

BUDGET SUMMARY **COMMUNITY DEVELOPMENT PROJECT INSPECTION FUND**

CD ENGINEERING INSPECTION	2009 BUDGETED (CURRENT)	2009 ESTIMATED	2010 FISCAL YEAR BUDGET
REVENUE	\$404,150	\$188,820	\$246,510
EXPENDITURES	\$372,118	\$194,075	\$237,580
NET INCOME (LOSS)		(\$5,255)	\$8,930
BEGINNING WORKING CAPITAL		\$183,668	\$178,413
ENDING WORKING CAPITAL		\$178,413	\$187,343

SERVICE INDICATORS

<u>Workload Measures</u>	Actual <u>2007</u>	Actual <u>2008</u>	Estimated <u>2009</u>	Projected <u>2010</u>
1. Staff Management of Consultant Inspected Projects	17	3	0	0
2. Private Development Projects Inspected by Staff	53	69	65	50

Engineering Project Inspection Program

Due to the level of real estate development activity in Concord in recent years, engineering field inspection work had been contracted out to consulting engineering firms. While this arrangement allowed the work to be performed to meet developers' timing needs, the development community questioned the high cost of this approach. As a result of these concerns, staff reviewed the recent and projected development activity and the cost of hiring City staff to undertake this inspection effort. The result of that review concluded that the Engineering Services Division would be far more effective if inspections were completed by internal forces rather than that provided by outside consultants.

Adopted in FY2007, the Community Development Project Inspection program utilizes City staff to perform construction inspection services versus outside consultants. A prorated inspection rate, based upon a designed cost-recovery formula, allows the City to offer the development community an extremely competitive rate well below that previously charged by the outside consultants. The work program includes realistic and attainable goals that generate adequate revenue to ensure that this program is self funded with no net cost to the General Fund.

As the program enters its third fiscal year, program capital remains strong and as a result, staff recommends maintaining the FY2009 inspection fee rates. This will offer the development community a stable rate in these uncertain economic times.

**COMMUNITY DEVELOPMENT
PROJECT INSPECTION FUND****PROGRAM HIGHLIGHTS**

2010 GOALS

1. Continue to utilize the Community Development Project Inspection Fund and streamline reporting documentation depicting actual program costs vs. revenue.
2. Continue to compile historic inspection cost data to refine initial cost estimates that more closely reflect probable costs.

2009 GOALS STATUS

1. Continue to utilize the Community Development Project Inspection Fund and streamline reporting documentation depicting actual program costs vs. revenue.
9-Month Status: Reporting continues to improve and become more efficient. Charges to projects covered under the Inspection Fund are carefully monitored for appropriate charges.
2. Complete hiring goals to fully staff Inspection Fund Construction Inspectors and Engineering Technicians.
9-Month Status: Staff is stable with one vacancy for an Engineering Technician II. Fewer private development projects have resulted in lower demand for inspections. This position will be held vacant until the workload exceeds current staff's ability to accommodate required inspections.
3. Compile historic inspection cost data to refine initial cost estimates that more closely reflect probable costs.
9-Month Status: Funds collected for escrows are continually adjusted as historic cost data is acquired. Timing of construction and Contractor's familiarity with the City's specifications are major effects on the cost of providing quality inspection services.

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BUDGET DETAIL

	2006 ACTUAL	2007 ACTUAL	2008 ACTUAL	2009 BUDGETED ENCUMBERED	2009 ESTIMATED	2010 FISCAL YEAR BUDGET
REVENUE						
A/R FINANCE CHARGE	\$0	\$0	\$159	\$0	\$200	\$0
FEES FOR SERVICE	\$0	\$130,371	\$351,593	\$297,800	\$134,000	\$177,700
LICENSES AND PERMITS	\$0	\$0	\$51,788	\$68,050	\$49,620	\$66,990
CONTRACT INSPECTION CHG	\$0	\$239,361	(\$6,898)	\$33,300	\$0	\$0
INTEREST ON INVESTMENTS	\$0	\$0	\$12,227	\$5,000	\$5,000	\$1,820
Total	\$0	\$369,732	\$408,870	\$404,150	\$188,820	\$246,510
APPROPRIATIONS						
COMPENSATION	\$0	\$50,505	\$158,722	\$180,590	\$114,800	\$136,940
OUTSIDE SERVICES	\$0	\$240,796	\$15,068	\$45,288 \$11,088	\$3,275	\$3,710
VEHICLE MAINTENANCE	\$0	\$0	\$0	\$36,500 \$16,000	\$6,200	\$5,500
INSURANCES	\$0	\$2,011	\$5,566	\$6,020	\$3,850	\$5,870
FRINGE BENEFITS	\$0	\$14,375	\$80,803	\$103,720	\$65,950	\$85,560
Total	\$0	\$307,688	\$260,158	\$372,118 \$27,088	\$194,075	\$237,580

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PROJECT INSPECTION FUND**

NOTES
