

DRAFT

Bureau of Development Services

Business Continuity Plan

April 14, 2015

Purpose

This Bureau of Development Services (BDS) Business Continuity Plan provides direction and guidelines to the bureau in order to respond in a prudent and timely way to significant, persistent financial downturns.

Caution Triggers

BDS monitors its workload parameters and revenue collections on a monthly basis. The caution triggers below are intended to help bureau management identify early signs of changes in workload and revenue trends. If any of the caution triggers are present, BDS will thoroughly analyze the data for any anomalies that may have caused the trigger(s). If no anomalies are found, BDS will notify its Commissioner-in-Charge:

1. The number of land use applications received for the current quarter is 5% or more below the number of land use applications received for the same quarter of the previous year.
2. The number of final plat applications received for the current quarter is 5% or more below the number of final plat applications received for the same quarter of the previous year.
3. The valuation of all projects received for the current quarter is 5% or more below the valuation of all projects received for the same quarter of the previous year.
4. The total number of projects received for the current quarter is 5% or more below the total number of projects received for the same quarter of the previous year.

Business Continuity Plan Triggers

The reduction measures outlined below will be triggered by any circumstance in which all five of the following conditions occur at the same time, and may be triggered if any four conditions are present at the same time:

1. The bureau's cost recovery rate is below 100%;
2. Bureau reserves are below the minimum reserve goal of 30% or 3.6 months of total expenditures (reserves are below 30% of the total annual budget);
3. Bureau revenues have been declining consistently for the previous 6 consecutive months;

4. The total value of projects received by the bureau has been declining consistently for the previous 6 consecutive months;
5. The total number of projects received by the bureau has been declining consistently for the previous 6 consecutive months.

BDS's Commissioner-in-Charge and the Bureau Director have the authority to activate the Business Continuity Plan.

If the Plan is triggered, operational expenditures will be cut as soon as practicable by reducing payroll and other expenses as needed.

In general, BDS's expenditure reduction measures will be as follows:

1. Assess workload needs and adjust staffing levels accordingly;
2. Stop all hiring processes; keep positions vacant; realign and consolidate the workforce.
3. Reduce Material and Services spending, including but not limited to: office supplies, professional services, operating supplies, subscriptions, training, travel, equipment, and tools;
4. Eliminate temporary and seasonal positions;
5. Eliminate limited term positions;
6. Provide retirement incentive options to employees who are eligible to retire, and subsequently eliminate or restructure positions that become vacant;
7. Prioritize programs and services, reduce or eliminate lowest priority programs and services as needed.

Once implemented, the measures outlined above would remain in effect until the bureau achieves 100% cost recovery for 6 consecutive months.

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Proposed Bureau and Programmatic Reserve Goals

BDS Reserve Goals						
Program	Reserve Goal as % Annual Expenditures					
	Goal Prior to FY 2004-05	Goal in FY 2004-05	Goal as of FY 2011-12	Goal as of FY 2013-14	Current Goal as of FY 2015-16	Current Goal as of FY 2015-16 (months)*
Building/Mechanical	35-45%	25%	35-45%	45%	75%	9
Electrical	35-45%	20%	20%	45%	50%	6
Plumbing	35-45%	20%	20%	20%	50%	6
Facilities Permits	15%	15%	20%	20%	50%	6
Site Development	35-45%	20%	20%	45%	50%	6
Environmental Soils	20%	20%	20%	20%	50%	6
Signs	20%	20%	20%	20%	50%	6
Zoning	20%	20%	20%	20%	50%	6
Land Use Services	20%	20%	20%	20%	30%	3.6
Neighborhood Inspections	20%	20%	25%	25%	30%	3.6
Bureau Total	No goal	10% Minimum Reserve Level	10% Minimum Reserve Level	15% Minimum Reserve Level	30% Minimum Reserve Level	3.6

* The reserve goal is expressed in the number of months of total expenditures.

It is important to remember that the goal of the reserve is to allow BDS time to recognize and respond to unanticipated declines in revenues and to maintain the staffing needed to carry out its obligation to provide services on permits for which BDS has already been paid. The size of the reserve determines how much time BDS will have to adjust to change and still provide necessary services. The minimum reserve goal of 30% or 3.6 months of total expenditures provides a baseline below which total bureau reserves should not drop. There is no maximum reserve goal.

The Building/Mechanical Program Reserve is higher than the rest of the programs because Building/Mechanical performs structural and mechanical inspections that are usually the last stage in the bureau's work on development projects. The higher reserve is needed to ensure that the bureau has sufficient resources to provide inspections services that were prepaid by developers and homeowners.