



Mobility Fees Audit - #811

Executive Summary

Why CAO Did This Review

Pursuant to Section 5.10 of the Charter of the City of Jacksonville and Chapter 102 of the Municipal Code, we conducted an audit of the mobility fees administered by the City's Concurrency and Mobility Management System Office (Concurrency Office). This area was chosen for the audit based on the periodic City-wide risk assessment performed by our office.

The Concurrency Office, as a part of the City's Planning Department in the Development Services Division, is responsible for administering the functions and responsibilities of the 2030 Mobility Plan, in part, by administering and managing the mobility fee applications as well as receiving all mobility fee related payments.

Mobility fees are assessed for new development based on a formula. The revenue from the fee is to be used on infrastructure improvements in the area of the new development. There are two types of mobility fee calculations available to applicants - the Mobility Fee Calculation Certificate (MFCC) and the Expedited MFCC. The fees for the Certificates are calculated by the Department's Transportation Planning Division.

What CAO Found

In Objective 1 we found that the original mobility application fees were properly assessed, collected, and deposited; however, there were significant issues with the extension fees charged as well as internal control weaknesses and timeliness issues. In Objective 2 we found that mobility fees themselves were properly collected and deposited, but we found issues with the accuracy of the calculation of mobility fee payments as well as overall internal control weaknesses and timeliness issues. Specifically,

- We found various issues with access rights to the Concurrency and Mobility Management System (CMMS).
- 32 out of 120 mobility fee calculations tested were incorrect. Because of this, it appears that the City owes \$70,446.91 to developers.
- 52 out of 174 building permits tested did not obtain a Certificate of Occupancy within the required 42 month period even though they had received a partial waiver. A total of \$53,546 appears to be owed to the City by developers.
- The Concurrency Office was charging the wrong amount for extension fees.
- The Concurrency Office is not following all of the City's SOPs on cash handling.

What CAO Recommends

- All users of the CMMS should be reviewed to assess the need for access.
- The Excel spreadsheet that is used to calculate the mobility fee should be locked down in order to reduce any chances of manipulation or error in the calculation.
- We recommend the Concurrency Office work to collect amounts owed to the City due to the Certificate of Occupancy not being obtained within 42 months of April 9, 2013.
- Extension fees for MFCCs should be charged as required by the Ordinance Code.
- The Concurrency Office should refer to the City's Procedures on cash handling and comply with requirements as outlined further in the report.



Council Auditor's Office

Mobility Fees Audit

December 28, 2017

Report #811

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EXECUTIVE SUMMARY

AUDIT REPORT #811

INTRODUCTION - 1 -
STATEMENT OF OBJECTIVES - 2 -
STATEMENT OF SCOPE AND METHODOLOGY - 2 -
REPORT FORMAT..... - 3 -
STATEMENT OF AUDITING STANDARDS - 3 -
AUDITEE RESPONSES - 4 -
AUDIT CONCLUSIONS - 4 -
OVERALL INTERNAL CONTROL WEAKNESSES AND FINDINGS - 4 -
AUDIT OBJECTIVE #1 - 10 -
AUDIT OBJECTIVE #2 - 11 -

OFFICE OF THE COUNCIL AUDITOR
Suite 200, St. James Building



December 28, 2017

Report #811

Honorable Members of the City Council
City of Jacksonville

INTRODUCTION

Pursuant to Section 5.10 of the Charter of the City of Jacksonville and Chapter 102 of the Municipal Code, we conducted an audit of the mobility fees administered by the City's Concurrency and Mobility Management System Office (Concurrency Office). The Concurrency Office was established by Jacksonville Municipal Code Chapter 655, and is part of the Development Services Division within the Planning and Development Department (Department). The Concurrency Office is responsible for administering the functions and responsibilities of the 2030 Mobility Plan with an approach that applies a fee system to new development based upon the link between land development and transportation. The City Council approved budget for the Concurrency Office for fiscal years 2015/16 and 2016/17 totaled \$923,150 and \$985,760, respectively.

