



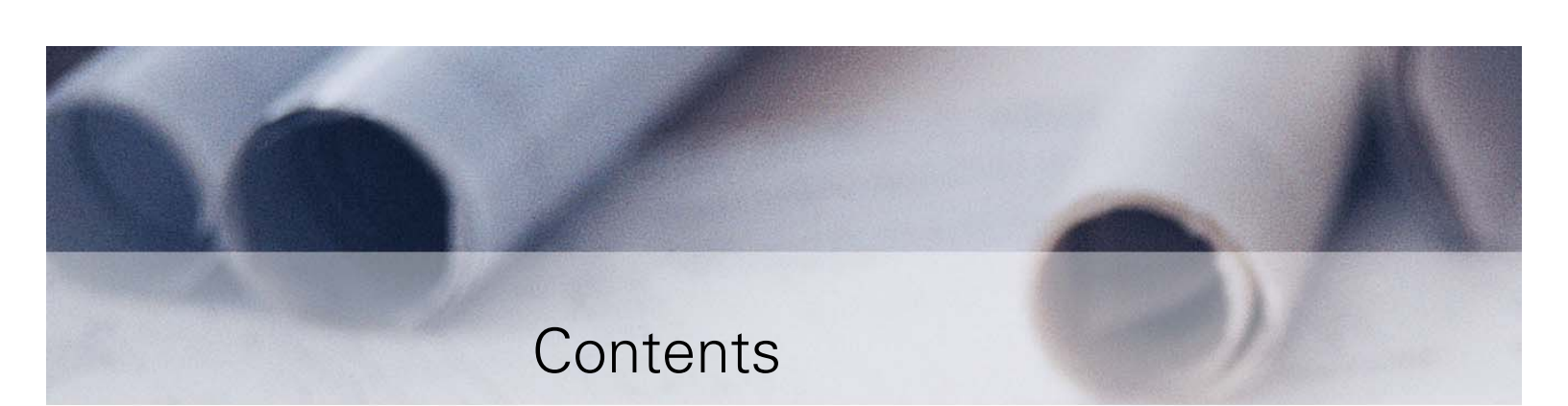
STATE AND LOCAL GOVERNMENT

Seminole County, Florida

The Planning and Development Department Fee Study

November 2008

ADVISORY



Contents

Section 1 – Executive Summary	2
Section 2 – Study Approach	7
Section 3 – Administration	13
Section 4 – Addressing	16
Section 5 – Building and Fire Inspection	19
Section 6 – Development Review	28
Section 7 – Planning	36
Section 8 – Zoning	39
Section 9 – Conclusion	44

Section 1

Executive Summary



Section 1 – Executive Summary

Seminole County, Florida (County) engaged KPMG LLP (KPMG) to conduct an analysis of County departments that charged fees for services (user fees) during the fiscal year ended September 30, 2007. To meet the engagement objectives, KPMG:

- Conducted research and collected data to gain an understanding of the user fees charged by County departments.
- Interviewed County staff to identify services provided.
- Analyzed information provided by County departments.
- Developed a cost analysis of user fee activities.
- Included indirect costs from the County's cost allocation plan.
- Utilized KPMG's computer-based costing tool to provide the County with detailed cost of service calculations.

This study provides an analysis of the County departments charging user fees. The study summarizes historical full cost with historical fee revenue collected by department. The analysis provided the County with the composition of the unit cost and a comparison of unit cost to the revenue received from user fees charged by the County.

This study will assist the County in making an informed decision on proceeding with updating the County's adopted fee schedule. The County provided KPMG with adopted user fee schedules for the following Divisions of the Planning and Development Department:

- Administration
- Addressing
- Building and Fire Inspection
- Development Review
- Planning
- Zoning

Due to the interdepartmental nature of the Planning and Development activities, KPMG also analyzed the effort of outside departments in the permitting process. These Departments included:

- Information Technology
- Public Safety
- Public Works
- Sheriff's Office
- 911 Committee

Section 1 – Executive Summary (continued)

Through interviews with staff and our analysis of information provided by the County, KPMG has developed an understanding of the County's governmental cost structure and operations of user fee activities included in this study. Traditional budgetary and reporting systems generally focus on funding operations rather than on the cost of specific services. The goal of this engagement is to provide information that may assist the County in making informed decisions.

The executive summary extracts key findings from our engagement. It is important for the reader to read the report in its entirety to have a complete understanding of the information that was used to develop our findings. This study accomplished the following:

- Provided the County with a financial overview for the various steps in the Administration process, which included, but was not limited to:
 - Concurrency Determination With/Without Traffic Study
 - Concurrency Determination Right of Way With/ Without Traffic Study
 - Appeal to a Hearing Officer
 - Appeal of Hearing Officer's Concurrency Decision to the B.C.C
- Provided the County with a financial overview for the various steps in the Addressing process, which included, but was not limited to:
 - Residential and Commercial Street Assignment
 - Variance Request or Appeal
 - Street Name Change
- Provided the County with a financial overview for the various steps in the Building and Fire Inspection process, which included, but was not limited to:
 - Building Permits
 - Mechanical Permits
 - Plumbing Permits
 - Electrical Permits
 - Well Drilling or Pump Installation or Repair
 - Gas Installation Permits
 - Fire Safety

Section 1 – Executive Summary (continued)

- Provided the County with a financial overview for the various steps in the Development Review process, which included, but was not limited to:
 - Subdivision Regulations
 - Site Plans
 - Arbor
 - Borrow Pit
 - Dredge and Fill
 - Wetlands
 - Right of Way
- Provided the County with a financial overview for the various steps in the Planning process, which included, but was not limited to:
 - Comprehensive Plan Amendments
 - Development of Regional Impact (DRI)
 - Determination of Substantial Deviation to Development of Regional Impact
- Provided the County with a financial overview for the various steps in the Zoning process, which included, but was not limited to:
 - Certifications
 - Special Exceptions
 - Appeals
 - Rezoning Applications
 - Planned unit Development (PUD)
 - Change of Site Plan

Section 1 – Executive Summary (continued)

Exhibit 1 shows the revenue and cost summary for the Planning and Development Department. KPMG has provided additional revenue and cost detail by the service area. Additional information is provided by division in the following sections this report.

Exhibit 1

Division	Fee – Revenue Related	Total Cost of Services	Surplus (Deficit)
Administration	\$28,585	\$45,585	(\$17,000)
Addressing	\$1,850	\$44,464	(\$42,614)
Building and Fire Inspection	\$4,327,673	\$6,252,636	(\$1,924,963)
Development Review	\$1,156,812	\$1,776,963	(\$620,151)
Planning	\$50,700	\$122,666	(\$71,966)
Zoning	\$150,186	\$575,117	(\$424,931)
TOTAL	\$5,715,806	\$8,817,431	(\$3,101,625)

As shown in Exhibit 1, cost recovery levels vary by Division. For Seminole County, this means the ability to set fees based on cost recovery. Based on historical data, the potential outcome to the County is more than \$3.1 million in additional reoccurring non-ad valorem revenue.

