

**2026-2027 Proposed Financial Plan
DLS Permitting Fund / 000001340**

Category	2025 Estimated	2026-2027 Proposed	2028-2029 Projected	2030-2031 Projected
Beginning Fund Balance	\$ (5,771,047)	\$ (10,510,047)	\$ (10,488,294)	\$ (5,535,312)
Revenues				
CHARGE FOR SERVICES - R3410	15,400,000	41,711,260	49,980,092	53,924,143
SURCHARGE	-	1,172,000	-	-
TRANSFERS IN - R3901	336,000	2,651,293	2,339,139	2,485,335
Total Revenues	\$ 15,736,000	\$ 45,534,553	\$ 52,319,230	\$ 56,409,478
Expenditures				
SALARIES/WAGES/BENEFITS - 51000	15,969,000	31,259,346	32,888,216	34,943,730
SUPPLIES - 52000	27,000	49,200	52,565	56,077
SERVICES-OTHER CHARGES - 53000	1,160,000	3,756,960	4,013,936	4,282,067
INTRAGOVERNMENTAL SERVICES - 55000	3,311,000	9,230,994	10,361,317	11,726,938
INTRAGOVERNMENTAL CONTRIBUTIONS - 58000	8,000	1,216,300	50,214	56,832
Total Expenditures	\$ 20,475,000	\$ 45,512,800	\$ 47,366,248	\$ 51,065,644
Estimated Underexpenditures				
Other Fund Transactions				
Total Other Fund Transactions	\$ -	\$ -	\$ -	\$ -
Ending Fund Balance	\$ (10,510,047)	\$ (10,488,294)	\$ (5,535,312)	\$ (191,478)
Reserves				
Expenditure Reserve (s)				
Rainy Day Reserve	1,262,158	2,805,584	2,919,837	3,147,882
Total Reserves	\$ 1,262,158	\$ 2,805,584	\$ 2,919,837	\$ 3,147,882
Reserve Shortfall	11,772,205	13,293,878	8,455,149	3,339,360
Ending Undesignated Fund Balance	\$ -	\$ -	\$ -	\$ -

Financial Plan Notes

- All financial plans have the following assumptions, unless otherwise noted in below rows:
- 2026-2027 Proposed Budget ties to PBCS.
- Outyear projections columns: expenditure inflation assumptions are consistent with figures provided by PSB's BFPA guidance.

Revenue Notes:

- 2026 custom new home and remodel permit volume (240) = lowest on record (2014)
- 2026 basic home permit volume (72) = lowest on record (2022)
- 2026 other permits and approvals = same as year 2024
- No permit volume increases in 2026-2031
- 2026-2027 increase in Transfers In from re-allocation of general fund from A32530
- 2026-2027 temporary 3.5% surcharge to generate funds to pay for replacement of permitting system; surcharge ends 12/31/2027
- 2028-2029 GF transfer is reduced by the amount of one-time funding of Climate Change support in 2026-2027
- 2026-2027 and outyear permit fee amounts and revenues are increased to match aggregate increase in expenditures; plus supplemental increases of 11% to rebuild fund balance.

Expenditure Notes:

- 2026-2027: Salaries and wages includes expenditure contra assumed for three positions in 2026-27 and outyears, and reduction of eight vacant positions.
- 2026-2027: Increase in intergovernmental services cost includes net-zero transfer of 4 positions from Permitting to Director's Office budget and addition Director's Office overhead increases.
- 2026-2027: Increase in intragovernmental contributions of \$1,172,000 for funding replacement of permitting system.
- 2028-2029: Labor cost reduced by one-time spending for Climate Change support.
- 2028-2029: Intragov't contributions reduced by one-time spending on technology ending 12/31/2027.
- 2028-2029: No programmatic-driven growth in DLS cost allocation to Permitting.

Reserve Notes:

- Fund balance restored to positive balance by 12/31/2031, assuming low permitting activity at 2026 budgeted level and supplemental fee increases per above Revenue Notes.