Mobility fees are assessed for new development based on a calculated amount pursuant to Part 5 of Chapter 655 of the Municipal Code. The revenue from the fee is to be deposited into an account for the applicable mobility zone pursuant to Section 111.546 of the Municipal Code. Eleven percent is deposited in a Bike Ped account for the mobility zone with the remainder going into the general account for the applicable mobility zone. Pursuant to Section 111.546, the funds "... are to be appropriated for the prioritized transportation improvement projects identified in the Capital Improvements Element of the 2030 Comprehensive Plan..."

There are two types of mobility fee calculations available to applicants. The first type is the Mobility Fee Calculation Certificate which includes certain trip adjustments and may take up to two weeks to be processed. The trip adjustments take into account trips generated from the existing use of the property and other items such as residential density. The second type of calculation is the Expedited Mobility Fee Calculation Certificate. The Expedited Mobility Fee Calculation Certificate does not include any trip adjustments and can be processed within four days. The calculations for the actual mobility fees for both types of applications are completed by the Department's Transportation Planning Division while the Concurrency Office is in charge of administering and managing the applications as well as receiving all mobility fee related payments. The current application fees for the Mobility Fee Calculation Certificate and Expedited Mobility Fee Calculation Certificate are \$688 and \$266, respectively.

Total application fees collected in fiscal years 2015/16 and 2016/17 totaled \$116,391 and \$124,196, respectively. Total mobility fees collected in fiscal years 2015/16 and 2016/17 totaled \$3,903,477, and \$5,345,053, respectively.

STATEMENT OF OBJECTIVES

The objectives of the audit were as follows:

1. To determine if mobility application fees are properly assessed, collected, and deposited.
2. To determine if mobility fee payments are accurately calculated, and properly collected and deposited.

STATEMENT OF SCOPE AND METHODOLOGY

The scope of the audit was mobility applications processed and related fees paid from October 1, 2015 through March 31, 2017.

We conducted staff interviews to obtain an understanding of the mobility fee application process. We reviewed applicable rules, laws, and regulations regarding mobility fees. We also reviewed information system controls that were relevant to mobility fee application processing.

We obtained and reviewed a listing of mobility fee applications and payments and traced them from the Concurrency Office to the City's Accounting system. We had a population of 274 application and 42 extension fee payments for our Objective 1 testing and 483 mobility fee payments for our Objective 2 testing.

Objective 1

We started by tracing the application fee and extension fee payments to their respective cash receipt (CR) deposits in the Tax Collector's CR system to ensure that the fees were deposited. We then traced the CR deposits to the City's General Ledger (FAMIS) to ensure that the application fees were deposited into the correct accounts. While performing this testing we found that there were some classification issues and data entry errors with the payments for applications and extension fees.

We then performed detailed testing on a sample of 77 application fees. We ensured that the application was charged the correct application fee required by the Municipal Code (\$688 for Mobility Fee Calculation Certificate, \$266 for Expedited Mobility Fee Calculation Certificate). We then reviewed the mail log kept by the Concurrency Office that tracks incoming checks to confirm that a record of the application fees in our sample was maintained. We additionally reviewed the timeliness of how long it took the Concurrency Office to deposit the application fee payments by comparing the date on the mail logs to the deposit date per the Tax Collector.

Objective 2

For our population of mobility fee payments, we traced the payments to their respective deposits in the Tax Collector's CR system to ensure that all mobility fee payments were deposited and for the correct amount. We also took a list of building permits received from the City's Information Technologies Division and tied the data to the mobility fee payments population, ultimately determining which building permits had a mobility fee payment that was made within the audit scope period. As long as we were able to tie the mobility fee application number from the list of payments to the building permit, we marked that the mobility fee payment had been paid.

Then, we performed detailed testing on a sample of 120 mobility fee applications which consisted of 428 mobility fee payments. We recalculated these application's mobility fees to ensure that they were calculated correctly based on the Municipal Code. We also compared the information that was entered into the Concurrency Management and Mobility System (CMMS) to the physical application that was submitted to ensure the system information was accurate. We then reviewed the mail log to confirm that a record of the mobility fee payments in our sample was maintained. The timeliness of how long it took the Concurrency Office to deposit the mobility fee payments to the Tax Collector was also reviewed. We then traced the CR deposits to FAMIS to ensure that the mobility fee payments were deposited into the correct accounts. Additionally, the physical folder for each application was reviewed to ensure that all payments were properly documented.