This study provides the County with potential alternatives to a number of objectives, including:

- Recovering the cost of providing services along with the potential to increase revenue,
- Adding controls to conserve consumption of County resources,
- Reducing subsidies, or
- Adjusting service levels.

KPMG identified the County’s costs supporting the issuance of permit and permit-related activities. By including the costs associated with the permitted services under review in this study, the County will be better able to make an informed decision on adopting a fee schedule that is based on full cost recovery.

Section 2

Study Approach



Section 2 – Study Approach

The tasks described in this section outline the approach undertaken by KPMG to meet the engagement objectives. Within the over-lapping phases of the engagement, KPMG conducted concurrent tasks outlined in Exhibit 2.

Exhibit 2

Overview of Concurrent Tasks *	
Indirect Cost Tasks	Direct Cost Tasks
<ul style="list-style-type: none"> • Interviewed County personnel providing services (Central Services) to other County Departments, such as: <ul style="list-style-type: none"> • County Manager • Finance • Human Resources and • Information Technology • Collected data related to Central Service Departments. 	<ul style="list-style-type: none"> • Interviewed County personnel involved with Administration, Addressing, Building and Fire Inspection, Development Review, Planning and Zoning activities or fees. • Collected Data related to these activities, such as: <ul style="list-style-type: none"> • Units of Service • Time Required by Unit / Activity • Expenditures • Revenue Collected • User Fee Components: <ul style="list-style-type: none"> • Salary & Fringe Benefits • Direct Expenses • County and Departmental Overhead
Indirect Cost Deliverable	Direct Cost Deliverable
<ul style="list-style-type: none"> • Countywide Cost Allocation Plan based on Full Costing Principles 	<ul style="list-style-type: none"> • Written Report Plan based on Full Costing Principles • Cost of Service Analysis Output

* Seminole County initially engaged KPMG LLP to help the county update their indirect cost allocation plan. Later, the County engaged KPMG to conduct the analysis of the Planning and Development Department. Each task represents separately issued deliverables to the County. KPMG utilized the same project staff to provide continuity of service and consistency of data analysis techniques. This is important as indirect costs are a factor in determining the Planning and Development Department’s full cost of services.*

Section 2 – Study Approach (continued)

Full costing principles are generally illustrated as:

$$\text{Full Cost} = \text{Direct Costs} + \text{Indirect Costs}$$

Full costing principles can be used to:

- Compare the full cost per unit of service to the revenue collected per unit,
- Establish the amount the County is permitted to charge under Florida Statute for a current activities or services for which fees are not recovered, and
- Assist in determining subsidization levels or policies.

Full cost is not limited to direct departmental or divisional expenses. Full Cost also includes indirect and other “cross-over” costs from departments which support the primary department in providing services. A traditional accounting system captures the flow of financial resources. A full cost analysis uses information from a traditional accounting system and allocates accounting information from departments and object codes to specific activities and captures the flow of economic resources. A full cost analysis helps to enhance the traditional governmental accounting, budgeting, and reporting systems with information that the County can use to manage its operations.

This Study focuses on assessing the full cost of activities related to the Planning and Development fee schedule. Due to the interdepartmental nature of the Planning and Development activities, KPMG also analyzed the effort of outside departments in the permitting process. These Departments included:

- Information Technology
- Public Safety
- Public Works
- Sheriff’s Office
- 911 Committee

Section 2 – Study Approach (continued)

Our fee study work plan is based on three basic elements of data. These elements are:

- **Units** are the number of fees/permits or services as they are charged, or completed for activities that are not currently charged.
- **Costs** represent the direct and indirect costs of fee services that are provided to the public.
- **Revenues** are the fees charged to the user for the County to provide one unit of service.

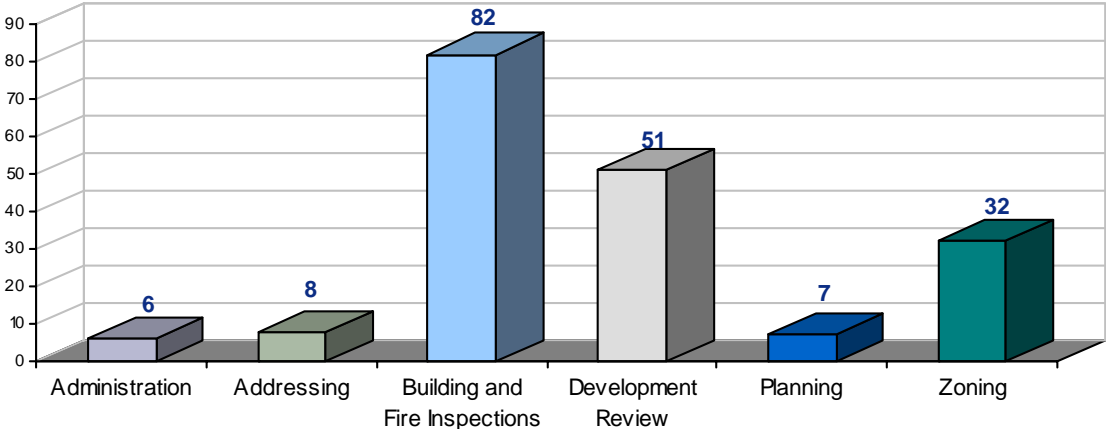
To develop the cost of service analysis, the engagement began with the preparation of the countywide indirect cost allocation plan (CAP). The CAP identifies support costs to be incorporated into the Administration, Addressing, Building and Fire Inspection, Development Review, Planning and Zoning Divisions. Also, the CAP identified support costs to other County Departments that directly perform services or activities (Cross-Over Services) supporting the fee areas under review. These costs are included as part of the total costing of Administration, Addressing, Building and Fire Inspection, Development Review, Planning and Zoning fees or activities.

While KPMG was conducting the indirect cost analysis, the project team undertook the direct cost tasks. Exhibit 3 shows the project team analyzed over 150 permit activities for the Planning and Development Department.

Section 2 – Study Approach (continued)

Exhibit 3

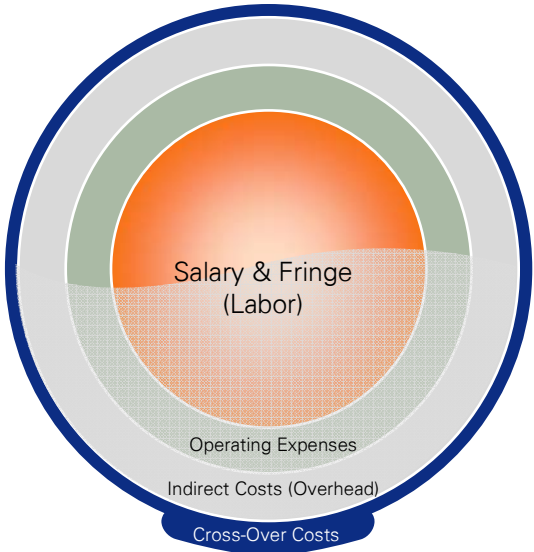
Activities Analyzed by Division



The County completed over 70,000 permit related activities for the divisions identified in Exhibit 3. To understand the full cost of the respective permitting activities as well as the County’s full cost to provide a single activity, KPMG’s approach includes the following types of costs considered in this study, as show in Exhibit 4.

