

Division of Building Safety

Analyst: Sepich

Historical Summary

OPERATING BUDGET	FY 2016 Total App	FY 2016 Actual	FY 2017 Approp	FY 2018 Request	FY 2018 Gov Rec
BY FUND CATEGORY					
General	0	0	270,000	261,800	273,100
Dedicated	11,601,300	10,667,300	12,620,000	13,792,300	13,621,700
Federal	85,300	22,600	87,600	87,900	88,600
Total:	11,686,600	10,689,900	12,977,600	14,142,000	13,983,400
Percent Change:		(8.5%)	21.4%	9.0%	7.8%
BY OBJECT OF EXPENDITURE					
Personnel Costs	9,132,300	8,110,200	10,189,200	11,099,400	10,891,900
Operating Expenditures	2,283,700	2,163,900	2,054,800	2,161,600	2,211,600
Capital Outlay	270,600	415,800	733,600	881,000	879,900
Total:	11,686,600	10,689,900	12,977,600	14,142,000	13,983,400
Full-Time Positions (FTP)	121.00	121.00	131.00	142.00	141.00

Division Description

The Division of Building Safety administers five bureaus and houses seven boards. Funding for the Building, Electrical, Plumbing, Public Works Contractor Licensing, and Heating, Ventilation and Air Conditioning (HVAC) bureaus is provided through fees for licenses, permits, plan reviews, and apprentice/trainee registrations. Other programs operated by the division include the Industrial and Logging Safety Programs, funded by transfers from the Idaho Industrial Commission; the Energy Code Program, funded through grant moneys from the U.S. Department of Energy and the Northwest Energy Efficiency Alliance; the Office of School Safety and Security, funded by the General Fund and the Public School Educational Support Program in the form of a pass through of Cigarette, Tobacco and Lottery Income Taxes; and Underground Facilities Damage Prevention, funded by a fee assessed on underground facility owners.

The Building Bureau administers regulatory programs involving the construction and safety of state facilities, schools, prefabricated modular structures, and mobile or manufactured homes. The bureau also monitors the rehabilitation of older mobile homes and licenses the manufactured home industry. Plan reviews and inspections are performed to determine compliance with adopted building, accessibility, mechanical, fuel/gas, energy conservation, and U.S. Department of Housing & Urban Development construction safety codes or standards. The Electrical Bureau licenses all electricians and contractors, registers apprentices, issues permits, reviews plans, and inspects electrical installations to ensure code compliance. The Plumbing Bureau licenses plumbers and contractors, registers apprentices, issues permits, conducts inspections, and reviews plans. The Heating, Ventilation & Air Conditioning Bureau establishes qualifications and issues certificates of competency for HVAC installers. The bureau also conducts inspections of HVAC systems. The Public Works Contractor Licensing Bureau licenses contractors and construction managers performing public works construction.

The Industrial Safety Program conducts inspections of state facilities and school districts to ensure safe working conditions. It also manages the statewide Elevator Safety Program which is funded through certification and inspection fees. The Logging Safety Program seeks to reduce the frequency and severity of accidents in the logging industry by conducting first aid classes and on-the-job safety meetings for loggers, providing safety training for management, and inspecting logging operations.

The Idaho Office of School Safety and Security performs security assessments on a triannual basis at all public schools in the state of Idaho. The office offers recommendations to enhance security of educational institutions along with technical information and training to school personnel.

The Underground Facilities Damage Prevention Program promotes a system of self-regulation and education that addresses the prevention of damage to underground facilities.