We also reviewed mobility fee applications that were subject to the partial waiver per Ordinance 2013-94-E. The partial waiver allowed the mobility fee to be reduced by a certain percentage (75%, 50%, or 25% depending on the timeframe that the development became qualified for the waiver) for a 42 month period between April 9, 2013 through October 8, 2016. If a Certificate of Occupancy had not been obtained by the end of the 42 month period, then the remaining balance of the mobility fee was owed to the City. We confirmed if the development was eligible for the partial waiver, if the correct percentage of the waiver was given, and if the Certificate of Occupancy was obtained within the applicable period.

In addition, we performed some analytical testing to ensure that all mobility fees that should have been received were actually paid. We also reviewed any mobility fee that was assessed at \$0 for reasonableness and accuracy.

REPORT FORMAT

Our report is structured to identify Internal Control Weaknesses, Audit Findings, and Opportunities for Improvement as they relate to our audit objectives. Internal control is a process implemented by management to provide reasonable assurance that they achieve their objectives in relation to the effectiveness and efficiency of operations and compliance with applicable laws and regulations. An Internal Control Weakness is therefore defined as either a defect in the design or operation of the internal controls or is an area in which there are currently no internal controls in place to ensure that management's objectives are met. An Audit Finding is an instance where management has established internal controls and procedures, but responsible parties are not operating in compliance with the established controls and procedures. An Opportunity for Improvement is a suggestion that we believe could enhance operations.

STATEMENT OF AUDITING STANDARDS

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

AUDITEE RESPONSES

Responses from the auditee have been inserted after the respective finding and recommendation. We received these responses from the Planning Department, via William B. Killingsworth, Director, in a memorandum dated June 12, 2018.

AUDIT CONCLUSIONS

By Objective:

1. The original mobility application fees were properly assessed, collected, and deposited; however, there were significant issues as it relates to the extension fees charged as well overall internal control weaknesses and timeliness issues.
 2. We found that mobility fees were properly collected and deposited, but we found issues with the accuracy of the calculation of mobility fee payments as well overall internal control weaknesses and timeliness issues.
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OVERALL INTERNAL CONTROL WEAKNESSES AND FINDINGS

Overall Internal Control Weakness 1 *Systems Control Weaknesses*

During our audit, we found various issues with access rights to CMMS and other Planning Department functions and systems. Specifically, we found that:

1. A total of 44 out of the 123 (35.8%) active (employed) users were determined to have inappropriate access rights. Three (3) out of the 44 active users were duplicate accounts. The 44 users were assigned one of the following roles:
 - a. One role enabled users to create mobility fee applications in CMMS although the users should only have had access to Certificate of Use related functions in the system since their duties were unrelated to mobility fees.
 - b. Another role in CMMS had the ability to create mobility fee applications, approve a calculated mobility fee amount, and approve a mobility fee amount paid in the system. We considered these access rights to be excessive due to a lack of separation of duties.
2. There appeared to be an excessive amount of administrative users in CMMS. There were 10 active users who are current employees that have administrative rights to the CMMS. Administrative access allows a user to perform a majority of functions in the mobility fee application process – from creating an application to adding new users in the system.
3. There appeared to be an excessive number of employees (10) in the Planning Department that have the ability to edit data contained on the Transportation Planning Division's electronic storage drive, which houses files that are used in the calculation of mobility fees.

4. Two of the four CMMS employees have access in the Building Inspection Division's system (BID) that is not needed. These two employees have the ability to approve the Concurrency agency review portion of a building permit. However, one of the employees is a Clerical Support Aide who does not approve mobility fee payments and the other employee is a Manager whose duties do not require access to BID. Also, in relation to BID, we found 42 out of 1,426 (3%) Concurrency agency approvals on building permits in BID were entered by City personnel who do not work for the Concurrency Office and should not have the access rights to approve Concurrency related items in BID. The approvals were completed by a total of 10 individual non-Concurrency Office staff.