Exhibit 4

Each layer is a piece of the picture to understand the full cost per unit. The types of costs and other considerations are further explained on the following pages.



Note: Shows the relationship, not proportionality

Section 2 – Study Approach (continued)

This analysis helps determine the County's cost of providing one unit of service. A cost per unit of service can be described as the full cost associated with issuing a permit or conducting an activity. An example of such service includes issuing a:

- New Home Permit
- Pool Permit
- Re-Roof Permit

To understand the cost structure of the County's services, KPMG considered and the following:

- **Staff Effort** – The salary and fringe benefits associated with performing this service.
- **Units of Service** – Volume of activity for a 12-month period. At the County's request, KPMG used a 3-year average for this study. The 3-year average was then compared to current fiscal year activity and revenue received. This analysis may help the County with estimating future demands for service when comparing the current fiscal year's volume to the recent downward trend for building activities.
- **Direct Cost** – Operating Expenses.
- **Indirect Costs** – Included from the County's cost plan that identified countywide overhead costs supporting the Planning and Development Department.
- **Cross-Over Cost** – Staff efforts of non Planning and Development employees supporting Planning and Development activities. Costs were included when no fee is charged by the Department or Division the employee is assigned to whom is supporting Planning and Development activities. This includes support internal to other Divisions with the Department of Planning and Development or other County Departments.

Full costs and costs per unit have been rounded to the nearest dollar for presentation in the following sections of the report. Additional detail for the permit activities is included in the respective sections of this report.

Section 3

Administration



Section 3 – Administration

The Administration Division provides leadership, management and financial oversight to the entire Planning and Development Department. In addition to work program development and administration, the Director's Office contracts with the East Central Florida Regional Planning Council and the Metropolitan Planning Organization, represents the County at community association meetings and acts as liaison with the School Board. The objectives of the division are:

- Increase overall productivity,
- Implement the Department Strategic Plan, and
- Provide conservative fiscal management of department programs.

At the time of this study, the Administration division consisted of five employees:

- Concurrency Coordinator (1)
- Program Manager (1)
- Concurrency Engineer (2)
- Environmental Services Coordinator (1)

Administration Fee Areas

Exhibit 5 summarizes the fee areas that were reviewed in Administration. The exhibit describes the following:

- The service or user fee being provided by the County,
- Annual units of service based on the historical 3-year average units of service or permits issued,
- The revenue collected per unit of service,
- The total revenue (annual units of service times the revenue collected per unit),
- The full cost per unit of service,
- The total cost of services (annual units of service times the cost per unit), and
- The variance between total revenue and total cost of services.

For purposes of this study, a surplus is defined as total revenue in excess of total costs. A deficit is defined as total costs in excess of total revenue.

Section 3 – Administration (continued)

Summary of Administration Services and Fees

Exhibit 5

ADMINISTRATION Service Description	Annual Units of Service Analyzed	Current Fee per Unit of Service Analyzed	Total Revenue per Service Analyzed	Full Cost per Unit of Service Analyzed	Total Cost of Services Analyzed	Surplus (Deficit)
Concurrency Determination						
<i>Without Traffic Study</i>	47	\$250	\$11,750	\$404	\$19,006	(\$7,256)
<i>With Traffic Study</i>	15	\$800	\$12,000	\$586	\$8,797	\$3,203
Concurrency Determination: Right of Way						
<i>Without Traffic Study</i>	29	\$65	\$1,885	\$401	\$11,633	(\$9,748)
<i>With Traffic Study</i>	9	\$260	\$2,340	\$532	\$4,785	(\$2,445)
Appeal to a Hearing Officer	1	\$385	\$385	\$682	\$682	(\$297)
Appeal of Hearing Officer's Concurrency Decision to the B.C.C.	1	\$225	\$225	\$682	\$682	(\$457)
TOTAL ADMINISTRATION	102		\$28,585		\$45,585	(\$17,000)

Section 4

Addressing



Section 4 – Addressing

During the fiscal year ended September 30 2006, the Addressing Division was reorganized into the Business Innovation and Technology Services (BITS) Department. This Department provides technical services and solutions to the County that includes general operations responsibilities as well as emergency services support, systems and networks.

At the time of this study, the Addressing division consisted of four employees:

- Addressing Supervisor (1)
- Planning Technician I (3)

Addressing Fee Areas

Exhibit 6 summarizes the fee areas that were reviewed in Addressing. The exhibit describes the following:

- The service or user fee being provided by the County,
- Annual units of service based on the historical 3-year average units of service or permits issued,
- The revenue collected per unit of service,
- The total revenue (annual units of service times the revenue collected per unit),
- The full cost per unit of service,
- The total cost of services (annual units of service times the cost per unit), and
- The variance between total revenue and total cost of services.

For purposes of this study, a surplus is defined as total revenue in excess of total costs. A deficit is defined as total costs in excess of total revenue.

Section 4 – Addressing (continued)

Summary of Addressing Services and Fees


Exhibit 6

ADDRESSING Service Description	Annual Units of Service Analyzed	Current Fee per Unit of Service Analyzed	Total Revenue per Service Analyzed	Full Cost per Unit of Service Analyzed	Total Cost of Services Analyzed	Surplus (Deficit)
Assign Address	1	\$500	\$500	\$2,108	\$2,108	(\$1,608)
Street Name Change	6	\$175	\$1,050	\$4,509	\$27,055	(\$26,005)
Variance Request	2	\$150	\$300	\$4,020	\$8,040	(\$7,740)
Variance Appeal	4	\$0	\$0	\$841	\$3,362	(\$3,362)
Research Addressing History	1	\$0	\$0	\$81	\$81	(\$81)
Appeal to Change Address	1	\$0	\$0	\$2,640	\$2,640	(\$2,640)
Change of Address						
<i>Municipalities</i>	1	\$0	\$0	\$401	\$401	(\$401)
<i>Request from Property Owners</i>	1	\$0	\$0	\$777	\$777	(\$777)
TOTAL ADDRESSING	17		\$1,850		\$44,464	(\$42,614)

Section 5

Building and Fire Inspection





Section 5 – Building and Fire Inspection

As defined by the County, the role of the Building and Fire Inspection Division is to:

- Provide efficient customer service,
- Strive to insure the continued safe physical construction of the built environment, and
- Enforce the building codes in a fair and equal process.

The Building and Fire Prevention Division contributes to the health, safety and welfare of those who live and visit Seminole County through the enforcement of federal and state statutes and county ordinances regulating the construction of buildings and structures and providing ongoing fire prevention inspections of existing buildings.


