



Angelina “Angel” Colonnese

Clerk of the Circuit Court & Comptroller of Manatee County

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MEMORANDUM

To: Sheila McLean, Chief Financial Officer
Nicole Knapp, Director, Development Services

From: Lori Stephens, Inspector General *Lori Stephens*

Date: January 30, 2024

Subject: Impact Fee Expenditures Follow-up Audit #3

The Division of Inspector General has completed a third follow-up audit of Impact Fee Expenditures based on the Clerk of the Circuit Court’s follow-up audit reports dated September 11, 2020, and March 21, 2018, and the original audit report dated June 25, 2013. This follow-up audit consisted of reviewing and testing the management action plans included in the previous follow-up memorandum to ensure that corrective actions have been implemented. The scope of the follow-up audit included the period September 1, 2022, through August 31, 2023.

Impact fees are one-time charges that are collected when new homes or businesses are constructed, or when existing homes or businesses are expanded, in the unincorporated areas of Manatee County. The fees are used by the County to help pay for building or acquiring County capital facilities necessary to accommodate the new development. Under the provisions of Chapter 11 of the County’s Land Development Code (LDC), five types of impact fees are assessed: Law Enforcement, Libraries, Multimodal Transportation, Parks & Natural Resources, and Public Safety. The use of impact fees is restricted by type, rationale, benefit district, and time period. Impact Fee Administration, which is under the Development Services Department, and the Financial Management Department (FMD) are responsible for ensuring impact fees are expended as required.

We are pleased with the corrective actions taken by management to successfully address the issues identified in the prior follow-up audit. Based on our testing, it appears that impact fees have been expended in accordance with sections 1103 and 1108 of the LDC, and the Capital Improvement Plan (CIP) project sheets provided adequate detail that the project is related to growth and support that impact fees are being used as a funding source. In addition, we found that the information presented in the annual impact fee report agreed with the supporting documentation, was complete, reviewed for accuracy, and presented to the Board of County Commissioners timely. The report has also been made available to the public; however, there was one minor item noted during testing, which requires management’s attention.

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Annual Impact Fee Reports

The current Impact Fee Administrative Procedures Manual (Manual) stipulates that “the “Impact Fee Administrator will display the [annual] reports on the County’s website.” While the reports themselves are not displayed, due to the inability to make them ADA compliant, the website does provide information on how the reports can be obtained. It appears that the primary intent of this procedure is to ensure that the annual impact fee reports are available to the public, which management has done. To ensure the procedures are consistent with the current practice, management will revise the Manual to state that the annual reports will be made available to the public, rather than require them to be displayed on the County’s website. Management anticipates making this revision by June 30, 2024.

We appreciate the attention you and your staff have given to the audit findings and the assistance provided to our audit staff. As the only outstanding item is deemed to be low risk, another follow-up audit will not be scheduled. Development Services management will submit the revised Manual to our office upon completion of the procedural update.

LJS/BJW/MEG

Cc: Angelina “Angel” Colonnese, Clerk of the Circuit Court and Comptroller
Board of County Commissioners
Charlie Bishop, County Administrator
Andrew Butterfield, Chief of Staff
Courtney DePol Deputy County Administrator
Bryan Parnell, Deputy County Administrator
Evan Pilachowski, Deputy County Administrator
William Clague, County Attorney
Neil Unruh, Chief Deputy of Finance, Clerk of the Circuit Court