

PIERCE COUNTY AUDIT - OCTOBER 2005 REPORT BY ZUCKER SYSTEMS

A. OVERVIEW

This report is based on a review of the October 3, 2005 Fast Forward report.

B. OCTOBER 3, 2005 FAST FORWARD REPORT

This report continues to be very useful. My comments include:

1. Department Overview

The continued reduction of the backlog is excellent. It was also encouraging to see that the backlog is being reduced at a lower cost than anticipated.

It appears that with the exception of Current Planning positions have been filled. Hopefully the two additional vacancies can be filled in short order.

2. Building Division

Page 4 indicates that "We are at a point where we believe we can maintain our service level with our full time staff." However, the chart and the discussion on Page 5 seem to indicate that this is not the case.

Although it appears that the building backlog is almost eliminated it is not clear why Page 5 shows only 27% of Commercial completed on time. The definition of backlog is that anything not completed on time is considered backlog.

The average of 5 days for commercial first review and 3 days for residential first review is excellent.

3. Development Center

It is encouraging to see that discussions are underway concerning the Development Center. The report continues to use average times rather than percent meeting the target which can be misleading.

C. OTHER ISSUES

I note that discussions are underway in relation to the 2006 budget which may provide the opportunity to implement additional audit recommendations. During budget discussions attention should be given to how PALS revenues relate to the budget. In the long run, PALS and the County should move in the direction of having major parts of PALS operate similar to an enterprise fund while other parts of PALS will likely always need to be supported by the General Fund. I understand that PALS

revenues currently exceed the budget projections but all excess revenue goes to the General Fund. While this may currently be workable given the \$700,000 appropriation, at some point in the future there should be a cost revenue balance. If activity and revenues go up, then it may be necessary to add staff or consultants to keep from slipping back into a backlog. Likewise, if activity and revenues go down, PALS and the County should have a plan in place to reduce expenditures.