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Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2017 Original Appropriation	131.00	270,000	12,977,600	131.00	270,000	12,977,600
1. Damage Prevention Board	0.00	0	0	0.00	0	50,000
FY 2017 Total Appropriation	131.00	270,000	12,977,600	131.00	270,000	13,027,600
Removal of One-Time Expenditures	0.00	(89,800)	(1,006,400)	0.00	(89,800)	(1,006,400)
FY 2018 Base	131.00	180,200	11,971,200	131.00	180,200	12,021,200
Benefit Costs	0.00	2,800	160,100	0.00	4,300	113,300
Inflationary Adjustments	0.00	0	19,100	0.00	0	19,100
Replacement Items	0.00	0	446,900	0.00	0	446,900
Statewide Cost Allocation	0.00	0	9,300	0.00	0	9,300
Change in Employee Compensation	0.00	1,600	82,200	0.00	11,400	269,100
FY 2018 Program Maintenance	131.00	184,600	12,688,800	131.00	195,900	12,878,900
1. Safety Inspector FTPs	8.00	0	648,400	7.00	0	598,200
2. Administrative Staff FTPs	3.00	0	175,900	3.00	0	170,700
3. Office of School Safety Funding	0.00	77,200	77,200	0.00	77,200	77,200
4. Inspector Salary Market Adjustment	0.00	0	293,300	0.00	0	0
5. Uninterrupted Power Supply Units	0.00	0	20,000	0.00	0	20,000
6. CISCO Networking Switch	0.00	0	45,000	0.00	0	45,000
7. Board Room Video Conferencing	0.00	0	52,200	0.00	0	52,200
8. Online License Renewal Software	0.00	0	30,000	0.00	0	30,000
9. TRAKi9 Software Update	0.00	0	100,000	0.00	0	100,000
10. SQL Server Software Update	0.00	0	10,000	0.00	0	10,000
Cybersecurity Insurance	0.00	0	1,200	0.00	0	1,200
FY 2018 Total	142.00	261,800	14,142,000	141.00	273,100	13,983,400
Change from Original Appropriation	11.00	(8,200)	1,164,400	10.00	3,100	1,005,800
% Change from Original Appropriation		(3.0%)	9.0%		1.1%	7.8%

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2017 Original Appropriation	131.00	270,000	12,620,000	87,600	12,977,600

1. Damage Prevention Board

Agency Request	0.00	0	0	0	0
<i>The Governor recommends funding for the Damage Prevention Board in operating expenditures in support of H454 which passed last legislative session without a corresponding appropriation.</i>					
Governor's Recommendation	0.00	0	50,000	0	50,000

FY 2017 Total Appropriation	131.00	270,000	12,620,000	87,600	12,977,600
Governor's Recommendation	131.00	270,000	12,670,000	87,600	13,027,600

Removal of One-Time Expenditures

Agency Request	0.00	(89,800)	(916,000)	(600)	(1,006,400)
Governor's Recommendation	0.00	(89,800)	(916,000)	(600)	(1,006,400)

FY 2018 Base	131.00	180,200	11,704,000	87,000	11,971,200
Governor's Recommendation	131.00	180,200	11,754,000	87,000	12,021,200

Benefit Costs

Employer-paid benefit changes including a 10% increase (or \$1,220 per eligible FTP) for health insurance, bringing the total annual cost to \$13,460 per FTP, and adjustments in workers' compensation that vary by agency.

Agency Request	0.00	2,800	157,000	300	160,100
<i>The Governor recommends \$13,100 per eligible FTP for health insurance, an increase of \$860 or 7%, and proposes to reduce the health insurance benefit from 30 to six months for employees on disability status. Also recommended is a fund shift of \$2,300 to the General Fund that cannot be covered by the Office of School Safety and Security Fund.</i>					
Governor's Recommendation	0.00	4,300	108,800	200	113,300

Inflationary Adjustments

The division requests an ongoing appropriation of \$19,100 in operational expenditures to fund contractual rent increases at the Meridian and Coeur d'Alene locations. This represents a 2.82% increase from \$677,200 to \$696,300 total for facility rent payments.

Agency Request	0.00	0	18,900	200	19,100
Governor's Recommendation	0.00	0	18,900	200	19,100

Replacement Items

The agency requests a one-time appropriation of \$446,900 in capital outlay from the State Regulatory Fund to replace 17 vehicles that have exceeded their service life based upon miles driven, 18 desktop computers that are more than four years old, 25 laptop computers that are more than three years old, and 28 computer monitors that are more than five years old.

Agency Request	0.00	0	446,900	0	446,900
Governor's Recommendation	0.00	0	446,900	0	446,900

Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Risk management fees will increase by \$2,700, State Controller fees will decrease by \$1,900, Attorney General fees will increase by \$8,700, and State Treasurer fees will decrease by \$200, for a net increase of \$9,300.

