



COUNTY OF HUMBOLDT

AGENDA ITEM NO.

C-18

For the meeting of May 24, 2016

Date: May 13, 2016

To: Board of Supervisors

From: Robert Wall, Interim Director, Planning and Building Department RSW

Subject: Approve the supplemental budgets for the Building Division Budget Unit 1100-262 (4/5 vote required) and the Current Planning Budget Unit 1100-277 (4/5 vote required)

**RECOMMENDATIONS:**

That the Board of Supervisors:

1. Approve the supplemental budget for the Building Division Budget Unit 1100-262 found in Attachment 1.
2. Approve the supplemental budget for the Current Planning Budget Unit 1100-277 found in Attachment 2.

Prepared by \_\_\_\_\_  
Catherine Munsee, Business Manager

CAO Approval Chester Dillingham

REVIEW:	Auditor <u>MSM</u>	County Counsel _____	Personnel _____	Risk Manager _____	Other _____
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TYPE OF ITEM:

Consent

Departmental

Public Hearing

Other \_\_\_\_\_

PREVIOUS ACTION/REFERRAL:

Board Order No. \_\_\_\_\_

Meeting of: \_\_\_\_\_

**BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT**

Upon motion of Supervisor Fennell

Seconded by Supervisor Bass

Ayes Sundberg, Fennell, Lovelace, Bohn, Bass

Nays \_\_\_\_\_

Abstain \_\_\_\_\_

Absent \_\_\_\_\_

and carried by those members present, the Board hereby approves the recommended action contained in this Board report.

Dated: May 24, 2016

By: Kathy Hayes

**Kathy Hayes, Clerk of the Board**

**SOURCE OF FUNDING:** General Fund – Fees for Service

**DISCUSSION:** The Building Division of the Planning and Building Department has exceeded the budgeted line item for Professional and Special Services (2118). Due to staffing shortages, plan check services were outsourced in order to facilitate continuous building permit issuance. Plan check expenses (2118) are captured toward the end of the permit issuance process when the applicant is charged for the professional plan check services and that amount then returns to the Building division's budget in the form of revenue (1100-262-203000).

Currently, the Building Division's revenue is 98.8 percent of the annual estimate for this fiscal year. There are two months remaining in the fiscal year and it is anticipated that an additional \$50,000 of revenue will be received. Please see Attachment 1 for the supplemental budget which shows an increase of \$50,000 in the revenue line item along with a corresponding increase of \$50,000 in the expense line item for Professional and Special Services.

In the Current Planning Division, revenues related to medical marijuana permits have exceeded the original estimate provided to this Board on March 22, 2016. In addition, Current Planning has some salary savings that were not anticipated due to a resignation earlier in the year and the delay in successfully recruiting a replacement. To date, the department has received permit fees for 34 permits and 129 Application Assistance meetings. Based on the volume of Application Assistance meeting requests and permit applications, the department estimates that an additional \$10,000 will be received in revenue line item 1100-277-608420. The offsetting expense for this additional revenue is reflected in line item 1100-277-2317 and will cover the costs of the computer equipment needed for the additional staff that was recently approved for this department by the Board. Please see Attachment 2.

**FINANCIAL IMPACT:** There will be no impact to the General Fund as a result of either of these supplemental budget requests. In the Building Division, expense line 2118 is meant to serve as a placeholder so that the professional plan check services may be paid prior to the issuance of a building permit. When the final building permit is issued the plan check expense is reimbursed to the department by the applicant through the Construction Permits revenue line. Similarly, there will be no impact to the General Fund as a result of the supplemental budget request for the Current Planning Division. As noted above, there are some salary savings that were not anticipated in Current Planning which help offset the estimated cost of the new staff. Currently, the department has expended approximately 80 percent of the staff costs and if fully staffed that percentage should be approximately 87 percent. Fees collected as part of the permitting process related to the commercial cannabis ordinance along with the salary savings in staff costs will offset the expense of additional computers for new planning staff.

Approval of the requested supplemental budget assists the department in meeting the goals outlined by the Board of Supervisors in its Strategic Framework. In the Building Division, use of professional plan checkers has allowed the department to continue to process permits in spite of staffing shortages supporting the County's goal of providing user-friendly services. The Current Planning Division's work in cannabis-related permitting processes is designed to support the goals outlined in the Strategic Framework by supporting the department as it enforces regulations that protect residents, as it creates opportunities for improved safety and health, as it encourages new local enterprise and ensures proper operation of markets and as it provides community-appropriate levels of service.



**OTHER AGENCY INVOLVEMENT:** None

**ALTERNATIVES TO STAFF RECOMMENDATIONS:** The Board may choose not to approve these supplemental budgets; however this is not recommended as it would negatively impact the ability of the Department to meet the anticipated demand for building permits and permits related to the medical marijuana ordinance.

**ATTACHMENTS:**

Attachment 1 Supplemental Budget Worksheet for Budget Unit 1100-262

Attachment 2 Supplemental Budget Worksheet for Budget Unit 1100-277

## ATTACHMENT 1

### Building Division Supplemental Budget (1100-262)

Revenue:

1100 262 203000	\$50,000	Construction Permits
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Expense:

1100 262 2118	\$50,000	Professional and Special Services
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## ATTACHMENT 2

### Current Planning Supplemental Budget (1100-277)

Revenue:

1100 277 608420	\$10,000	Medical Cannabis Permits Fees
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Expense:

1100 277 2318	\$10,000	Office Expense - Equipment
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