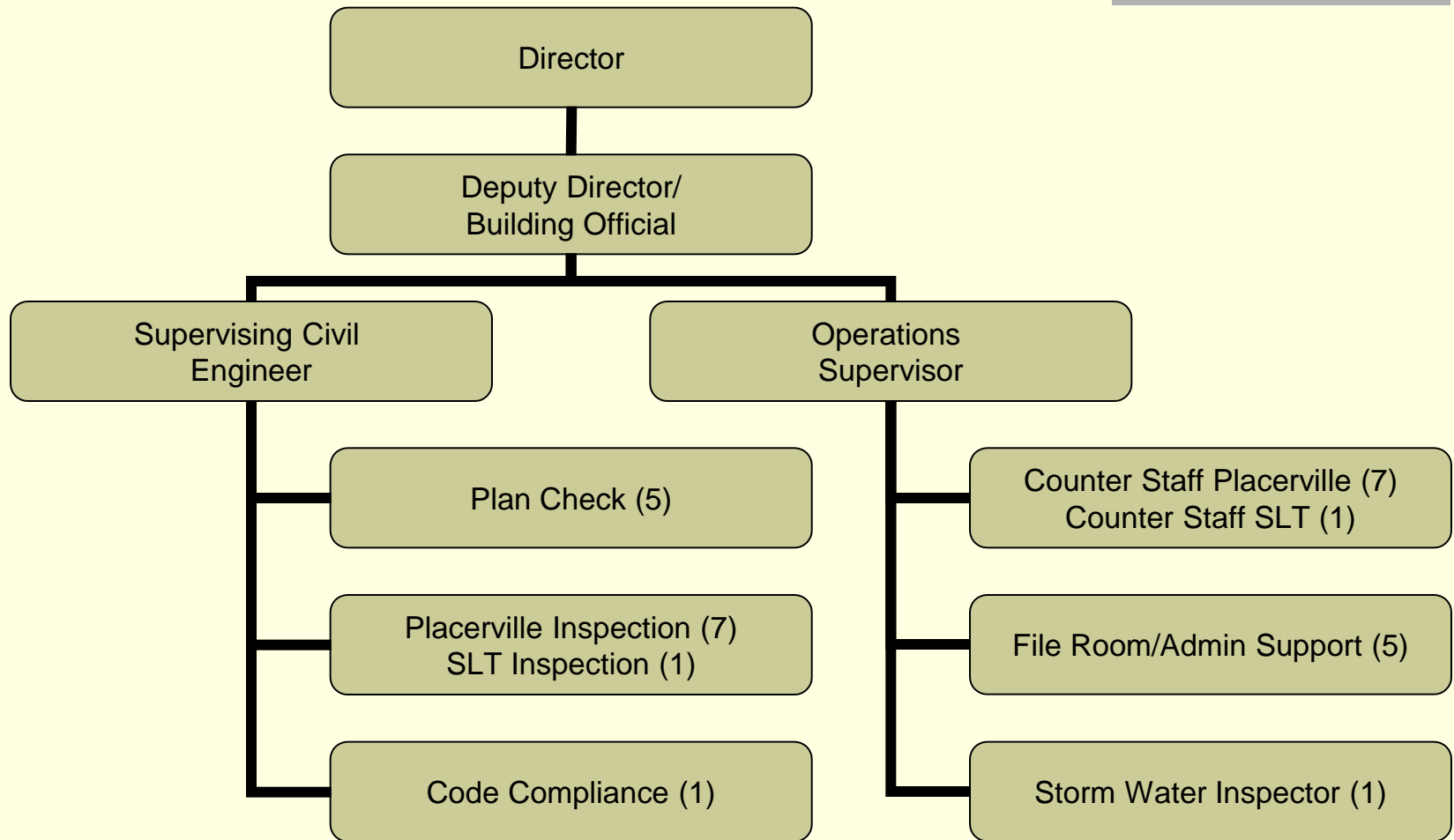
- Based on a \$2,000,000 shortfall, this scenario would require \$272,109 of general fund contingency to balance the FY 2008-09 budget
- In FY 2009-10 these reductions result in savings of \$2,122,988.
- Department would have same options regarding future savings as in scenario C1

Current Building Services Structure



44 FTE's under Deputy Director

Scenario A1 Revised Structure



30 Employees under Deputy Director (Reduction of 14 FTE's – 1 Vacant)

Scenario A1- Remaining Reductions

- 2 FTE reductions are within the Permit Center Planning functions
 - 1 Associate Planner (vacant)
 - 1 Development Tech
- 1 FTE from Current Planning function
 - 1 Development Aide
- Total Reduction of 17 FTE's (2 vacant)

Scenario A1 – Other Savings

- Vacant Principal Planner
- Current Salary Savings (one time only)
- No presence in El Dorado Hills
 - Rent savings
- Cost applied Savings in future years due to reduction in FTE's
- Rent & Lease vehicles & Fuel purchases
(Need less vehicles due to reduced staffing)

Furlough Savings

- A mandatory 10 day furlough for all development services employees would result in additional savings of \$307,504
- Savings are one-time in nature to help bridge the gap of salaries already expended

Scenario A1

- Service/program impacts are unknown and difficult to quantify
- Department feels that these cuts would still allow for core services to be performed
- Performance standards could be negatively impacted
- Department would need to closely monitor these impacts and report back to the Board
- Adjustments could be made during the FY 2009-10 proposed budget cycle if needed

In Conclusion

- The revised organizational structure between C1 and A1 is the same
- Scenario C1 deletes 8 additional positions:
 - 1 Sr. Building Inspector
 - 3 Building Inspectors
 - 2 Development Technicians
 - 2 Fiscal Technicians

Next Steps

- Board to adopt revised personnel resolution and associated budget transfer (Either C1 or A1)
- Review fee structure
 - Return after the first of the year with fee recommendations
- Monthly monitoring of revenue projections
 - Next reported during budget update on November 18th and monthly thereafter
- Quarterly monitoring of program/service impacts
 - Development Services to return with a status report in the beginning of March 2009