Agency Request	0.00	0	9,300	0	9,300
Governor's Recommendation	0.00	0	9,300	0	9,300

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	1,600	80,200	400	82,200
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions. Also recommended is a fund shift of \$6,600 to the General Fund that cannot be covered by the Office of School Safety and Security Fund.

Governor's Recommendation	0.00	11,400	256,500	1,200	269,100
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FY 2018 Program Maintenance					
Agency Request	131.00	184,600	12,416,300	87,900	12,688,800
Governor's Recommendation	131.00	195,900	12,594,400	88,600	12,878,900

1. Safety Inspector FTPs

The agency is requesting eight additional building safety inspector FTPs due to significant increases in demand for inspections. The appropriation request is for \$474,200 for personnel costs and \$174,200 in one-time capital outlay, from the State Regulatory Fund, to provide seven vehicles, seven laptops, and one desktop computer, for a total request of \$648,400. In addition, jurisdictions that have either previously provided their own services, or contracted with other entities to provide services, continue to request the services of the division. The additional positions would be funded by increased revenue from permit fees due to increased inspections. The division saw an increase of 30.7% in the number of inspections completed and licenses or permits issued from 2015 to 2016.

Agency Request	8.00	0	648,400	0	648,400
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The Governor is recommending 7.00 FTP and to use their existing appropriation for the part-time eastern Idaho inspector position.

Governor's Recommendation	7.00	0	598,200	0	598,200
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2. Administrative Staff FTPs

The agency is requesting funding for 3.00 FTP, \$173,200 in personnel costs and \$2,700 in capital outlay for a total appropriation of \$175,900 from the State Regulatory Fund. These additional administrative positions will be filled due to a significant increase in demand for services provided by the division. The request includes authorization for one IT support technician, one administrative support person, both pay grade I and one customer service representative, pay grade G. All three will have full-time status and will be benefited with an anticipated hire date of July 1st, 2017.

Agency Request	3.00	0	175,900	0	175,900
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Salary decreased to 80% of policy on new pay schedule and health insurance costs reduced to recommended level.

Governor's Recommendation	3.00	0	170,700	0	170,700
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3. Office of School Safety Funding

The agency is requesting a General Fund appropriation of \$77,200 for operational expenditures related to the Office of School Safety and Security. This request includes funding for transportation costs, computer and IT services, administrative costs, repair and maintenance services, and employee development costs and are all ongoing. All Idaho schools are on a three-year cycle for safety and security inspection.

Agency Request	0.00	77,200	0	0	77,200
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Governor's Recommendation	0.00	77,200	0	0	77,200
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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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4. Inspector Salary Market Adjustment

The agency requests an ongoing appropriation of \$293,300 in personnel costs from the State Regulatory Fund to increase pay rates for inspectors and bring them closer to the average market pay. Skilled tradesmen include, but are not limited to, journeyman electricians, plumbers, HVAC technicians, and plan reviewers. Recently, the division lost two inspectors to Boise City where they were hired as entry-level electrical inspectors for \$21.00 per hour. The agency pays new electrical inspectors \$18.31 per hour, contributing to staff attrition. This funding would increase the starting wages for new inspectors and adjust current inspector salaries to avoid compression issues within the classification. The agency currently has 74 inspector field staff employed.

Agency Request	0.00	0	293,300	0	293,300
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Not recommended by the Governor. In evaluating requests for targeted pay increases, the Governor has adopted a standard that the agency must be facing an issue significantly worse than others. The voluntary turnover rate for these positions is below the statewide average. Recruitment and retention of high-quality state employees are a concern for the Governor, and he recommends a 3% CEC to address this issue statewide.