At the time of this study, the Building and Fire Prevention Division consisted of 52 employees:

- Inspector (28)
- Senior Staff Assistant (1)
- Plans Examiner (6)
- Permit Technician (10)
- Permits Supervisor (1)
- Building Official (1)
- Deputy Building Official (2)
- Chief Inspector (Electrical) (1)
- Chief Inspector (Plumbing/ Mechanical) (1)
- Chief Inspector (Building) (1)

Building and Fire Inspection Fee Areas

Exhibit 7 summarizes the fee areas that were reviewed in Building and Fire Inspection. The exhibit describes the following:

- The service or user fee being provided by the County,
- Annual units of service based on the historical 3-year average units of service or permits issued,
- The revenue collected per unit of service,
- The total revenue (annual units of service times the revenue collected per unit),



Section 5 – Building and Fire Inspection (continued)

- The service or user fee being provided by the County,
- Annual units of service based on the historical 3-year average units of service or permits issued,
- The revenue collected per unit of service,
- The total revenue (annual units of service times the revenue collected per unit),
- The full cost per unit of service,
- The total cost of services (annual units of service times the cost per unit), and
- The variance between total revenue and total cost of services.

For purposes of this study, a surplus is defined as total revenue in excess of total costs. A deficit is defined as total costs in excess of total revenue.

Section 5 – Building and Fire Inspection (continued)

Summary of Building and Fire Inspection Services and Fees

Exhibit 7

BUILDING AND FIRE INSPECTION Service Description	Annual Units of Service Analyzed	Current Fee per Unit of Service Analyzed	Total Revenue per Service Analyzed	Full Cost per Unit of Service Analyzed	Total Cost of Services Analyzed	Surplus (Deficit)
Buildings Permit						
<i>Single Family Dwellings 2,500 Square Feet</i>	1,438	\$1,019	\$1,465,581	\$649	\$932,864	\$532,717
<i>Commercial Construction</i>	101	\$1,257	\$126,935	\$1,550	\$156,517	(\$29,582)
<i>Commercial Alteration</i>	302	\$1,261	\$380,771	\$948	\$286,151	\$94,620
<i>Single Family Dwellings Alterations</i>	723	\$146	\$105,413	\$373	\$269,828	(\$164,415)
<i>Other</i>	2,083	\$136	\$283,684	\$98	\$204,399	\$79,285
Swimming Pool	811	\$90	\$72,990	\$479	\$388,497	(\$315,507)
Pool Enclosures	953	\$53	\$50,433	\$162	\$154,424	(\$103,991)
Re-Roof	982	\$62	\$61,316	\$128	\$125,696	(\$64,380)
Fences	515	\$55	\$28,397	\$65	\$33,271	(\$4,874)
Updating or Expired Permit	120	\$727	\$87,238	\$17	\$2,088	\$85,150
Reinspection	7,397	\$29	\$210,815	\$38	\$280,422	(\$69,607)
Re-stamping, Recertification or Approval of Unaltered Plans						
<i>Residential Plans</i>	7	\$35	\$245	\$55	\$385	(\$140)
<i>Commercial Plans</i>	1	\$40	\$40	\$61	\$61	(\$21)

Section 5 – Building and Fire Inspection (continued)

Exhibit 7

BUILDING AND FIRE INSPECTION Service Description	Annual Units of Service Analyzed	Current Fee per Unit of Service Analyzed	Total Revenue per Service Analyzed	Full Cost per Unit of Service Analyzed	Total Cost of Services Analyzed	Surplus (Deficit)
Extra Plans	1	\$2	\$2	\$39	\$39	(\$37)
Duplicated of Certificate of Occupancy						
<i>Mailed</i>	1	\$6	\$6	\$13	\$13	(\$7)
<i>Picked Up/Called</i>	1	\$5	\$5	\$13	\$13	(\$8)
Roof Permit	1,466	\$10	\$14,660	\$54	\$79,767	(\$65,107)
Temporary Commercial Certificate of Occupancy	40	\$110	\$4,400	\$386	\$15,448	(\$11,048)
Prepower Agreements	1,310	\$60	\$78,600	\$53	\$69,017	\$9,583
Extension Request for Prepower	15	\$30	\$450	\$44	\$661	(\$211)
Mechanical Permit						
<i>Residential Permit Fee</i>	1,352	\$45	\$60,840	\$91	\$123,557	(\$62,717)
<i>Family Residential Reinspection</i>	2,033	\$29	\$57,941	\$38	\$77,071	(\$19,130)
<i>Other Base Fee</i>	1,067	\$45	\$48,015	\$91	\$96,607	(\$48,592)
<i>Other First Reinspection</i>	1,290	\$29	\$36,765	\$38	\$48,904	(\$12,139)
<i>Installation or Alteration of Refrigeration to 5 HP</i>	1,067	\$51	\$53,958	\$108	\$114,847	(\$60,889)
Plumbing Permit						
<i>Residential Permit</i>	1,353	\$55	\$74,415	\$190	\$257,532	(\$183,117)
<i>Family Residential Reinspection</i>	2,190	\$29	\$62,415	\$38	\$83,024	(\$20,609)
<i>Other Permit Fee</i>	1,333	\$20	\$26,660	\$231	\$307,591	(\$280,931)
<i>Other Reinspection</i>	4,119	\$29	\$117,392	\$38	\$156,152	(\$38,760)

Section 5 – Building and Fire Inspection (continued)

Exhibit 7

BUILDING AND FIRE INSPECTION Service Description	Annual Units of Service Analyzed	Current Fee per Unit of Service Analyzed	Total Revenue per Service Analyzed	Full Cost per Unit of Service Analyzed	Total Cost of Services Analyzed	Surplus (Deficit)
Electrical Permit						
<i>Family Residential Permit</i>	1,365	\$40	\$54,600	\$184	\$251,127	(\$196,527)
<i>Residential Reinspection</i>	2,667	\$29	\$76,010	\$38	\$101,107	(\$25,097)
<i>Base Fee</i>	1,205	\$20	\$24,100	\$189	\$228,149	(\$204,049)
<i>Other Reinspection</i>	5,193	\$23	\$117,362	\$51	\$265,792	(\$148,430)
Well Drilling, Pump Installation or Repair Permit						
<i>Construction of Water Well</i>	126	\$25	\$3,150	\$96	\$12,108	(\$8,958)
<i>Abandonment of Water Well</i>	16	\$10	\$160	\$71	\$1,143	(\$983)
<i>Installation of Pump</i>	5	\$10	\$50	\$54	\$270	(\$220)
<i>Irrigation of Deep Well</i>	11	\$60	\$660	\$93	\$1,022	(\$362)
Gas Permit						
<i>Base Fee</i>	250	\$35	\$8,750	\$109	\$27,174	(\$18,424)
<i>Installation Per Outlet Fee</i>	408	\$11	\$4,488	\$108	\$44,221	(\$39,733)
<i>First Reinspection</i>	870	\$29	\$24,795	\$38	\$32,982	(\$8,187)

Section 5 – Building and Fire Inspection (continued)

