

City of Bainbridge Island  
Building & Development Services Fund Fee Study

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**FINAL REPORT**

*December 12, 2006*

**Prepared by**



**FCS GROUP**

8201– 164<sup>th</sup> Avenue NE, Suite 300  
Redmond, WA 98052

tel: 425.867.1802

fax: 425.867.1937

[www.fcsgroup.com](http://www.fcsgroup.com)

## EXECUTIVE SUMMARY

The City of Bainbridge Island contracted with FCS GROUP in April 2006 to conduct a fee study related to the Building and Development Services (B&DS) Fund. The purposes of the study were to

- ❑ Calculate the Full Cost of Services related to regulating development,
- ❑ Assess the appropriateness and necessity of existing B&DS Fund costs, and
- ❑ Evaluate existing fees with respect to full costs incurred versus revenues collected.

FCS GROUP analyzed actual expenditure data and the 2006 Adopted Budget. B&DS Fund costs included expenditures from the departments of Planning and Community Development (PCD), Finance and Administrative Services, Public Works, the Executive, and Information Technology. Total 2006 estimated permit-related costs were \$3,752,868.

FCS GROUP interviewed City staff in PCD, Finance and Administrative Services, and Public Works to determine the appropriate activities and costs associated with regulating development. FCS GROUP concluded that the City's estimates used to develop the 2006 budget under-allocated expenses to the permitting process. FCS GROUP concluded that the estimated permitting costs of \$3.8 million included appropriate and justifiable expenditures based upon

- ❑ the analysis of employee functional activities revealed in the interviews;
- ❑ a review of the City overhead cost allocation methodologies; and
- ❑ a survey of the practices of permitting authorities in similar Washington jurisdictions.

FCS GROUP calculated a full cost rate for the various development permit types issued in 2005. We assumed an identical mix of projects or permits for 2006 and calculated the expected revenues received by each type of permit. The forecasted recovery rate (*i.e.*, the proportion of permit revenues to permit-related costs) averaged 49% of total fee-related costs. For this report the City Council requested that we apply a 2/3 ratio to full cost recovery for the B&DS Fund excluding Code Enforcement costs. The Council also instructed that Building Permit recovery should equal full costs less enforcement costs and Land Use/Planning/Administrative Permit recovery should equal the residual necessary to obtain the 2/3 ratio above. This averaged approximately 63% of total fund costs. The table below shows the calculated recovery rates and required average permit fee adjustment required to obtain target-cost recovery for each of the City-defined PCD divisions and the total fund.

Direct Service	Target Cost of Service	Current Revenue	Current Recovery of Target Costs	Fee Increase to Recover Target Cost
Total Administrative Processing Permits	\$40,790	\$25,800		
Total Land Use Permits	<u>527,739</u>	<u>521,888</u>		
Total Land Use & Administrative Permits	\$568,529	\$547,688	96%	4%
Total Building Permits	1,803,880	1,277,660	71%	41%
<b>B&amp;DS Total</b>	<b>\$2,372,409</b>	<b>\$1,825,347</b>	<b>77%</b>	<b>30%</b>

# *Building & Development Services Fund Fee Study Final Report*

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## I. BACKGROUND AND METHODOLOGY

In 2004 various development-related parties brought suit against the City charging that the 1999 increase in permit fees adopted by Council Resolution 99-31 constituted an illegal tax. The Kitsap County Superior Court dismissed that claim. The parties then amended their complaint alleging that “the fees charged were not a reasonable fee to cover the costs of processing the permits because the charges to the Building Subfund are too high.”<sup>1</sup> The plaintiffs’ argument was that the costs targeted for recovery from fees were not allowable or reasonable. The Court concluded “generally, a fee, such as the one in question, will be found excessive only where it is grossly disproportionate to the municipality’s cost of regulation.”<sup>2</sup> The Court also concluded that the amounts charged by the City to regulation were accurate and not unreasonable.

Since 1999 the City has changed its methodology for tracking permit-related activity. In addition, the City has experienced significant development activity and a change in the mix of the types of permit applications. Thus the City contracted with FCS GROUP to conduct a Building and Development Services (B&DS) Fund Fee Study to re-evaluate their regulatory function in April 2006.

### **OVERVIEW OF OBJECTIVES AND MAJOR TASKS**

There were three major tasks associated with this study. The first task was to **determine the full cost of service for the development permitting process**. Full costs include not only expenditures associated with directly processing a permit or project application, but also an applicable share of labor and non-labor costs associated with supporting the regulatory functions of the City. We interviewed Planning and Community Development (PCD) and Public Works employees directly involved with regulating development. We also interviewed numerous City employees involved with supporting the regulatory activities. The data gathered from these interviews allowed us to estimate total direct and support employee hours worked.

The second task was to **determine the reasonableness of the B&DS Fund costs targeted for recovery**. RCW 82.02.050, authorizing municipalities to levy permitting fees to cover the costs of regulation, does NOT specify what costs to include or exclude. The RCW also does not specify the target recovery rate other than those fees not be grossly disproportionate to costs. Our test for reasonableness consisted of three components.

- We examined whether the City’s functional costs targeted for recovery were generally used by other jurisdictions.
- We investigated whether the B&DS Fund recovery rate was systematically disproportionately or greatly in excess of 100% of targeted costs.
- We also compared the City’s existing permit rates for some representative permits to fees of other jurisdictions.

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<sup>1</sup> Memorandum Decision 01-2-01773-1, Kitsap County Superior Court, Judge Leonard W. Costello, April 2005

<sup>2</sup> *ibid*

Exhibit 1 below shows a comparison of the functional costs (e.g., Direct Services, Code Enforcement, Training, etc.) that the City and other jurisdictions target for recovery. The first table shows the distribution for building development permitting and the second table shows the result for planning and land use permitting. [Note: The City’s Budget often uses the labels “Building” and “Development.” However, to avoid confusion, this report will use the term “Planning and Land Use” since common usage includes both building and planning and land use as part of development.]

After a series of deliberations, the City Council adopted the following B&DS Fund recovery targets in November 2006. Total B&DS Fund target recovery should be 2/3 of full costs excluding Code Enforcement costs. Building Permit-related target recovery should be 100 of full costs excluding Code Enforcement costs. Land Use/Planning/Administrative permit-related recovery should be sufficient to an overall B&DS Fund recovery of 67% excluding Code Enforcement costs. The Exhibits below are consistent with these guidelines for Bainbridge Island. The tables clearly indicate that the functions that the City includes for cost recovery targets are generally used by other municipalities. The most variation in practice is for full or partial recovery of Code Enforcement costs.

