

# OPERATING BUDGET FISCAL NOTE

**DATE OF COUNCIL CONSIDERATION:**  
**CONTACT DEPARTMENT(S):**  
**FUND:**

6/3/21  
Development Services  
Development Services

**SUBJECT:** Approve an ordinance amending the Fiscal Year 2020-2021 Development Services Department Operating Budget (Ordinance No. 20200812-001) to authorize 41 full-time equivalent operating budget positions to support the housing goals expressed in Strategic Direction 2023 and the Austin Strategic Housing Blueprint.

**CURRENT YEAR IMPACT:**

	2020-21 Approved	2020-21 Estimated	This Action	2020-21 Amended
Beginning Balance	12,230,800	18,941,528	0	12,230,800
Revenue				
Total Revenue	62,430,000	63,825,071	0	62,430,000
Total Transfers from Bond	0	0	0	0
Total Appropriated Funds	62,430,000	63,825,071	0	62,430,000
Requirements				
Total Department Requirements	56,347,249	51,580,893	0	56,347,249
Total Transfers Out	7,451,605	7,451,605	0	7,451,605
Total Other Requirements	964,713	964,713	0	964,713
Total Requirements	64,763,567	59,997,211	0	64,763,567
Excess (Deficiency) of Total Available Over Total Requirements	(2,333,567)	3,827,860	0	(2,333,567)
Ending Balance	9,897,233	22,769,388	0	9,897,233
FTEs	431.00	431.00	41.00	472.00

**FIVE-YEAR ESTIMATED IMPACT:**

	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Total Beginning Balance	0	0	0	0	0
Total Revenue	0	4,265,394	0	0	0
Total Requirements	150,000	4,265,394	0	0	0
Net Budget Impact	(150,000)	0	0	0	0

**ANALYSIS / ADDITIONAL INFORMATION:** This item amends the Development Services Department (DSD) Operating Budget to authorize 41 new FTEs. The Department has identified savings in the amount of \$150,000 in the current year to provide initial funding for these positions. Based on current year estimates, the Department will be favorable by \$3,827,860 as a result of FY2020-2021 better than expected revenue due to an increase in workload demand. Similarly, the Department exceeded last year's FY2019-2020 projections with higher than anticipated revenue. In order to initiate the hiring process immediately, DSD is seeking approval to add these positions and projects hiring to begin by July 2021. Annualized funding of \$4,415,394 for these new positions is planned to be included in Fiscal Year 2021-2022 budget and will be fully offset with a revenue increase by the same amount due to permit application volume increases, resulting in a net zero impact to DSD. To this end, the Department is projecting to add the positions to meet the higher workload demands without increasing fees. DSD consistently reviews cost of service to ensure costs are fully recovered. Since becoming an enterprise fund, revenues have consistently covered costs.