Exhibit 7

BUILDING AND FIRE INSPECTION Service Description	Annual Units of Service Analyzed	Current Fee per Unit of Service Analyzed	Total Revenue per Service Analyzed	Full Cost per Unit of Service Analyzed	Total Cost of Services Analyzed	Surplus (Deficit)
Other Permit Fees						
<i>Political Signs Under 32 Sq Feet</i>	11	\$72	\$792	\$27	\$292	\$500
<i>Other Signs</i>	192	\$123	\$23,520	\$161	\$30,872	(\$7,352)
<i>Flood Prone Area</i>	60	\$230	\$13,800	\$84	\$5,051	\$8,749
<i>Permit Fees – Other Permit Accessory Structures</i>	80	\$50	\$4,000	\$84	\$6,733	(\$2,733)
<i>Flood Plan Determinations</i>	1,708	\$0	\$0	\$58	\$98,426	(\$98,426)
<i>Christmas Tree</i>	2	\$45	\$90	\$55	\$111	(\$21)
<i>Haunted House</i>	1	\$45	\$45	\$98	\$98	(\$53)
<i>Demolition Permit</i>	91	\$45	\$4,095	\$104	\$9,502	(\$5,407)
<i>House Moving</i>	6	\$125	\$750	\$400	\$2,401	(\$1,651)
<i>Out of County Inspection</i>	1	\$150	\$150	\$324	\$324	(\$174)
<i>Tent Permit</i>	34	\$45	\$1,530	\$115	\$3,917	(\$2,387)
<i>Temporary Permits</i>	5	\$50	\$250	\$160	\$801	(\$551)
<i>Stocking Permit</i>	24	\$0	\$0	\$74	\$1,768	(\$1,768)
<i>Mobile Home</i>	50	\$85	\$4,250	\$312	\$15,582	(\$11,332)
<i>Change in Contractor</i>	52	\$36	\$1,872	\$13	\$690	\$1,182
<i>Contractor Administration Fee</i>	3,855	\$15	\$57,825	\$13	\$51,165	\$6,660
<i>Letter of Reciprocity</i>	77	\$15	\$1,155	\$13	\$1,022	\$133

Section 5 – Building and Fire Inspection (continued)

Building and Fire Inspection (continued)

Exhibit 7

BUILDING AND FIRE INSPECTION Service Description	Annual Units of Service Analyzed	Current Fee per Unit of Service Analyzed	Total Revenue per Service Analyzed	Full Cost per Unit of Service Analyzed	Total Cost of Services Analyzed	Surplus (Deficit)
<i>Change in Subcontract</i>	540	\$0	\$0	\$7	\$3,583	(\$3,583)
After Hours Inspections						
<i>Weekends and Holidays</i>	310	\$40	\$12,400	\$172	\$53,242	(\$40,842)
<i>Weekdays</i>	1,241	\$40	\$49,640	\$104	\$128,851	(\$79,211)
Fire Safety – New Construction						
<i>Building</i>	403	\$92	\$37,253	\$242	\$97,401	(\$60,148)
<i>Fire Alarm</i>	366	\$92	\$33,672	\$207	\$75,841	(\$42,169)
<i>Fire Sprinkler</i>	880	\$92	\$80,960	\$220	\$193,793	(\$112,833)
<i>Fuel Tank Installation</i>	380	\$188	\$71,440	\$160	\$60,885	\$10,555
<i>Above Ground Fuel Tank</i>	50	\$116	\$5,800	\$173	\$8,662	(\$2,862)
<i>Underground Main</i>	591	\$92	\$54,372	\$160	\$94,692	(\$40,320)
Fire Safety Other than New Construction						
<i>Base fee</i>	56	\$98	\$5,480	\$199	\$11,127	(\$5,647)
<i>Fire Extinguishing Systems</i>	13	\$35	\$455	\$103	\$1,334	(\$879)
<i>Remove Underground Tanks</i>	1	\$166	\$166	\$92	\$92	\$74
<i>Renovation & Repair Fire Alarm Systems</i>	91	\$79	\$7,185	\$203	\$18,493	(\$11,308)
<i>Range Hood Suppression</i>	13	\$35	\$455	\$203	\$2,642	(\$2,187)

Section 5 – Building and Fire Inspection (continued)

Building and Fire Inspection (continued)

Exhibit 7

BUILDING AND FIRE INSPECTION Service Description	Annual Units of Service Analyzed	Current Fee per Unit of Service Analyzed	Total Revenue per Service Analyzed	Full Cost per Unit of Service Analyzed	Total Cost of Services Analyzed	Surplus (Deficit)
Fire Safety Other Permit Fees						
<i>Reinspection</i>	625	\$26	\$16,113	\$51	\$31,828	(\$15,715)
<i>Expired Permit</i>	12	\$727	\$8,724	\$13	\$160	\$8,564
<i>Re-stamping, Recertification, Approval</i>	6	\$35	\$210	\$45	\$271	(\$61)
<i>Plan Review Fee Initial Application and 1st Resubmittal</i>	1	\$0	\$0	\$39	\$39	(\$39)
<i>Plan Review Fee 2nd & Subsequent Resubmittal</i>	1	\$500	\$500	\$39	\$39	\$461
<i>Commercial Plan Revisions</i>	1	\$35	\$35	\$46	\$46	(\$11)
<i>Extra Set</i>	1	\$2	\$2	\$39	\$39	(\$37)
<i>After Hours Weekends and Holidays</i>	31	\$40	\$1,240	\$149	\$4,623	(\$3,383)
<i>After Hours Weekdays</i>	62	\$40	\$2,480	\$81	\$5,033	(\$2,553)
<i>Alterations to Commercial Plans, Review, Approval</i>	1	\$35	\$35	\$70	\$70	(\$35)
<i>Other Inspections</i>	17	\$25	\$425	\$68	\$1,154	(\$729)
BUILDING TOTAL	58,129		\$4,327,673		\$6,252,636	(\$1,924,963)

Section 6

Development Review





Section 6 – Development Review

The Development Review division is responsible for assisting customers with compliance of the County Land Development Code and related ordinances through a managed review process. The County's process helps to assure compliance with regulations. In turn, those projects can be approved for construction permitting. The Division's Construction Inspection Team helps to assure that projects are constructed in compliance with necessary approvals including rezoning commitment agreements, development orders and construction plans. The primary activities of this Division are supported by the user application and permit fees for development related activities.

At the time of this study, the Development Review division consisted of 21 staff:

- Planning Technician I (1)
- Construction Inspection Supervisor (1)
- Senior Engineer (2)
- Engineering Inspector (5)
- Plans Examiner (3)
- Staff Assistant (3)
- Development Review Manager (1)
- Principal Planner (1)
- Planner (1)
- Senior Planner (2)
- Principal Engineer (1)

Section 6 – Development Review (continued)

Development Review Fee Areas

Exhibit 8 summarizes the fee areas that were reviewed in Development Review. The exhibit describes the following:

- The service or user fee being provided by the County,
- Annual units of service based on the historical 3-year average units of service or permits issued,
- The revenue collected per unit of service,
- The total revenue (annual units of service times the revenue collected per unit),
- The full cost per unit of service,
- The total cost of services (annual units of service times the cost per unit), and
- The variance between total revenue and total cost of services.