Exhibit 1  
 Inter-City Comparison of Percent of Functional Costs Targeted for Recovery

Jurisdiction/ <b>Building</b>	Recovery Target	Direct Services	Other Dept. Direct Charges	Code Enforcement	Training & Certification	Policy Development	Public Information	General Administration	Department Overhead	City-wide Overhead	Indirect Cost Allocation
Bainbridge Island	100%	x	x		x	x		x	x	x	x
Bellevue	100%	x	x			x	x	x	x	x	x
Kirkland	96%	x	x	x		x	x	x	x	x	x
Mercer Island	89%	x		x	x	x	x	x	x	x	x
Redmond	100%	x	x		x	x	x	x	x	x	x
Vancouver	96%	x	x		x		x	x	x	x	x

Jurisdiction/ <b>Planning/Land Use</b>	Recovery Target	Direct Services	Other Dept. Direct Charges	Code Enforcement	Training & Certification	Policy Development	Public Information	General Administration	Department Overhead	City-wide Overhead	Indirect Cost Allocation
Bainbridge Island	35%	x	x		x	x		x	x	x	x
Bellevue	37%	x	x							x	x
Kirkland	42%	x	x	x		x	x		x	x	x
Mercer Island	91%	x		x	x	x	x	x	x	x	x
Redmond	100%	x	x		x	x	x	x	x	x	x
Vancouver	46%	x			x		x	x	x	x	x

An indicator of the reasonableness of the fees is a comparison of the City’s permitting fees for various processes to those of other jurisdictions. For any jurisdiction, the fees charged will be determined by two factors. The first is the cost of service for the specific regulatory process. The second is the desired recovery rate for the fee categories. Permitting costs that are not recovered from fees must necessarily be paid for from other sources such as general tax dollars or depletion of cash reserves.

Exhibit 2 below shows for a selection of representative building and land use permit fees the rates charged by five other Washington cities. The results shown can only be used as a rough indicator. Differences in the regulatory codes, the development demand level and mix, the local

attitudes toward development, the historical recovery rates, and the degree of public process will all affect the fees charged by a jurisdiction.

Exhibit 2  
 Comparative Development Fees for “Standard” Permits

Jurisdiction	Building Fees (plan review and permit)			Planning Fees (excluding Engineering and Fire)						
	Full Cost Recovery Target	SFR \$500,000 CV	COM \$1,000,000 CV	Full Cost Recovery Target	Administrative Design Review	Short Plat 4 lot (Preliminary)	Boundary Line Adjustment	Variance (Admin)	Right of Way	Conditional Use Permit (Full Process)
Bainbridge Island <sup>7</sup>	95%	\$7,523	\$13,049	32%	Part of Pre-App Conference	\$7,951	\$900	\$3,240	Multiple Types ranging from \$50-\$500 a day <sup>1</sup>	\$9,900
Bellevue	100%	\$6,103	\$11,465	37%	\$4,437 in deposit fees, plus hourly rates <sup>2</sup>	\$1,708 in deposit fees, plus hourly rates <sup>2</sup>	\$351 deposit and \$45 C&G fee, plus hourly rates <sup>3</sup>	\$936 in deposit fees, plus hourly rates <sup>2</sup>	\$238 for 24 hour permit \$119 for 72 hour permit, plus additional deposits and hourly rates <sup>4</sup>	\$1,905 in deposit fees, plus hourly rates <sup>3</sup>
Kirkland	100%	\$5,336	\$9,254	52%	\$2100 + \$315 per unit	\$5,800	\$700	\$700	N/A	\$3000 + \$350 per unit
Mercer Island <sup>5</sup>	94%	\$5,457	\$9,376	82%	Depends on Valuation, \$283 - \$2604	\$3,963	\$1,698 - \$2,831	\$1,132 - \$2,831	\$113 - \$340	\$4,529
Redmond	100%	\$5,111	\$5,619	100%	\$1,089 - \$2,500 <sup>6</sup>	\$5,235 <sup>6</sup>	\$1,127 SF \$2,254 all others <sup>6</sup>	\$4,986 SF \$9,972 all others <sup>6</sup>	\$3,328 <sup>6</sup>	\$14,426 <sup>6</sup>
Vancouver	96%	\$5,336	\$9,254	50%	\$1,000	\$3,400	\$525 + \$170 per lot	\$345 - \$4376	N/A	\$4,225

<sup>1</sup> Found in Miscellaneous Fees, fee was not reviewed during this study  
<sup>2</sup> \$117/hr land use review + \$75/hr C&G review + \$247 per lot survey review  
<sup>3</sup> \$117/hr land use review + \$75/hr C&G review  
<sup>4</sup> Up to \$298 of deposits + \$119/hr for Review and Inspection  
<sup>5</sup> Land Use Permits and recovery rates are currently under review  
<sup>6</sup> Additional 3% Technology Surcharge Applies to All Land use Permits  
<sup>7</sup> Council Proposed Adjustments (November 2006)

An examination of Exhibit 2 reveals that the City’s permitting rates are roughly (and in some cases quite closely) comparable to the other jurisdictions.

The third task was to **evaluate the current recovery rates**. To do so we obtained the permit volume and B&DS Fund permit revenues received for 2005. Because of the types of activities required and the functions involved, the City categorizes permits into Administrative Processing, Building, and Planning/Land Use. We used these same categories to aggregate the full cost estimates to identify the categorical costs and revenues.

The B&DS Fund recognizes revenues when received. This can create a timing difference between revenues received and costs incurred. For long lived projects such as substantial building permits, regulatory costs can occur in a different accounting period than the one in which revenues are received. Significantly increasing project volumes can cause a temporary overstatement of recovery rates. This would be caused by period revenues increasing before costs increased to meet the newer higher volume. If permit volumes are decreasing significantly over time, then recovery rates could be temporarily depressed. City staff indicated that permit volumes were high by historical standards but relatively stable for the past few years and were expected to remain at existing levels. In this case, there should be no systematic bias in calculated recovery rates for 2005.

After several Council worksessions and budget hearings, the recovery targets above were adopted

Exhibit 3 below summarizes the 2006 anticipated revenues received and costs incurred for the permitting categories above.

Exhibit 3  
 Target Cost of Service and Recovery Rates by Division

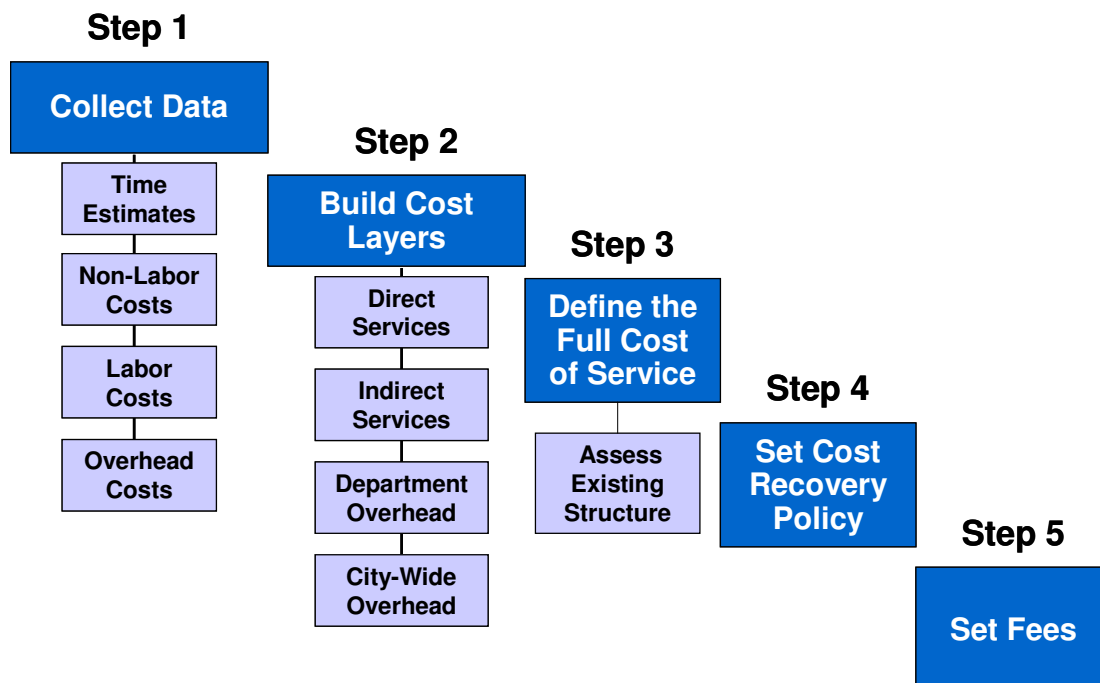
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Because of the low volume of Administrative Processing permits and certain accounting artifacts regarding revenue recognition, Land Use/Planning and Administrative Processing permits were aggregated for rate analysis. Additional detail on costs and revenues is presented in subsequent chapters.