Recommendation to Overall Internal Control Weakness 1

We have the following recommendations that address the above mentioned items:

- a) All roles and active users in CMMS should be reviewed to ensure that each role is truly needed and that each role, as well as each employee, has the proper level of access. This review should be performed and documented periodically going forward.
- b) All active user accounts in CMMS that belong to individuals that are no longer employed by the City or are duplicate accounts should be deactivated. This review should be performed and documented periodically going forward.
- c) Data files used for mobility calculations should be moved to a shared drive that is only accessible to those who need access.
- d) Concurrency agency access in the BID system should be removed for the CMMS and non-CMMS employees that do not need it.

Auditee Response to Overall Internal Control Weakness 1

Agree Disagree Partially Agree

a) and b) CMMS program specific access rights have been reviewed against the current employee list and current employee roll and all unnecessary account authorizations were reduced or deactivated by September 30, 2017. A quarterly review is scheduled going forward in the new CMMSO SOP plan.

c) Data files are saved and stored on the Transportation Planning (COJ -ITD file Server). The files should be available to the two Planners responsible for the calculations, the CMMSO Supervisor, the Transportation Planning Manager, and Transportation Planning Division Chief. These rights will be reviewed and adjusted by ITD by July 6, 2018.

d) The Department will review access requirements in both the BID system and CMMS as it relates Concurrency approvals in BID by July 6, 2018.

Overall Internal Control Weakness 2 *Various Cash Handling Violations*

During the audit, we discovered that:

1. The Concurrency Office does not perform a monthly reconciliation of actual receipts to FAMIS regarding mobility fee payments as required by Part III(C)(16) of the City's Cash Handling Standard Operating Procedures (SOPs).
2. The Concurrency Office does not keep a proper check log of incoming checks that they receive in accordance with the City's cash handling policy. They keep a "mail log" – a word document that lists the date a check is received, the check amount, application number associated with the check, and who the check is from. There is no chain of custody indicating who received the check in the Concurrency Office and to whom the check was transferred. Part III(C)(7) of the City's Cash Handling SOP states for checks received in the mail, that "Mail handlers also prepare prelist of all check receipts and obtain initials of person who prepares deposit receipts (CR) acknowledging verification of count and transfer."
3. When checks were received by the Concurrency Office, they were given immediately to the clerical aide who was responsible for recording the application fee payments in CMMS and delivering the payments to the Tax Collector for deposit. There was no segregation of duties. Also, there was no supervisory review conducted of the employee's work in this area. Part II(B)(2) of the City's Cash Handling SOPs states that a segregation of duties has to be established to avoid the same employee receiving, receipting, maintaining custody and reconciling cash receipts. Part II(D)(2) of the City's Cash Handling SOPs state that all receipts of money through the mail should be traced to the deposit slips by a Supervisor or Manager monthly or as approved by the Director of Finance.
4. Checks are kept in the clerical aide's office throughout the day which has no door and is accessible by the general public. Best business practices dictate that when checks are received, they should be kept in an area that is not easily accessible by the public.

Recommendation to Overall Internal Control Weakness 2

We recommend that Concurrency start following the City's SOPs on cash handling. More specifically, we recommend that:

- a) The Concurrency Office start performing a monthly reconciliation of checks received to deposits in FAMIS.
- b) The Concurrency Office start keeping a proper check log of incoming checks sent to the office.
- c) The recording, deposit, and reconciliation of the Concurrency Office checks should be segregated so that the same person is not handling these duties and there needs to be proper supervision.
- d) Any check received by Concurrency is kept out of the public access area.

Auditee Response to Overall Internal Control Weakness 2

Agree Disagree Partially Agree

a) CMMSO is aware of, and is committed to adhering to, the City's SOP for cash handling. A formal monthly reconciliation review will be documented going forward.

b) The CMMSO incorporates the check log into its mail log and has maintained one since at least 2014. The Department will separate the check log and insure it meets the City's SOPs.

c) The check deposit task is segregated between the administrative aide and Planner/Supervisor positions. Planner (primary) or Supervisor (secondary backup) registers payments into the CMMS and provides transmittal to administrative aide for deposit to Tax Collector's Office. The administrative aide maintains the check log but will not enter payments into CMMS. All Deposits are also viewable by Planning Services Manager. CMMSO Supervisor oversees the process and reconciles payments. The CMMSO Supervisor will ensure this process is followed.

d) Checks are routinely received (e.g., from USPS mail or from an applicant) at the administrative aide's work area and they are immediately presented to the planner for processing. They are also present in the administrative aide's work area under control as they are logged and filed. Checks are not left on the administrative aide desk when no staff is present. Checks held overnight are held in an locked bank bag in a locked drawer in the Supervisor's locked office.

