



MEMORANDUM

City of Venice

Development Services Department

TO: City Council

THROUGH: Edward Lavalley, City Manager

FROM: Jeff Shrum, Development Services Director

DATE: February 1, 2021

COUNCIL APPROVAL: Yes

MEETING DATE: February 9, 2021

STRATEGIC PLAN GOAL: Ensure a Financially Sound City

SUBJECT: Resolution No. 2021-05 Reducing Valuation Based Building Permit Fees in Compliance with Section 553.80(7), Florida Statutes.

Background: State law was amended restricting the amount of funds that may be generated by building departments via Section 553.80(7) F.S. The restriction is the average of the last four years operating budgets. The attached Resolution will reduce the valuation based building permits by twenty percent (20%), effective March 10, 2021.

Background data and information:

A. The fund balance at 9/30/20 was \$7,850,027 of which \$4,243,000 was encumbered, mostly for the Building Annex Project, leaving a unencumbered fund balance of \$3,607,027.

B. At 9/30/20, the rolling average of the prior four years' budgets (2017 – 2020) was \$2,445,910.

C. Resulting in the fund having an excess of \$1,161,117, the difference between (A - balance) and (B – rolling 4 year average), also as of 9/30/20.

It is noted that a 20% reduction is a little more than half of what would be needed to reach the target revenues. However, Development Services staff discussed this with the Finance Department and City Attorney and are only recommending 20% at this time to address potential expenditures and/or reductions in revenue. The status of the fund will be monitored and revisited (anticipated to be no later than August 2021), at which time the fee schedule can be revised as needed.

Requested Action: Approval of Resolution

If for an agenda item, this document and any associated backup created by City of Venice staff has been reviewed for ADA compliance: Yes

City Attorney Review/Approved: Yes

Risk Management Review: N/A

Finance Department Review/Approved: Yes

Funds Availability (account number): [Click or tap here to enter text.](#)

ORIGINAL(S) ATTACHED: Resolution No. 2021-05

Cc: Kelly Fernandez, City Attorney; Linda Senne, Finance Director, Greg Schneider, Building Official