METHODOLOGICAL APPROACH

Exhibit 4 below graphically represents the approach employed to determine the cost of service and actual recovery rates.

Exhibit 4  
 Five-Step Process for Cost of Service and Fee Methodology



**Step 1 – Collect Data**

Labor costs comprise about 56% of the total permit-related costs. Applicable labor and fringe benefits costs for all City employees involved with permit processing were supplied by the Finance Department. The same source provided the 2006 estimates of non-labor costs (such as interdepartmental leases and professional service contracts). Individuals in PCD and Public Works that are involved with permit processing or supporting the processing functions were interviewed to determine both their individual distribution of time spent on permit-related functions and typical labor time for various permit types with which they are involved.

**Step 2 – Build Cost Layers**

After gathering the permit-related labor and non-labor costs, we categorized them into the cost layers of Direct Services (*i.e.*, could be traced to activity on a specific permit or application), Indirect Services (costs related to regulating development but not specific to a permit or application), Department Overhead (costs incurred in promoting or maintaining the smooth functioning of the permitting organization but not normally participating in the regulatory function), and City-Wide Overhead (costs allocated to the regulatory authority).

Exhibit 5 below shows the contribution to the B&DS Fund cost layers by relevant departments. Both PCD and Public Works contribute direct costs to the permitting function. All of the other departments contribute only indirect or overhead costs.

Exhibit 5  
 Departmental Contribution to Cost Layers

Cost Layers	Departments				
	Planning & Community Development	Finance & Administration	Public Works	Executive	Information Technology
Direct Services	✓		✓		
Indirect Services	✓	✓	✓	✓	✓
Allocated Overhead	✓	✓	✓	✓	✓

The construction of cost layers provides a guide to policymakers about desired recovery rates. Because the causality of the cost with permitting activity becomes less apparent moving from Direct to City-Wide Overhead layers, jurisdictions will often apply differential desired recovery rates to the different cost layers.

**Step 3 – Define the Full Cost of Service**

After collecting and categorizing the labor and non-labor costs for the various organizational units associated with development permitting, we determined the full cost of service. Just as

there are costs in departments that are related to development regulation, there are also costs in the Planning and Community Development Department that are not related to development regulation. The staff interviews indicated the proportion of available labor time spent on permitting activity. Reviews of the overhead allocation methods allowed us to differentiate the development-related (B&DS Fund costs) versus total departmental (PCD) costs. A major conclusion of this study is that actual costs involved with development regulation substantially (approximately 30% or \$1 million/year) exceed the 2006 budgeted costs. These results will be discussed in detail in a subsequent chapter.

**Step 4 – Set Recovery Policy**

Once permit-related costs of service are known, the percentage of costs that should be supported by permit revenues (the recovery rate) must be determined. Permit costs incurred by the City that are not recovered by fees are supported from other sources such as general tax revenues. A common framework for determining desirable recovery rates is an approach imposing the costs of regulation based upon what party benefits from the type of development.. Many development projects have elements of both public and private benefit; some have almost purely public benefit (e.g., environmental critical area reviews). The City’s *Revenue Policy #15* states “The City shall maintain a structure for all fees and charges where the beneficiary of the service pays the cost of that service except to the extent that the City Council has determined that provision of the service in question provides a general public benefit.”

Desired recovery rates for permitting services can reflect the balancing of private and public development benefits by applying higher desired recovery rates for regulation of permit types with a higher proportion of private to public benefit. In November Council reached agreement on desired recovery rates for the various B&DS Fund permit fees (see above).

**Step 5 – Set Fees**

FCS GROUP applied the desired recovery rates to the 2006 estimated full cost of permitting activity to determine the fee revenue requirements. The revenue requirements were compared with the anticipated revenue at existing permit rates to calculate a required adjustment. The average B&DS Fund recovery rate of full costs is presently at 49%. The target B&DS Fund average recovery rate of full costs is about 63%.

Exhibit 6  
 Revenue, Costs, & Recovery Rates

Current Revenue	\$1.82 million
B&DS Fund Full Cost	\$3.75 million
Current recovery of full cost	49%
B&DS Fund target cost	\$2.37 million
Target recovery of full cost	63%

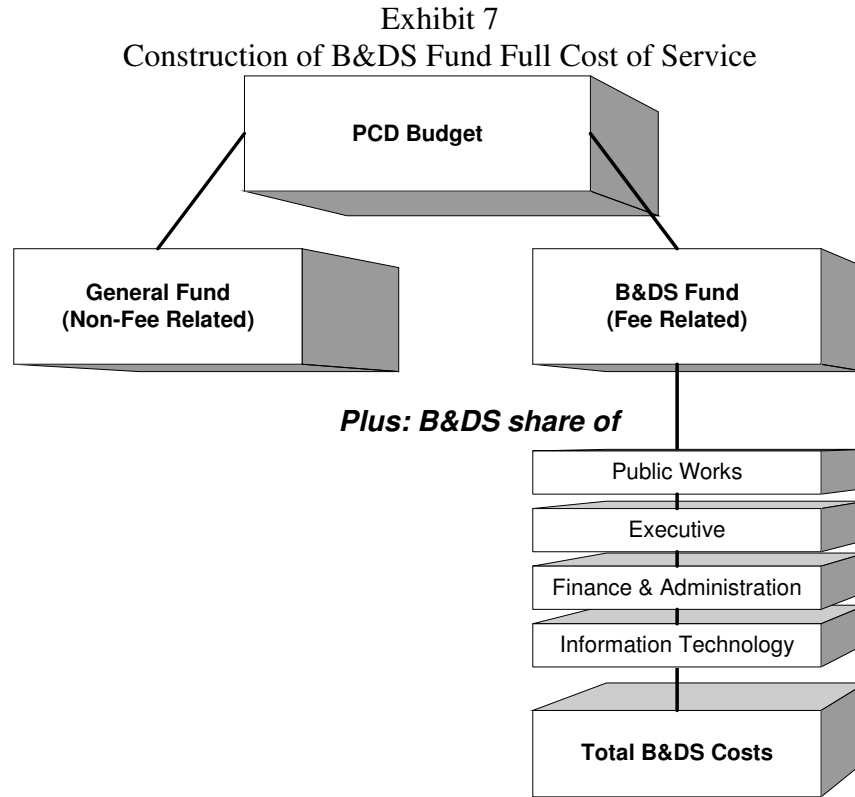
## II. FULL COST OF SERVICE RESULTS

### DATA COLLECTION METHODOLOGY

FCS GROUP utilized financial data, personnel time data, and permit activity data to calculate the full cost of service for development permitting activities. FCS GROUP interviewed the 28 presently employed (summer of 2006) PCD employees involved with the development permitting process including those in a review or administrative support capacity. The group interviews were organized by City division within the departments to determine for each employee the number of annual work-hours available for development regulation. The data collection form is included in Appendix A. From the City's human resources system we collected the budgeted salary and wages and labor benefit rates for the employees. These were applied in order to calculate a full labor cost per work hour available for each PCD employee. During the group interviews, the divisions developed consensus estimates of the typical total person-hours required to process permits of the types issued by the City.