For purposes of this study, a surplus is defined as total revenue in excess of total costs. A deficit is defined as total costs in excess of total revenue.

Section 6 – Development Review (continued)

Summary of Development Review Services and Fees

Exhibit 8

DEVELOPMENT REVIEW Service Description	Annual Units of Service Analyzed	Current Fee per Unit of Service Analyzed	Total Revenue per Service Analyzed	Full Cost per Unit of Service Analyzed	Total Cost of Services Analyzed	Surplus (Deficit)
Subdivision Regulations						
<i>Subdivision Plat</i>						
<i>Development Plan</i>	1	\$500	\$500	\$753	\$753	(\$253)
<i>Preliminary Plan</i>	12	\$1,750	\$21,000	\$1,953	\$23,438	(\$2,438)
<i>Preliminary Plan Resubmittal</i>	12	\$0	\$0	\$333	\$3,991	(\$3,991)
<i>Final Plat</i>	12	\$4,322	\$51,864	\$4,129	\$49,547	\$2,317
<i>Final Plan Resubmittal</i>	10	\$200	\$2,000	\$494	\$4,941	(\$2,941)
<i>Final Plat Including Final Engineering</i>	1	\$0	\$0	\$3,871	\$3,871	(\$3,871)
<i>Minor Plat</i>						
<i>Determination</i>	20	\$5,300	\$106,000	\$578	\$11,554	\$94,446
<i>Base Fee</i>	30	\$1,182	\$35,460	\$2,005	\$60,159	(\$24,699)
<i>Resubmittal</i>	40	\$0	\$0	\$223	\$8,918	(\$8,918)
<i>Engineering Inspections</i>	28	\$18,888	\$528,857	\$15,997	\$447,907	\$80,950
<i>Variance to Public Access</i>	4	\$50	\$200	\$366	\$1,465	(\$1,265)

Section 6 – Development Review (continued)

Exhibit 8

DEVELOPMENT REVIEW Service Description	Annual Units of Service Analyzed	Current Fee per Unit of Service Analyzed	Total Revenue per Service Analyzed	Full Cost per Unit of Service Analyzed	Total Cost of Services Analyzed	Surplus (Deficit)
<i>Lot Split Applications</i>	60	\$110	\$6,600	\$200	\$11,994	(\$5,394)
<i>Vacate & Abandonment</i>						
<i>Roads</i>	15	\$1,100	\$16,500	\$1,990	\$29,846	(\$13,346)
<i>Plats</i>	1	\$295	\$295	\$969	\$969	(\$674)
<i>Drainage Easements</i>	10	\$370	\$3,700	\$1,295	\$12,955	(\$9,255)
<i>Utility Easements</i>	15	\$250	\$3,750	\$1,169	\$17,529	(\$13,779)
<i>Inspections</i>						
<i>Reinspection</i>	1	\$0	\$0	\$226	\$226	(\$226)
<i>Inspections on the Same Item</i>	1	\$0	\$0	\$226	\$226	(\$226)
<i>Final Inspection</i>	1	\$0	\$0	\$852	\$852	(\$852)
<i>Final Reinspection</i>	1	\$0	\$0	\$384	\$384	(\$384)
<i>Waiver to Land Development Code</i>	1	\$100	\$100	\$337	\$337	(\$237)
<i>Lot Buildability Letters</i>						
<i>Platted Lots</i>	78	\$50	\$3,900	\$171	\$13,360	(\$9,460)
<i>Unplatted Lots</i>	63	\$110	\$6,930	\$275	\$17,331	(\$10,401)
<i>Development Review Committee Pre-Application</i>	77	\$0	\$0	\$493	\$37,989	(\$37,989)

Section 6 – Development Review (continued)

Exhibit 8

DEVELOPMENT REVIEW Service Description	Annual Units of Service Analyzed	Current Fee per Unit of Service Analyzed	Total Revenue per Service Analyzed	Full Cost per Unit of Service Analyzed	Total Cost of Services Analyzed	Surplus (Deficit)
<i>Site Plan</i>						
Review	70	\$2,175	\$152,277	\$3,082	\$215,764	(\$63,487)
1st Resubmittal	50	\$0	\$0	\$4,487	\$224,333	(\$224,333)
Each Resubmittal Thereafter	20	\$218	\$4,350	\$1,816	\$36,319	(\$31,969)
<i>Small Site Plan</i>						
Review	45	\$200	\$9,000	\$1,036	\$46,612	(\$37,612)
1st Resubmittal	35	\$0	\$0	\$921	\$32,248	(\$32,248)
Engineering Inspections	58	\$3,082	\$178,756	\$5,791	\$335,869	(\$157,113)
<i>Inspections</i>						
Inspections Final	1	\$0	\$0	\$327	\$327	(\$327)
Final Reinspection	1	\$150	\$150	\$271	\$271	(\$121)
Reinspection	1	\$28	\$28	\$170	\$170	(\$142)
Inspections Other	1	\$50	\$50	\$113	\$113	(\$63)
<i>Land Development code Waiver to the Board of County Commissioners</i>						
Without site Visit	3	\$100	\$300	\$342	\$1,025	(\$725)
With Site Visit	1	\$0	\$0	\$485	\$485	(\$485)
Development Review Committee Pre-Approval Conference	77	\$0	\$0	\$493	\$37,989	(\$37,989)

Section 6 – Development Review (continued)

Exhibit 8

DEVELOPMENT REVIEW Service Description	Annual Units of Service Analyzed	Current Fee per Unit of Service Analyzed	Total Revenue per Service Analyzed	Full Cost per Unit of Service Analyzed	Total Cost of Services Analyzed	Surplus (Deficit)
<i>Arbor</i>						
<i>Remove, Reallocate & Replace Trees</i>	68	\$136	\$9,248	\$448	\$30,446	(\$21,198)
<i>Appeal to the Board of County Commissioners</i>	1	\$100	\$100	\$1,488	\$1,488	(\$1,388)
<i>Process Sworn Statements</i>	1	\$50	\$50	\$73	\$73	(\$23)
<i>Borrow Pit</i>						
<i>Application for Borrow Pit over 500 Cubic Yard</i>	1	\$1,522	\$1,522	\$4,693	\$4,693	(\$3,171)
<i>Application for Borrow Pit 500 Cubic Yard or Less</i>	2	\$100	\$200	\$2,374	\$4,749	(\$4,549)
<i>Annual Inspection Fee</i>	1	\$300	\$300	\$1,176	\$1,176	(\$876)
<i>Reinspection</i>	1	\$100	\$100	\$304	\$304	(\$204)
<i>Dredge and Fill</i>						
<i>Application for Permit</i>	5	\$650	\$3,250	\$746	\$3,731	(\$481)
<i>Application for Dredge and Fill with Single Family Resident</i>	2	\$380	\$760	\$584	\$1,167	(\$407)
<i>Wetlands</i>						
<i>Econ or Wekiva Protection Zone Building Permit Review</i>	92	\$50	\$4,600	\$209	\$19,190	(\$14,590)
<i>Review of Building Permit</i>	79	\$50	\$3,950	\$129	\$10,229	(\$6,279)
<i>Variance to Econ or Wetland Ordinances</i>	1	\$100	\$100	\$448	\$448	(\$348)
<i>Econ or Wekiva Letter of Certification</i>	1	\$20	\$20	\$120	\$120	(\$100)
<i>Appeal to Wetland or Econ Ordinance</i>	1	\$0	\$0	\$3,542	\$3,542	(\$3,542)