Overall Internal Control Weakness 3 *Lack of Standard Operating Procedures*

When we requested SOPs regarding the mobility fee process, we were told by the Concurrency Office personnel that the Concurrency and Mobility Management System Handbook was the SOP. However, the handbook is an overview of the process – mainly for the public’s benefit. It does not document the day-to-day administration process that the Concurrency Office performs when processing mobility fees and applications, or any special circumstances, such as application and documentation of credits or cancellations of mobility fee applications. In addition, there are no SOPs on the mobility fee calculation process as a whole, including how to update the technical data used in the process. SOPs are an essential tool used in a process for continuity and in case of employee turnover.

Recommendation to Overall Internal Control Weakness 3

We recommend that written SOPs be created for the entire mobility fee process, including all day-to-day actions that are performed and for any special circumstances that may arise from time-to-time.

Auditee Response to Overall Internal Control Weakness 3

Agree Disagree Partially Agree

Staff is preparing a comprehensive step-by-step SOP for the entire mobility fee process by September 28, 2018.

Overall Internal Control Weakness 4 *No Evidence of Mobility Fee Application and Calculation Review*

According to the Concurrency Office, the City Planner Supervisor and the City Planner II review the Mobility Fee Calculation Certificate Application in order to verify that the information submitted is accurate and complete. However, we found no procedure in place (such as initialing the application) that confirms that the application was reviewed by both individuals.

In addition, we were told that the actual mobility fee calculation is performed by one person in the Transportation Planning Division and then reviewed for accuracy by the Transportation Planning Services Manager. However, we tested five mobility fee calculations for approvals during our controls testing and the Division was not able to provide proof of approval of the calculation by the Planning Services Manager for four out of five calculations tested.

Recommendation to Overall Internal Control Weakness 4

We recommend that all applications and calculations be signed-off and dated when reviewed for completeness and accuracy by the Concurrency Office and Transportation Planning Division staff.

Auditee Response to Overall Internal Control Weakness 4

Agree Disagree Partially Agree

Effective September 30, 2017, all applications are reviewed, signed and dated by the CMMSO Supervisor prior to entry into the CMMS by the Planner.

Effective September 30, 2017, all applications are reviewed, signed and dated for completeness and accuracy by the Transportation Planning Manager.

Overall Finding 1 *Untimely Deposits and Mail Log Issues*

During our testing, we found that 59 out of 77 (76.62%) application fees and 97 of 402 (24.13%) mobility fee payments tested were not deposited with the Tax Collector’s Office on the same day as received as required by Part III(C)(10) of the City’s Cash Handling SOPs. We also found that two application payments were recorded on the Concurrency Office’s mail log the day after they were deposited at the Tax Collector’s Office. Six mobility fee payments received by the Concurrency Office were not listed on the mail log at all.

Recommendation to Overall Finding 1

We recommend that check information be entered into the mail log as soon as the checks are received and that the Concurrency Office deposit checks the same day as received. If the Concurrency Office is unable to deposit the check within the same day, they should lock the check in a safe or cash box per the City’s SOPs. If an exception to the standards of the City’s cash handling procedures is required, the Concurrency Office should make a request in writing to the Director of Finance for a waiver to the procedures.

Auditee Response to Overall Finding 1

Agree Disagree Partially Agree

This recommendation has been made effective September 30, 2017.

Overall Finding 2 *Revenue was Not Properly Deposited*

We found that 1 out of 274 (0.4%) application fee payments tested was deposited into an incorrect City account. The payment was incorrectly categorized as a contract application fee in CMMS when it was actually a mobility fee payment. Because this payment was incorrectly categorized, it was deposited into the Concurrency subfund instead of the Mobility Fee subfund where it should have been.

In addition, we found 4 out of 42 (9.52%) mobility extension fee payments tested were deposited in the Mobility Fee subfund like mobility fee payments instead of being deposited in the Concurrency subfund like the other 38 extension fee payments. Based on our review of the Municipal Code it is not clear where these funds need to be deposited.