A similar process was used for those Public Works employees involved with development permits. We also interviewed Administrative and Finance staff to determine the basis for the allocated shares of Executive, Finance, and Information Technology costs (City-wide overhead) attributable to PCD and the B&DS Fund. The data collection for PCD and applicable Public Works employees resulted in allocating total annual hours to fee-generating activities (to be budgeted in the B&DS Fund) and non-fee generating activities (to be paid for by the General Fund). Fee-generating activities were further categorized between Administrative Processing Permits, Building Permits, and Planning/Land Use Permits. A significant finding of the data collection was that the proportion of time self-reported by employees spent on fee-related activities was significantly higher than the ratio of fee-related labor costs to non-fee related labor costs used to develop the 2006 Budget.

For this study administrative costs in PCD and Public Works were usually allocated between fee-supported and non-fee supported categories proportionate to the departmental labor hours. In cases where the administrative costs were identifiable to a given fee-type (*e.g.*, attorneys' fees for defending land use decisions), those costs were allocated to the identified fee category. Non-labor costs were treated similarly to the administrative costs. Usually they were allocated based on the labor hours or full time equivalent employees (FTE), unless they were identified with a specific category of fee or non-fee generating activity. Exhibit 7 below illustrates the collection and allocation of the various costs to the B&DS Fund.



During the examination of the allocation of the City-wide administrative and overhead costs, we concluded that the percentages of costs allocated to the B&DS fund by the City were quite conservative. A specific examination of the major allocated costs to the B&DS Fund of building rent and maintenance (\$576,839/year) confirmed that the FTE allocation basis was reasonable but was lower than if labor hours had been used. The budgeting of B&DS Fund professional services (\$608,550/year) to PCD Administration based partly on FTE and partly on specifically identified activities confirmed that the allocation likely understated the proportion of costs attributable to development review. For example, the projected executive search fees were spread among all City departments based on budgeted FTE. However, the PDS Director replacement in 2006/2007 will comprise a significant proportion of that cost.

### **CALCULATION OF FULL COST OF SERVICE**

After collecting and confirming the various B&DS Fund related costs, we employed a “cost layers” approach to analyze and display the results. Cost layers functionally differentiate costs and are defined as the following:

- ❑ Direct Service Costs – costs that are incurred as a result of a specific permit or application (e.g., site inspection or short plat review costs);
- ❑ Indirect Service Costs – costs that are incurred supporting direct services but are not assignable to a specific permit or application (e.g., public information or technical training); and

- ❑ Allocated Overhead Costs – a proportionate share of general and administrative operating costs.

Different departments and organizational units contribute to the different cost layers. Above in Exhibit 5, we saw that only PCD and Public Works contribute direct costs to the B&DS Fund reflecting work on specific permits or applications. Other organizational units contribute indirect and overhead costs to the development regulation process. Each cost layer can include both labor costs (wages, salaries, and benefits) and non-labor costs (supplies, other services and charges, and intergovernmental charges).

The interviewed PCD and Public Works employees estimated the proportion of their time spent processing permits in the three divisions, providing support services, and time spent on leave or supported by other (*e.g.*, utility or grant) funds. We applied the individual salary and benefit rates to calculate the direct service labor charges. Certain non-labor costs were also identified with permits of a specific division (*e.g.*, legal fees associated with defending land use decisions) and were included in the applicable direct costs.

Using the 2006 Budget as control totals we determined PCD and Public Works labor and non-labor costs. Indirect labor costs were derived by subtracting the estimated direct labor costs from the total labor costs. Indirect non-labor costs equaled total budgeted non-labor less the direct non-labor identified above. Unless there was a reason for a specific indirect non-labor cost assignment, indirect costs were allocated to the various functions proportionate to estimated labor hours. An identical process was used to assign support labor and non-labor costs to the Administrative Processing, Building, and Planning/Land Use divisions. Exhibits 8 through 10 below show both the labor and non-labor portions of each cost layer for the divisions.

Exhibit 8  
 Administrative Processing Division Permits Full Cost Layers

Cost Layers		Full Cost Components	
		LABOR	NON-LABOR
Direct Costs	PCD Direct Service Costs	\$34,773	\$10,785
	Public Works Direct Service Costs	8,547	2,366
Indirect Costs	Code & Policy Development	2,963	1,235
	Public Assistance & Info	5,638	2,733
	General Public Information	2,778	1,350
	Code Enforcement	-	-
	Training & Certification	1,209	587
	City Council Committee Support	367	145
	General Administration & Mgmt	7,753	3,663
	Other Indirect Functions	179	74
Support Costs	Public Works Indirect Support Costs	5,108	1,685
	Executive	3,120	660
	Finance & Administration	2,734	23,928
	Information Technology	2,033	1,058
<b>Subtotal Administrative Processing</b>		<b>\$77,202</b>	<b>\$ 50,268</b>

Exhibit 9  
 Building Division Permits Full Cost Layers

Cost Layers		Full Cost Components	
		LABOR	NON-LABOR
Direct Costs	Direct Service Costs	\$522,348	\$ 163,272
	Public Works Direct Service Costs	70,368	20,134
Indirect Costs	Code & Policy Development	44,857	14,981
	Public Assistance & Info	85,352	33,154
	General Public Information	42,055	16,378
	Code Enforcement	62,529	29,421
	Training & Certification	18,295	7,127
	City Council Committee Support	5,555	1,761
	General Administration & Mgmt	117,367	44,436
	Other Indirect Functions	2,717	897
Support Costs	Public Works Indirect Support Costs	45,851	14,339
	Executive	47,237	9,986
	Finance & Administration	41,382	387,235
	Information Technology	30,775	16,019
<b>Subtotal Building</b>		<b>\$ 1,136,689</b>	<b>\$ 759,142</b>

Exhibit 10  
 Planning/Land Use Division Permits Full Cost Layers

Cost Layers		Full Cost Components	
		LABOR	NON-LABOR
Direct Costs	Direct Service Costs	\$328,293	\$ 99,091
	Public Works Direct Service Costs	136,656	40,049
Indirect Costs	Code & Policy Development	27,224	9,092
	Public Assistance & Info	51,801	20,121
	General Public Information	25,523	9,940
	Code Enforcement	62,529	17,856
	Training & Certification	11,104	4,325
	General Administration & Mgmt	3,372	1,068
	City Council Committee Support	71,231	26,969
	Other Indirect Functions	1,649	545
Support Costs	Public Works Indirect Support Costs	94,520	28,523
	Executive	28,669	331,061
	Finance & Administration	25,115	244,843
	Information Technology	18,677	9,722
<b>Subtotal Land Use</b>		<b>\$ 886,362</b>	<b>\$ 843,207</b>

**Full Cost Comparison to Budgeted Costs**

As indicated above, one result of the time analysis from the interviews was the higher estimated proportion of direct services time spent by PCD and Public Works personnel on permit and application functions. Exhibit 11 below compares B&DS Fund (fee-supported) estimated costs based upon the reported time (labeled “Fee Study Results”) and the 2006 budgeted B&DS Fund costs.