Section 6 – Development Review (continued)

Exhibit 8

DEVELOPMENT REVIEW Service Description	Annual Units of Service Analyzed	Current Fee per Unit of Service Analyzed	Total Revenue per Service Analyzed	Full Cost per Unit of Service Analyzed	Total Cost of Services Analyzed	Surplus (Deficit)
Right Of Way						
<i>Inspection of Curb Cuts Residential</i>	1	\$45	\$45	\$196	\$196	(\$151)
<i>Site Plan Application Review for Driveway Curb Cuts</i>	1	\$0	\$0	\$492	\$492	(\$492)
<i>Site Plan</i>	1	\$0	\$0	\$2,049	\$2,049	(\$2,049)
<i>Site Plan (3rd Submittal)</i>	1	\$0	\$0	\$607	\$607	(\$607)
<i>Maintenance of Traffic (MOT) Plan Review</i>	1	\$0	\$0	\$196	\$196	(\$196)
DEVELOPMENT REVIEW TOTAL	1,118		\$1,156,812		\$1,776,963	(620,151)

Section 7

Planning



Section 7 – Planning

Planning is responsible for assisting customers in complying with the County's Zoning Ordinance, the Comprehensive Plan (Vision 2020) and other land use related regulations. The Planning Division serves as a facilitator for the general public, elected and appointed officials and other county employees. The Division coordinates and assists with the development of and the revisions to the Land Development Code and the Comprehensive Plan. Staff processes applications for rezonings, land use amendments, special exceptions, variances, and other miscellaneous permits. The Division provides technical data and recommendations for land development proposals to the Board of County Commissioners, Planning and Zoning Commission and the Board of Adjustment.

At the time of this study, the Planning Division consisted of 11 staff as follows:

- Senior Planner (5)
- Principal Planner (3)
- Staff Assistant (2)
- Planning Manager

Planning Fee Areas

Exhibit 9 summarizes the fee areas that were reviewed in Planning. The exhibit describes the following:

- The service or user fee being provided by the County,
- Annual units of service based on the historical 3-year average units of service or permits issued,
- The revenue collected per unit of service,
- The total revenue (annual units of service times the revenue collected per unit),
- The full cost per unit of service,
- The total cost of services (annual units of service times the cost per unit), and
- The variance between total revenue and total cost of services.

For purposes of this study, a surplus is defined as total revenue in excess of total costs. A deficit is defined as total costs in excess of total revenue.

Section 7 – Planning (continued)

Summary of Planning Services and Fees

Exhibit 9

PLANNING Service Description	Annual Units of Service Analyzed	Current Fee per Unit of Service Analyzed	Total Revenue per Service Analyzed	Full Cost per Unit of Service Analyzed	Total Cost of Services Analyzed	Surplus (Deficit)
Comprehensive Plan Amendment						
<i>Large Scale</i>	3	\$3,500	\$10,500	\$7,707	\$23,120	(\$12,620)
<i>Small Scale</i>	6	\$2,000	\$12,000	\$6,374	\$38,244	(\$26,244)
Brownfields Designation	1	\$0	\$0	\$5,796	\$5,796	(\$5,796)
Temporary Use	1	\$0	\$0	\$325	\$325	(\$325)
Development of Regional Impact						
<i>With Plan Amendment</i>	1	\$10,000	\$10,000	\$16,025	\$16,025	(\$6,025)
<i>Without Plan Amendment</i>	1	\$7,000	\$7,000	\$13,464	\$13,464	(\$6,464)
Application of Substantial Deviation to Development of Regional Impact	4	\$2,800	\$11,200	\$6,423	\$25,692	(\$14,492)
TOTAL PLANNING	17		\$50,700		\$122,666	(\$71,966)

Section 8

Zoning



Section 8 – Zoning

The Zoning Division is a component of the Planning Division, sharing the same mission and objectives. However, each Division has its own budget. In this study, each Division's costs and efforts were separately identified for purposes of this report.

At the time of this study, the Zoning Division consisted of 9 employees as follows:

- Office Supervisor
- Staff Assistant (2)
- Planning Technician I
- Principal Planner (2)
- Senior Planner (2)
- Assistant Planning Manager

Zoning Fee Areas

Exhibit 10 summarizes the fee areas that were reviewed in Zoning. The exhibit describes the following:

- The service or user fee being provided by the County,
- Annual units of service based on the historical 3-year average units of service or permits issued,
- The revenue collected per unit of service,
- The total revenue (annual units of service times the revenue collected per unit),
- The full cost per unit of service.
- The total cost of services (annual units of service times the cost per unit), and
- The variance between total revenue and total cost of services.

For purposes of this study, a surplus is defined as total revenue in excess of total costs. A deficit is defined as total costs in excess of total revenue.

Section 8 – Zoning (continued)

Summary of Zoning Services and Fees

Exhibit 10

ZONING Service Description	Annual Units of Service	Current Fee per Unit of Service	Total Revenue per Service	Full Cost per Unit of Service	Total Cost of Services	Surplus (Deficit)
Letter Certifying Property	75	\$35	\$2,625	\$107	\$8,048	(\$5,423)
Code Compliance	16	\$135	\$2,160	\$368	\$5,893	(\$3,733)
Special Notifications	1	\$2	\$2	\$15	\$15	(\$13)
Variance	220	\$150	\$33,000	\$838	\$184,257	(\$151,257)
Administrative Variance or Waiver	12	\$0	\$0	\$316	\$3,793	(\$3,793)
Special Exception	36	\$370	\$13,320	\$1,381	\$49,708	(\$36,388)
Exception to Permit Mobile Home in A-1, A-3, A-5, A-10 Agricultural						
<i>New</i>	26	\$185	\$4,810	\$1,182	\$30,744	(\$25,934)
<i>Renewal</i>	3	\$74	\$222	\$1,122	\$3,365	(\$3,143)
Appeal to the Board of County Commissioners from the Board of Adjustment Decision						
<i>Variance</i>	5	\$150	\$750	\$710	\$3,549	(\$2,799)
<i>Special Exception</i>	4	\$370	\$1,480	\$857	\$3,426	(\$1,946)
<i>Mobile Home</i>	1	\$185	\$185	\$887	\$887	(\$702)
<i>Mobile Home Renewal</i>	1	\$74	\$74	\$887	\$887	(\$813)
<i>Administrative Decision</i>	1	\$185	\$185	\$1,995	\$1,995	(\$1,810)