Governor's Recommendation	0.00	0	0	0	0
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5. Uninterrupted Power Supply Units

The agency is requesting \$20,000 for capital outlay from the State Regulatory Fund to replace two uninterrupted power supply (UPS) units that are out of warranty and reaching the end of their use period. The units protect servers from a power surge and provide temporary power in the event of a power failure or interruption. [One-time]

Agency Request	0.00	0	20,000	0	20,000
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Governor's Recommendation	0.00	0	20,000	0	20,000
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6. CISCO Networking Switch

The agency is requesting \$45,000 for capital outlay from the State Regulatory Fund to replace one Cisco 6509 networking switch that is currently at the end of its lifespan. The unit is the core switch that facilitates the network routing of data from the server to the end user. Without this switch, data would not be routed to users who wish to access the database. [One-time]

Agency Request	0.00	0	45,000	0	45,000
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Governor's Recommendation	0.00	0	45,000	0	45,000
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7. Board Room Video Conferencing

The agency requests \$52,200 from the State Regulatory Fund to upgrade and replace the current board room video conferencing technology. Video conferencing enables board members to remotely form a quorum, and provides a means for the general public and division staff members to participate in board meeting regardless of vast geographic distances. In addition, it serves to reduce both board and employee travel costs associated with meeting attendance. The technology of the current system is more than six years old, small for the size of the board room, close to end of life, and is in need of updating. The new technology would consist of video conferencing hardware, associated software, monitors, microphones, cabling services, installation, programming, and support services. The current hardware will be used for video conferences with fewer participants or less sensitive needs. [One-time]

Agency Request	0.00	0	52,200	0	52,200
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Governor's Recommendation	0.00	0	52,200	0	52,200
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8. Online License Renewal Software

The agency requests \$30,000 for capital outlay from the State Regulatory Fund to renew a software license for the system that provides online license renewals. Currently the eTRAKiT system does not possess the capabilities needed to offer such a service. The upgrade will reduce travel time for the consumer, make information more available to the licensee, and result in less human error associated with data entry by division staff. [One-time]

Agency Request	0.00	0	30,000	0	30,000
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Governor's Recommendation	0.00	0	30,000	0	30,000
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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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9. TRAKiT9 Software Update

The agency requests \$100,000 for capital outlay from the State Regulatory Fund to upgrade the TRAKiT software used by the agency. The current software designed to facilitate permitting, licensing, and educational requirements is more than eight years old and in need of upgrading to the new version. An upgrade is available that provides a web interface, reporting, batch trust, and education tabs that are beyond the capabilities of the current system. The upgrade would require the conversion of current report structures, batch trust, and the education tab. In addition to the upgrade, the software developer would provide three days of on-site training and a business process review. [One-time]

Agency Request	0.00	0	100,000	0	100,000
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>100,000</i>	<i>0</i>	<i>100,000</i>

10. SQL Server Software Update

The division requests \$10,000 for capital outlay from the State Regulatory Fund to purchase SQL Server software updates. The division currently operates its main database under the 2012 version of SQL Server. The upgrade is needed to continue an uninterrupted flow of data to all databases maintained by the division. The upgrade would also allow the division to add a second SQL server to its environment and reduce the workload on the current server which supports 17 databases. Staying current with the latest software ensures that the division's databases that store critical systems data have the latest enhancements and security features. [One-time]

Agency Request	0.00	0	10,000	0	10,000
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>10,000</i>	<i>0</i>	<i>10,000</i>

Cybersecurity Insurance

Risk Management in the Department of Administration is acquiring \$25 million of cybersecurity liability insurance for state government. The coverage began on December 1, 2016, and the one-time cost of \$330,000 for FY 2017 will be spread amongst agencies, with an additional \$903,300 requested as ongoing for FY 2018. Of the total for FY 2018, \$333,300 is to build a premium reserve fund for future deductibles, and \$570,000 will be for the premium.

Agency Request	0.00	0	1,200	0	1,200
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The Governor recommends all funding be ongoing.

<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>1,200</i>	<i>0</i>	<i>1,200</i>
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FY 2018 Total

Agency Request	142.00	261,800	13,792,300	87,900	14,142,000
<i>Governor's Recommendation</i>	<i>141.00</i>	<i>273,100</i>	<i>13,621,700</i>	<i>88,600</i>	<i>13,983,400</i>

Agency Request

Change from Original App	11.00	(8,200)	1,172,300	300	1,164,400
% Change from Original App	8.4%	(3.0%)	9.3%	0.3%	9.0%

Governor's Recommendation

Change from Original App	10.00	3,100	1,001,700	1,000	1,005,800
% Change from Original App	7.6%	1.1%	7.9%	1.1%	7.8%