Exhibit 11  
 Fee Study versus 2006 Budget B&DS Fund Full Costs

Fee Study Results				2006 Adopted Budget			
Description	Total Budgeted	General Fund	B&DS	Description	Total Budgeted	General Fund	B&DS
<b>PCD</b>				<b>PCD</b>			
<b>Labor Costs</b>				<b>Labor Costs</b>			
Admin	310,835	111,752	199,083	Admin	440,964	280,534	160,430
Building	659,920	63,605	596,316	Building	504,527	46,661	457,866
Current Planning	516,620	4,658	511,962	Current Planning	674,026	321,913	352,113
Long-Range Planning	497,222	395,175	102,048	Long-Range Planning	362,785	362,785	-
Code Enforcement	130,588	535	130,052	Code Enforcement	132,883	76,583	56,300
<b>Total PCD Labor Costs</b>	<b>2,115,185</b>	<b>575,724</b>	<b>1,539,461</b>	<b>Total PCD Labor Costs</b>	<b>2,115,185</b>	<b>1,088,476</b>	<b>1,026,709</b>
<b>Non Labor Costs</b>	<b>898,752</b>	<b>377,745</b>	<b>521,007</b>	<b>Non Labor Costs</b>	<b>898,752</b>	<b>848,027</b>	<b>50,725</b>
<b>PCD Subtotal</b>	<b>3,013,937</b>	<b>\$ 953,469</b>	<b>\$ 2,060,468</b>	<b>PCD Subtotal</b>	<b>3,013,937</b>	<b>\$ 1,936,503</b>	<b>\$ 1,077,434</b>
<b>Public Works [a] Support (B&amp;DS Share)</b>				<b>Public Works Support (B&amp;DS Share)</b>			
Executive	420,733	-	420,733	Executive	420,733	-	420,733
Finance & Administration	725,237	-	725,237	Finance & Administration	725,237	-	725,237
Information Technology	78,285	-	78,285	Information Technology	78,285	-	78,285
<b>B&amp;DS Fund Total</b>			<b>\$ 3,752,868</b>	<b>B&amp;DS Fund Total</b>			<b>\$ 2,737,857</b>

[a] As calculated based on reported time, replaces budget amount of \$436,168

B&DS Fund full costs exceeded \$3.7 million based on the results from the employee interviews and the analysis of the non-labor cost allocations. The 2006 budgeted level of B&DS Fund costs were slightly over \$2.7 million. Almost all of the approximate \$1 million difference was in the allocation of PCD costs to fee-related activities. Exhibit 12 below itemizes these differences between to the two B&DS Fund full cost estimates.

Exhibit 12  
 Fee Study and 2006 Budget B&DS Fund Cost Differences

<b>B&amp;DS Costs</b>			
Description	Study Results	2006 Budget	Difference
<b>PCD</b>			
<b>Labor Costs</b>			
Admin	199,083	160,430	38,653
Building	596,316	457,866	138,450
Current Planning	511,962	352,113	159,849
Long-Range Planning	102,048	-	102,048
Code Enforcement	130,052	56,300	73,752
<b>Total PCD Labor Costs</b>	<b>1,539,461</b>	<b>1,026,709</b>	<b>512,752</b>
<b>Non Labor Costs</b>			
	<b>521,007</b>	<b>50,725</b>	<b>470,282</b>
<b>PCD Subtotal</b>	<b>2,060,468</b>	<b>\$ 1,077,434</b>	<b>\$ 983,034</b>
<b>Public Works</b>	<b>468,146</b>	436,168	31,978
<b>Support (PCD Share)</b>			
Executive	420,733	420,733	-
Finance & Administration	725,237	725,237	-
Information Technology	78,285	78,285	-
<b>B&amp;DS Fund Total</b>			<b>\$ 1,015,011</b>

The major differences in the cost results are due to the following:

- ❑ Direct service time reported by Code Enforcement and Long-Range Planning personnel is categorized as fee-supported by the Fee Study.
  - For the 2006 Budget these labor costs had been allocated based on the organizational structure and thus were budgeted as General Fund costs.
- ❑ The Public Works reported direct service time for B&DS Fund activities was greater than the estimates in the 2006 Budget.
- ❑ PCD administration and overhead costs were allocated between B&DS Fund and General Fund based upon labor hours rather than organizational FTE.
  - Because there was a higher proportion of employee time spent on B&DS Fund activities and additional PCD personnel allocated partially to B&DS Fund activities (Long-Range Planning and Code Enforcement), the cost allocation ratio based on fee-related labor hours to total department hours was significantly higher than the ratio based upon FTE and organizational structure.
- ❑ PCD non-labor costs were allocated between B&DS Fund and General Fund based upon labor hours rather than FTE.

**ASSESSMENT OF EXISTING COST STRUCTURE**

The purpose of the cost structure assessment was to determine the appropriateness and necessity of those costs which the City assigns to the B&DS Fund. As stated earlier, State statutes allow the City to levy permitting fees to cover the costs of regulation. The statutes do not proscribe what costs to include. We examined the City’s overhead allocation procedures to the B&DS Fund and concluded that they were rational and consistent with municipal accounting practices in other jurisdictions. There was no evidence implying that the allocation methods

systematically assigned a more than proportionate share of actual costs to the B&DS Fund. The City's present practices revealed that there were generally fewer costs assigned to the B&DS Fund than could reasonably be assigned based upon percentage of effort. After comparing B&DS Fund functional permitting costs with those of other jurisdictions (see Exhibit 1 above) we concluded that the City assignments to the B&DS Fund are consistent with general practices in the State.

#### **Full cost reasonableness –**

One issue of interest to the City was whether the costs indicated reasonable and efficient operational practices. A detailed operational analysis of the City's permitting procedures was beyond the scope of this study. To address this issue we examined various operational statistics and, when available, compared them with similar measures for other jurisdictions. It is important to remember that the scope and practices of development regulation vary significantly between even similar jurisdictions. Multiple factors within and outside of the jurisdiction's control will affect the costs of regulation including the following:

- ❑ Level and mix of development projects – The scale and complexity of permits/applications will affect how much regulatory oversight is required.
- ❑ Community attitude and activism toward development – The amount of time and cost for public process will be affected by how involved are the affected citizens.
- ❑ Transparency or complexity of development regulations – As development codes become more complex, regulatory costs rise not only because of the additional support needed by applicants but also because of the increased research or review time necessary to avoid inconsistent reviews and assessments.
- ❑ Recent history of development – Municipalities will attempt to match regulatory resources with the demand for services. Depending upon the stage in the development cycle, a city could have either temporary excess demand or capacity for application review. This can affect both the cost and quality of the review process until a more steady-state is achieved.
- ❑ Fiscal health of the city – Development regulation involves reviewing permits with a combination of public and private benefits (discussed in more detail in the following chapter). Strong fiscal health of the city allows more flexibility to support regulatory costs by general tax revenues versus from development fees.