Recommendation to Overall Finding 2

We recommend that the Concurrency Office confirm where mobility fee extension payments should be deposited and contact the City’s Accounting Division in order to move any incorrectly deposited payments into the proper accounts. We also recommend that the Concurrency Office strengthen their policies and procedures as well as training to make certain that payments are categorized correctly to ensure that they are deposited into the correct account.

Auditee Response to Overall Finding 2

Agree Disagree Partially Agree

The funds collected for mobility extensions were all application fees and should be deposited in the concurrency subfund. Mobility Extension fees based off inflation should be placed in the appropriate Mobility Zone for the individual application. These recommendations will be incorporated into the proposed SOPs by September 28, 2018

AUDIT OBJECTIVE #1

To determine if mobility application fees are properly assessed, collected, and deposited.

Finding 1 – 1 *Extension Fee Issues*

None of the 42 Mobility Fee Calculation Certificate extension fee payments tested were for the correct amount. Also, 20 out of the 42 (47.62%) extension fee payments were paid after the mobility fee certificate had expired. Ordinance Code Section 655.506(b) states that a Mobility Fee Calculation Certificate or Expedited Mobility Fee Calculation Certificate is valid for one year from the date of issuance unless it is extended by the payment, *prior to the expiration date*, of the applicable annual inflation adjustment determined by the State of Florida. These annual inflation rates vary over the years, from 0% up to 5% or more. The majority of the extension fees charged were the same amount as the actual application fee instead of the inflation adjustment. This resulted in over collection of almost \$24,000.

Recommendation to Finding 1 – 1

We recommend that:

- a) extension fees for mobility certificates be calculated consistent with the Ordinance Code.
- b) the Concurrency Office create a separate application just for mobility certificate extensions for better accounting of extension requests since a payment would not be required if there is no inflation.
- c) the Concurrency Office should work with the Office of General Counsel to determine how to handle any over collected amounts.

Auditee Response to Finding 1 – 1

Agree Disagree Partially Agree

a) The Department considered an extension request as a new application and thus charged an application fee. The inflation rate has been 0%; therefore the extension fee was \$0.00. We will stop applying a fee until such time as the code may be revised.

b) CMMSO is currently reviewing its standard forms and templates for consolidation, rewording and reorganization. We will include an application for mobility fee extensions by September 28, 2018

c) The Department will work with OGC to address this issue by July 6, 2018.

AUDIT OBJECTIVE #2

To determine if mobility fee payments are accurately calculated, and properly collected and deposited.

Finding 2 – 1 *Incorrect Mobility Fee Calculations*

We found that 37 out of 120 (30.8%) mobility fee calculations tested included inaccurate information on the calculation spreadsheet. In 32 of the 37 calculation spreadsheets, the inaccurate information led to the mobility fee being calculated incorrectly. In total, it appears that the fee amount was over calculated by \$190,627.67 for 23 applications and was understated by \$78,185.64 for nine applications for a net difference of \$112,442.03.

The application amount differs from the actual amount overpaid or underpaid due to the fact that the mobility fee may have been only partially paid or not paid at all since the applicants have up to a year (or more with extensions and other options) to pay the mobility fee. The net amount as of December 28, 2017 appears to be \$70,446.91 that is owed by the City to the Developers.

Recommendation to Finding 2 – 1

We recommend that:

- a) the spreadsheet that is used by the Transportation Planning Division to calculate the mobility fee be more secure. Any cells that are not used for input should be locked to reduce any chances of manipulation or error in the calculation.
- b) the Department continue to require a 2nd review of the calculation along with a copy of the calculation signed by the Manager who reviewed it as recommended in Overall Internal Control Weakness 4.
- c) the Concurrency Office work with the Office of General Counsel to determine how to handle any amounts over or under collected.

Auditee Response to Finding 2 – 1

Agree Disagree Partially Agree

a) There are five persons that have electronic access to the path to the spreadsheets. The spreadsheets are password protected. The Department will revise the spreadsheet to lock cells not used for input by July 6, 2018.

b) The Transportation Planning Manager reviews the calculations, and will document that review by signing-off going forward.

c) The Department will work with OGC to determine how to proceed by June 21, 2018.