Section 8 – Zoning (continued)

Exhibit 10

ZONING Service Description	Annual Units of Service	Current Fee per Unit of Service	Total Revenue per Service	Full Cost per Unit of Service	Total Cost of Services	Surplus (Deficit)
Appeal Against Non-Conforming Point of sale Sign	1	\$100	\$100	\$1,076	\$1,076	(\$976)
Temporary Sales Trailer	1	\$35	\$35	\$227	\$227	(\$192)
Rezoning Applications						
<i>Single Family, Duplex or Agriculture</i>	10	\$1,754	\$17,540	\$4,514	\$45,144	(\$27,604)
<i>Other Classification</i>	6	\$2,208	\$13,248	\$5,842	\$35,053	(\$21,805)
Planned Unit Development & Planned Commercial Development						
<i>Rezoning and Preliminary Master Plan</i>						
<i>Residential</i>	1	\$2,145	\$2,145	\$5,339	\$5,339	(\$3,194)
<i>Non-Residential</i>	5	\$2,000	\$10,000	\$5,329	\$26,645	(\$16,645)
<i>Final Master Plan Review</i>	5	\$2,300	\$11,500	\$4,475	\$22,377	(\$10,877)
<i>Final Master Plan Filing Extension</i>	1	\$135	\$135	\$882	\$882	(\$747)
<i>Major Revisions to PUD or PCD Master Plan</i>	4	\$2,000	\$8,000	\$5,950	\$23,800	(\$15,800)
<i>Minor Revisions to PUD or PCD Master Plan</i>	4	\$600	\$2,400	\$2,574	\$10,294	(\$7,894)
<i>Final Site Plan Review</i>	1	\$2,327	\$2,327	\$3,673	\$3,673	(\$1,346)
<i>Rezoning Filed Concurrently with Commercial Plan Amendment or DRI</i>	7	\$2,925	\$20,473	\$5,784	\$40,491	(\$20,018)
Appeal to the Board of County Commissioners for Administrative Decision	2	\$185	\$370	\$1,910	\$3,820	(\$3,450)
Motion Picture & Television Permit	4	\$75	\$300	\$368	\$1,473	(\$1,173)

Section 8 – Zoning (continued)

Exhibit 10

ZONING Service Description	Annual Units of Service	Current Fee per Unit of Service	Total Revenue per Service	Full Cost per Unit of Service	Total Cost of Services	Surplus (Deficit)
Special Events Permit	1	\$50	\$50	\$907	\$907	(\$857)
Change of site Plan or Use in RP Zoning District						
<i>Non-Substantial Change and Non-Public Hearing</i>	1	\$450	\$450	\$561	\$561	(\$111)
<i>Substantial Change and Public Hearing</i>	1	\$2,300	\$2,300	\$3,056	\$3,056	(\$756)
Development Review Committee Pre-Approval Fees	113	\$0	\$0	\$472	\$53,364	(\$53,364)
Administrative Variance	1	\$0	\$0	\$368	\$368	(\$368)
TOTAL ZONING	570		\$150,186		\$575,117	(\$424,931)

Section 9

Conclusion



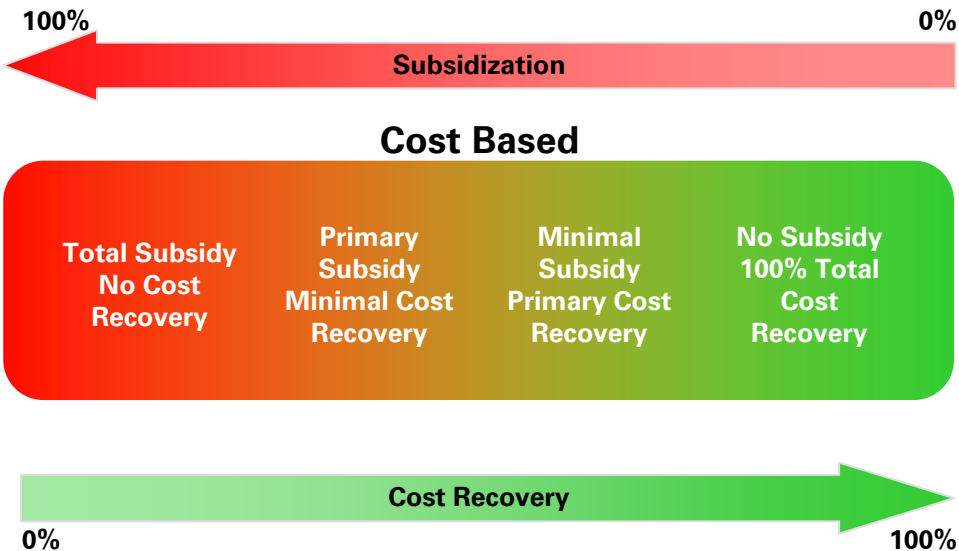
Section 9 – Conclusion

Governments have the ability to fund services by charging a fee to the citizens who use the service or by using general revenue. When using fees to fund programs, governments often base their recovery targets on incomplete historical data, comparison to other governments, or internal judgments of a what they deem to be a reasonable fee. A user fee study documents historical costs of providing services. When there are changes in service activity or service delivery, a user fee study provides insights into potential adjustments of the adopted fee schedule.

A user fee study enables the governing body to focus on its planned service subsidies and consider what the incremental revenues would be from setting fees at its full cost. The Study identifies the staff costs, other direct costs and the indirect costs for all activities necessary to deliver a service regardless of which department or division incurs the budgeted cost. Enhanced information from this qualitative analysis enables the County to conduct an objective analysis to make more informed decisions on fee policies in a complex process.

Policy making boards do not generally have a formalized cost recovery policy. By adopting a formal cost recovery strategy and having an understanding of the cost of providing a service, an agency will have a better understanding of the extent to which fees or general revenues are funding its services. Exhibit 11 shows the relationship between subsidization and cost recovery.

Exhibit 11



Section 9 – Conclusion (continued)

As shown in Exhibit 11, cost recovery levels can vary from being completely subsidized by a government agency to having all costs covered through fees for services. For Seminole County, this means the ability to set fees based on cost recovery. Based on historical data, the outcome to the County is the potential to generate more than \$3.1 million in additional reoccurring non-ad valorem revenue.

This study provides the County with potential alternatives to a number of objectives, including:

- Recovering the cost of providing services along with the potential to increase revenue,
- Adding controls to conserve consumption of County resources,
- Reducing subsidies, or
- Service level enhancements.

KPMG identified the County's costs supporting the issuance of permit and permit-related activities. By including the costs associated with the permitted services under review in this study, the County will be better able to make an informed decision on adopting a fee schedule that is based on full cost recovery.

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act upon such information without appropriate professional advice after a thorough examination of the particular situation.

© 2008 KPMG LLP, a U.S. limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International, a Swiss cooperative. All rights reserved. Printed in the U.S.A. 12359ORL

KPMG and the KPMG logo are registered trademarks of KPMG International, a Swiss cooperative.