#### **Operational Statistics Comparisons –**

In July the City Council asked FCS GROUP to gather and present some operational statistics with which to gauge relative efficiency or effectiveness of the City's development regulation function. A detailed operations analysis was beyond the scope of this study. However, the following are some representative measures of permitting cost statistics for the B&DS Fund and other jurisdictions. Given the caveats mentioned in the preceding section, these results, at best, should be used only as general indicators.

#### **Equivalent Hourly Rate –**

At the request of Council, we constructed Exhibit 13 below showing an average loaded hourly cost (wages plus benefits plus non-labor) for time spent in the various permitting divisions. The

Equivalent Hourly Rate is lower than a full cost billing rate since not all B&DS Fund hours are recovered from fees. Because of the significant differences in the organizational structures of the regulatory authorities in the different cities, we did not attempt to construct similar types of tables for the other cities. The organizational differences would preclude a meaningful comparison.

Exhibit 13  
 B&DS Fund Implicit Hourly Costs by Division

<b>Results of Fee Study</b>			
Description	B&DS	Fee-Related Person-Hours <sup>1</sup>	Equivalent Hourly Rate <sup>2</sup>
<b>PCD</b>			
<b>Labor Costs</b>			
Admin	199,083	-	-
Building	596,316	17,949	33.22
Current Planning	511,962	14,223	36.00
Long-Range Planning	102,048	4,254	23.99
Code Enforcement	130,052	4,009	32.44
<b>Total PCD Labor Costs</b>	<b>1,539,461</b>	<b>40,435</b>	<b>38.07</b>
<b>Non Labor Costs</b>	<b>521,007</b>		
<b>PCD Subtotal</b>	<b>\$ 2,060,468</b>		
<b>Public Works</b>	468,146	10,662	43.91
<b>Support</b>			
Executive	420,733		
Finance & Administration	725,237		
Information Technology	78,285		
<b>B&amp;DS Total</b>	<b>\$ 3,752,868</b>	<b>51,096</b>	<b>\$73.45</b>

<sup>1</sup> Includes direct and indirect hours, associated leave, and related overhead hours

<sup>2</sup> Not a billing rate, which would only be calculated using direct ("billable") hours

Complexity of applications and development code comparison –  
 Bainbridge Island has a disproportionate share of planning and land use permit applications for the size of its population. Complexity is a multi-dimensional measure and is not unambiguously defined. We applied two proxy measures representing application and development code complexity of 1) proportion of Single-Family Residential permits (*i.e.*, relatively straightforward or simple) to total applications and 2) number of pages in the development code (more pages implies more complexity). The comparisons shown in Exhibit 14 suggest that Bainbridge Island’s ratio of simple to total permits is fairly close to the median mix for the surveyed jurisdictions. Bainbridge Island’s measure of code complexity is high both absolutely and relative to population size.

Exhibit 14  
 Inter-jurisdictional Application and Development Code Complexity Measures

Jurisdiction	Population <sup>1</sup>	# of Land Use Applications	# of Land Use Apps/1000 population	Complexity of Projects	Complexity of Land Use Code
<b>Bainbridge Island</b>	<b>22,600</b>	<b>277</b>	<b>12.3</b>	<b>49% SF 51% Com</b>	<b>645 pages</b>
Bellevue	117,000	664	5.7	25% SF 74% Com	466 pages
Kirkland	47,180	114	2.4	50% SF 50% Com	886 pages
Mercer Island	21,860	229	10.5	83% SF 17% Com	223 pages
Redmond	49,890	328	6.6	N/A	N/A
Vancouver	156,600	2,351	15.0	15-20% SF 80-85% Com	1,000 pages

Cost of Development Regulation as a proportion of General Government expenditures comparison –

Exhibit 15 below shows estimates of development services costs compared with all general government costs for Bainbridge Island and five other jurisdictions. The data from the other jurisdictions was gathered as part of relatively recent cost of service studies performed by FCS GROUP. We have adjusted the general government costs of the other jurisdictions to approximate what they would be if they offered similar municipal services as the City (e.g., removing the costs of the municipal fire and parks departments). We show both the budgeted B&DS Fund costs and the full cost determined by this study.

The proportion of B&DS Fund costs to total General Fund costs is at the high end of the range. However, the 25% ratio for B&DS Fund may not be significantly different than the 20% median value. The rather extensive public information and review process associated with applications is one possible reason for this. Another is the level of support costs charged to the B&DS Fund. We concluded earlier that the B&DS Fund is not charged a disproportionate share of City overhead costs. However, the City has fairly new municipal facilities affecting the level of interdepartmental rental costs to all departments housed in City Hall. It should be noted that subsequent to their full cost analyses, both Bellevue and Redmond have since occupied new municipal buildings within the last year. An updated calculation of their full cost of development regulation will likely increase and depending upon the layout of the facilities, the proportion attributable to development regulation could increase as well.

Exhibit 15  
 Development Regulation as a Percent of General Government Expenditure

	Population <sup>1</sup>	Total General Fund Operating Expenditures <sup>2</sup> (\$ millions)	Development Services Expenditures <sup>3</sup> (\$ millions)	% of General Fund
<b>Bainbridge Island - 2006 Budget<sup>4</sup></b>	<b>22,600</b>	<b>\$15.30</b>	<b>\$2.70</b>	<b>18%</b>
<b>- Fee Study Results</b>			<b>\$3.80</b>	<b>25%</b>
Bellevue	117,000	\$184.24	\$46.93	25%
Kirkland <sup>5</sup>	47,180	\$25.60	\$4.60	18%
Mercer Island (2005)	21,860	\$10.40	\$2.10	20%
Redmond 2003/2004 <sup>5</sup>	49,890	\$31.10	\$6.20	20%
Vancouver (2006)	156,600	\$73.60	\$6.10	8%

<sup>1</sup>-Based on 2006 Population Estimates published by the Washington State Office of Financial Management

<sup>2</sup>-Excluding Fire and Parks

<sup>3</sup>-Based on most recent Cost of Service studies

<sup>4</sup>-General Fund + B&DS Fund

<sup>5</sup>-Annual Estimate based on 50% of biennial budget

Operational Statistics Comparison Conclusions –

Based upon our cost of service analysis and comparisons with other jurisdictions, we have formed the following conclusions:

- ❑ The City does not appear to assign a disproportionate share of costs to the B&DS Fund and in general assigns lower costs than could reasonably be assigned if based upon relative effort.
- ❑ The types of costs that the City allocates and incurs in regulating development are consistent with both State statute and general practice.
- ❑ The full B&DS Fund costs for development regulation are at the higher end of the range of comparable jurisdictions.
- ❑ This does not appear to be a function of the level or type of development occurring in the City.
- ❑ Possible explanations for this range are factors such as
  - the high level of development activity,
  - the cost recovery of relatively new municipal facilities,
  - the extensive public process, and
  - the complexity of the development code.