Finding 2 – 2 *Certificate of Occupancy Obtained After the End of the Partial Waiver Period*

We found that 52 out of 174 (29.89%) building permits tested that were subject to a mobility fee during our scope period did not obtain a Certificate of Occupancy within the 42 month period of April 9, 2013 through October 8, 2016 as required by Ordinance 2013-94-E. This ordinance approved a partial waiver of mobility fees under certain circumstances as long as a Certificate of Occupancy was obtained by October 8, 2016. These developments are no longer eligible for the partial waiver and the remaining mobility fee amount should have been collected. A total of \$53,546 appears to be owed to the City.

Recommendation to Finding 2 – 2

We recommend that the Department work with the Office of General Counsel in order to collect any funds owed from developers pursuant to this waiver. We also recommend that the Department work with the City’s Information Technologies Division to determine other developments that may have obtained a Certificate of Occupancy after the partial waiver period.

Auditee Response to Finding 2 – 2

Agree Disagree Partially Agree

ITD has written a custom program to scan the database and identify additional affected properties; CMMSO, in coordination with OGC, mailed out 83 mail outs to 12 different parties (mostly builders with multiple properties). Seventeen properties of the 83 have been confirmed to have complied with the CO requirements on time. We are actively working with the applicants to resolve this issue.

Finding 2 – 3 *Mobility Fees Received After Expiration of the Mobility Fee Calculation Certificate*

We found that 11 out of 408 (2.69%) mobility fee payments tested were not received within one year of issuance of the Mobility Fee Calculation Certificate or an appropriate extension. We also found that nine of these 11 did not file for a mobility fee certificate extension. Ordinance Code Section 655.506 states that a Mobility Fee Calculation Certificate is only valid for one year unless it’s extended.

Recommendation to Finding 2 – 3

We recommend that the Concurrency Office inquire of the City’s Information Technologies Division to see if any system mechanisms can be added to the CMMS to automatically alert the Concurrency Office to any unpaid Mobility Fee Calculation Certificates that will soon expire.

Auditee Response to Finding 2 – 3

Agree Disagree Partially Agree

We will determine the feasibility of adding the recommended changes with ITD by July 6, 2018.

Opportunity for Improvement 2-1 *Utilization of JTA Bus Stops File Data*

One aspect of mobility fee calculation includes the actual number of bus stops within ½ mile of a proposed development. The Transportation Planning Division does not use JTA’s computer-generated data files to determine the number of bus stops, which is needed to calculate the mobility fee. They instead use JTA’s website to manually count the number of bus stops.

Recommendation to Opportunity for Improvement 2-1

We recommend that the Transportation Division use JTA’s data file information in the mobility fee calculation.

Auditee Response to Opportunity for Improvement 2-1

Agree Disagree Partially Agree

The Department is now using JTA's Esri shapefiles as the data source.

Opportunity for Improvement 2-2 *Adding Development Area and Mobility Zone to GIS Public View*

During our testing, we discovered that three mobility fee calculations tested did not use the correct Development Area that was listed on the mobility fee application. The City has five different Development Areas and each area has its own average trip length. This trip length is used in the calculation of the mobility fee. One of the three calculations tested was overstated by \$3,608, another one was understated by \$484, and the third had no impact on the calculation.

Recommendation to Opportunity for Improvement 2-2

We recommend that the GIS Department consider including Development Area as well as the Mobility Zone in the public GIS map. Having the Development Area and Mobility Zone listed on the City’s public GIS will allow developers as well as the public to be “a second check” to help ensure the accuracy of the calculation and that the funds are deposited in the correct account.

Auditee Response to Opportunity for Improvement 2-2

Agree

Disagree

Partially Agree

GIS section of ITD has been requested to include the Mobility Zone and Development Area information in the public GIS map. The request is included in the Department's Land Development Review application. It will be made available to the public by September 28, 2018.

We appreciate the assistance and cooperation we received from the Concurrency and Mobility Management System Office throughout the course of this audit.

Respectfully submitted,

Kyle S. Billy

Kyle S. Billy, CPA
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