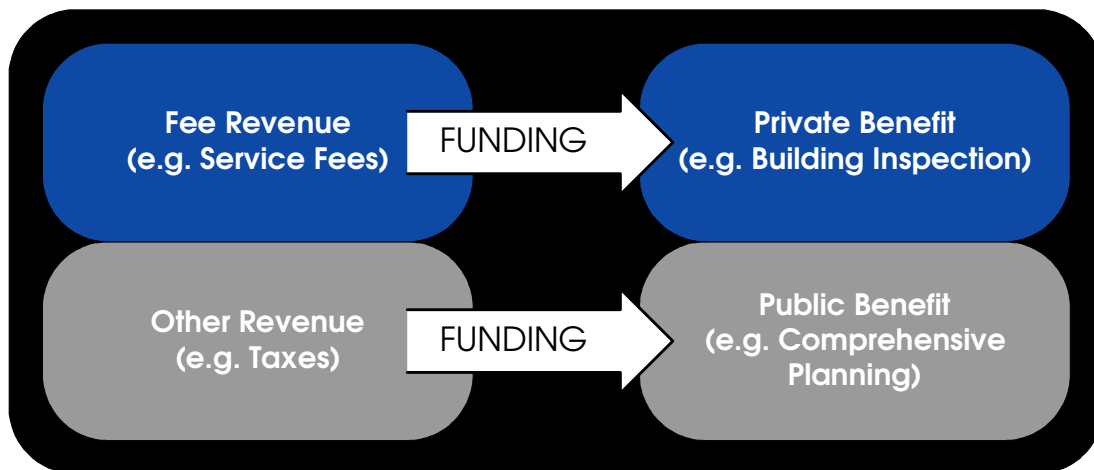
### III. COST RECOVERY AND FEE EVALUATION

Cost recovery expresses the proportion of expenses incurred in regulating development recovered from fee revenues. The State statutes direct that fees must not be grossly disproportionate to the costs of regulation. This is usually interpreted such that recovery rates should not be systematically and continually over 100% of full costs.

Discussions with City staff and Council members concerned the City's desirable cost recovery targets for the various applications that the City encounters. The framework for this discussion was the determination of public versus private benefits accruing from the regulated projects. Depending upon the type of permit/application and the regulatory environment, the project benefits can accrue to the developer, City residents, or to both.

Not all jurisdictions regulate development. For example, 20 states do not have building codes and many do not have development review processes for land use changes such as complex short plats. The City does have them to promote the safety of individuals who live in new or remodeled homes or near them and for developing the landscape in an environmentally sensitive manner. The paradigm of public versus private benefit can be useful to policymakers in determining a desirable cost recovery target for the various types of permits or applications or for the regulatory process as a whole. Exhibit 16 below displays this framework.

Exhibit 16



For permit activities that relate to projects that clearly benefit a developer such as building, mechanical, or drainage inspections for a Planned Unit Development, a major portion of the regulatory costs should be recovered in fees. For permitting activities that relate to projects or processes that clearly benefit the citizens and not an individual project such as code development decision appeals, or comprehensive plan updates, a major portion of these costs can be financed from general tax sources. However, numerous projects have both a public and a private benefit component. For example, historical preservation districts maintain a desirable neighborhood character for the benefit of the citizens. They also protect a developer or property owner against a loss of value due to unregulated, out-of-character development within the district.

The previous discussion on desirable recovery rates was presented to the City Council in July. The desired recovery rates for other jurisdictions were presented for comparison (see Exhibit 1 above). The Council committee directed FCS GROUP to apply a desired or target recovery rate of 67% of full B&DS Fund costs excluding Code Enforcement costs as the base for subsequent policy discussions. This yielded an aggregate target recovery rate of approximately 63% for total B&DS Fund costs.

Calculation of actual recovery rates and comparison with target rates –

For this study FCS GROUP calculated a full cost hourly rate for the various PCD and Public Works divisions involved with development regulation. Because the mix of personnel and wage rates for each division are different and certain non-labor costs are specific to a division, we calculated the rates separately. These hourly rates estimated the level of labor plus non-labor costs incurred by the City for an average direct service hour spent on a permit or application.

As part of the self-reported time data collection, the divisions estimated the number of direct labor hours for a typical permit or application for each type of permit issued by the City. These estimates were checked for consistency by comparing historical hours and historical permit volumes. In cases where the self-reported estimates yielded significant departures from the City's historical experience, we consulted with City staff to determine proper adjustments to assure consistency.

The 2006 B&DS Fund budget was constructed assuming that permit volumes would be identical with actual volumes in 2005. We applied the full cost direct service hourly rate for each division to the estimated direct hours per permit/application times the anticipated volume to calculate the total 2006 cost for each permit type. This was compared with the anticipated revenue at existing fee levels based upon the same volume forecasts.

Recovery rate results by division –

Exhibit 17 below shows the target cost versus revenue at existing fee levels and a summary by division and for the B&DS Fund in total. The column *Target Cost of Service* was calculated at full cost recovery excluding any applicable Code Enforcement costs. The column *Current Revenue* was calculated as permit volume times existing fees. There were multiple permit types for which there was no revenue recorded but for which employees reported estimated time. This discrepancy could be caused by incorrect estimates of time spent on types of permits, timing differences between revenue recognition and cost incurrence (mentioned above), revenues received for bundled permits not be dis-aggregated by permit type, or permit fees not being levied by the City.

For Building Permit fees which are based on project valuation, we assumed identical valuations to those that occurred in 2005. The column *Current Recovery of Target Cost* is the ratio of total fee revenue over full cost. The column *Fee Increase to Recover Target Cost* is the necessary fee adjustment percentage so that fee revenues would match target costs for a given permit/application type.

Exhibit 17  
 Estimated 2006 Target Cost versus Revenue at Existing Fee Rates

Direct Service by Division	Target Cost of Service	Current Revenue	Current Recovery of Target Cost	Fee Increase to Recover Target Cost
<b>Administrative Processing</b>				
Code Interpretation	3,253	-	0%	n/a
Affordable Housing - In Lieu ...	976	-	0%	n/a
Agricultural Retail Plan	60	-	0%	n/a
Appeal of Admin. Decisions	6,033	-	0%	n/a
Appeal of EIS Adequacy	1,574	-	0%	n/a
Appeal of HE/Plan. Comm.	3,491	-	0%	n/a
Appeal of SEPA Determ.	1,833	-	0%	n/a
Boundary Line Adjustment	8,286	25,800	311%	0%
<b>Total Admin Processing Permits</b>	<b>\$ 26,782</b>	<b>\$25,800</b>	<b>96%</b>	<b>4%</b>
<b>Building Permits</b>				
Building Fee (SBCC)	-	-	0%	n/a
Bldg Permit	1,258,176	1,180,620	94%	7%
Bldg Re Inspection	100,639	-	0%	n/a
Enforcement (Bldg)	13,467	76	1%	17619%
Mechanical Fee	43,137	1,387	3%	3010%
Plan. & Eng. Review of Bldg Permits	324,195	95,566	29%	239%
Pre-App Conference	43,821	-	0%	n/a
Wood Stove Inspection	2,274	11	0%	21254%
Grading Permit	18,170	-	0%	n/a
<b>Total Building Permits</b>	<b>\$ 1,803,880</b>	<b>1,277,660</b>	<b>71%</b>	<b>30%</b>
<b>Land Use Permits</b>				
Site Plan Review	58,746	21,978	37%	167%
Shoreline Exemption w SEPA	42,077	30,179	72%	39%
Short Plat	83,870	100,462	120%	0%
Shoreline Substantial Development	30,215	21,960	73%	38%
Pre-App Conference	31,616	17,000	54%	86%
Subdivision	75,245	74,700	99%	1%
Shoreline Exemption w/o SEPA	21,132	11,720	55%	80%
Plan Amend Site Specific	21,961	7,080	32%	210%
Variance - Admin	14,107	24,691	175%	0%
CUP - Admin	15,718	13,525	86%	16%
All Other Land Use Fees	409,543	191,913	47%	113%
<b>Total Land Use Permits</b>	<b>\$ 527,739</b>	<b>521,888</b>	<b>99%</b>	<b>4%</b>
<b>B&amp;DS Total</b>	<b>\$ 2,358,401</b>	<b>\$ 1,825,347</b>	<b>77%</b>	<b>29%</b>

Exhibit 17 above shows that the B&DS Fund recovers, on average, roughly three-quarters of the target costs (as determined by Council deliberations) of regulating development.

## **FEE EVALUATION**

The preceding sections explained the calculation of the full cost of development regulation, the revenues from fees at existing rates, a framework for determining desirable recovery rates, and the 2006 forecasted results for the B&DS Fund. The steps in the fee adjustment process are

- ❑ Determination of target recovery rates,
- ❑ Calculation of revised fees, and
- ❑ Drafting and adoption of fee ordinance.

### Comparison of “Standard” Development Fees –

A jurisdiction’s development fees are determined by the cost of regulation, the mix and level of projects/applications, and the target recovery rates. As evidenced above, the regulatory code and development environments differ across jurisdictions. Exhibit 2 above provided a comparison of the actual development fees for roughly comparable permits.

In the City’s deliberations on desirable cost recovery targets, some non-financial considerations were the following:

- ❑ Is it politically feasible to set the fee to the targeted recovery level?
- ❑ Will adjusting regulatory fees result in compliance or public safety problems?
- ❑ What will the market bear in terms of fee increases?
- ❑ By adjusting fees, are other governmental goals affected adversely?

As mentioned above, recovery rates on individual permit types even within a division differ significantly and can be very unstable from one year to the next. This can be caused by artifacts of the accounting revenue recognition procedures or minor fluctuations in the mix or complexity of projects. Thus FCS GROUP recommends applying across-the-board adjustments within the Building and Land Use/Planning Divisions and applying the same percentage adjustment for Administrative Process permits as the Land Use/Planning Division.

## Appendix A

### Time Data Collection Form **Staff Time Data Collection Form**

Services: **PLANNING & COMMUNITY DEVELOPMENT/PUBLIC WORKS**

<b>Name</b>		<b>Title</b>	
<b>Division</b>		<b>Phone</b>	

<b>1. Annual Labor Hours</b> <small>Full-time staff enter 1.00; half-time staff enter 0.50, etc.</small>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center;">FTE</td> <td style="width: 50%;"></td> </tr> </table>	FTE		times 2,080	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center;"><b>Total Hours</b></td> <td style="width: 50%;"></td> </tr> </table>	<b>Total Hours</b>	
FTE							
<b>Total Hours</b>							
<b>2. Annual Overtime (for non-exempt staff only)</b> <small>Please enter estimated overtime, only if it is paid time.</small>			<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center;"><b>Annual Hours</b></td> <td style="width: 50%;"></td> </tr> </table>	<b>Annual Hours</b>			
<b>Annual Hours</b>							
<b>3. Annual Leave</b> <small>Include holidays (88 hours), estimated vacation and sick leave, and any other annual leave.</small>			<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center;"><b>Annual Hours</b></td> <td style="width: 50%;"></td> </tr> </table>	<b>Annual Hours</b>			
<b>Annual Hours</b>							
<b>4. non-Fee-supported Services Work</b> <small>Include work not spent on PCD issues and work (e.g. City-wide Committees, training, tax-supported services, and meetings).</small>			<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center;"><b>Annual Hours</b></td> <td style="width: 50%;"></td> </tr> </table>	<b>Annual Hours</b>			
<b>Annual Hours</b>							
<b>5. Annual Available Fee-supported Services Work Hours</b> <small>= Total 1 + Total 2 - Total 3 - Total 4</small>			<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center;"><b>Annual Hours</b></td> <td style="width: 50%;"></td> </tr> </table>	<b>Annual Hours</b>			
<b>Annual Hours</b>							
<b>6. Indirect Fee-supported Services Work</b> <small>e.g., work associated with Fee-supported functions but NOT with a specific customer, permit, or client</small>							
<b>a. Code and Policy Development</b> <small>Include work creating or revising codes, ordinances, and policies.</small>			<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center;"><b>Annual Hours</b></td> <td style="width: 50%;"></td> </tr> </table>	<b>Annual Hours</b>			
<b>Annual Hours</b>							
<b>b. Public Assistance and Information</b> <small>Include work assisting customers with non-project specific concerns.</small>			<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center;"><b>Annual Hours</b></td> <td style="width: 50%;"></td> </tr> </table>	<b>Annual Hours</b>			
<b>Annual Hours</b>							
<b>c. General Public Information</b> <small>Include work assisting non-customers with permitting or departmental concerns</small>			<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center;"><b>Annual Hours</b></td> <td style="width: 50%;"></td> </tr> </table>	<b>Annual Hours</b>			
<b>Annual Hours</b>							
<b>d. Code Enforcement</b> <small>Include work associated with ensuring compliance with various City codes. (e.g. work without a permit and assisting Enforcement function)</small>			<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center;"><b>Annual Hours</b></td> <td style="width: 50%;"></td> </tr> </table>	<b>Annual Hours</b>			
<b>Annual Hours</b>							
<b>e. Training and Certification</b> <small>Include time spent receiving or providing training.</small>			<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center;"><b>Annual Hours</b></td> <td style="width: 50%;"></td> </tr> </table>	<b>Annual Hours</b>			
<b>Annual Hours</b>							
<b>f. City Council Committee Support</b> <small>Include time spent addressing questions from Legislative or preparing materials</small>			<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center;"><b>Annual Hours</b></td> <td style="width: 50%;"></td> </tr> </table>	<b>Annual Hours</b>			
<b>Annual Hours</b>							
<b>g. General Administration and Management</b> <small>Include general tasks including internal meetings/calls/e-mails, supervision, filing, etc.</small>			<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center;"><b>Annual Hours</b></td> <td style="width: 50%;"></td> </tr> </table>	<b>Annual Hours</b>			
<b>Annual Hours</b>							
<b>h. Other Indirect Functions</b> <small>Please describe</small>			<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center;"><b>Annual Hours</b></td> <td style="width: 50%;"></td> </tr> </table>	<b>Annual Hours</b>			
<b>Annual Hours</b>							
<b>7. Annual Direct Service Hours</b> <small>= Total 5 - (Total 6a through Total 6h)                  Please turn to Page 2.</small>			<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center;"><b>Annual Hours</b></td> <td style="width: 50%;"></td> </tr> </table>	<b>Annual Hours</b>			
<b>Annual Hours</b>							

