



AUDIT AND MANAGEMENT SERVICES DEPARTMENT
OVERTOWN TRANSIT VILLAGE
701 NW 1ST COURT – SUITE 8-175
MIAMI, FLORIDA 33136
TELEPHONE: 786-469-5900
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January 19, 2017

Mr. Eric M. Soroka, City Manager
City of Aventura
19200 West Country Club Drive
Aventura, Florida 33180

Re: Charter County Transportation System Surtax Review – City of Aventura

Dear Mr. Soroka:

Enclosed is the above-captioned Audit Report that incorporates the City's reply to the audit findings. The Office of the Citizens' Independent Transportation Trust will be contacting you to discuss plans for resolving key issues.

We appreciate the courtesies and assistance provided to our staff during the audit process. Please contact me at 786-469-5900, if you have any questions or require further information.

Sincerely,

A handwritten signature in blue ink that reads "Cathy Jackson".

Cathy Jackson
Director

CJ:as

Attachment

c: Charles D. Scurr, Executive Director, Office of the Citizens' Independent Transportation Trust
Brian K. Raducci, Finance Director, City of Aventura

Memorandum



Date: January 19, 2017

To: Charles D. Scurr, Executive Director
Office of the Citizens' Independent Transportation Trust (OCITT)

Cathy Jackson

From: Cathy Jackson, Director
Audit and Management Services Department (AMS)

Subject: Audit Report – Charter County Transportation System Surtax Review –
City of Aventura

PURPOSE AND SCOPE

We performed a review of the City of Aventura's use of Charter County Transportation System Surtax (Surtax) Proceeds remitted by Miami-Dade County (County) for the seven years ended September 30, 2015 (Schedules I and II). The primary objective was to ensure Surtax Proceeds were used in compliance with the *Interlocal Agreement for Distribution, Use and Reporting of Charter County Transit System Surtax Proceeds Levied by Miami-Dade County* (Interlocal Agreement) executed July 10, 2007. Additionally, we assessed resolution of prior audit findings referenced in our Report dated December 8, 2009 (Exhibit I).

BACKGROUND

County Ordinance (Ordinance) No. 02-116, enacted on July 9, 2002, imposed a one-half of one percent Surtax on eligible sales transactions for Transportation-related projects. However, at least 20% of the Surtax Proceeds received by the County must be distributed to municipalities incorporated as of November 5, 2002, on a pro-rata basis using population statistics (Schedule IV). The Surtax Program is administered by the Citizens' Independent Transportation Trust (CITT), a group comprised of 15 members appointed by the Board of County Commissioners, County Mayor, and Miami-Dade League of Cities.

Pursuant to the Interlocal Agreement, the City of Aventura (Aventura) must annually continue the same level of General Fund support for Transportation projects appropriated in its Fiscal Year (FY) 2002 Budget (Maintenance of Effort), which totaled \$2.3 million (Table I). Surtax monies may be used to develop, construct, equip, maintain, operate, or expand County-wide bus systems, fixed guideway rapid transit systems, roads, and bridges, as well as secure such bonds or pay debt service. Further, Aventura must apply at least 20% of the Surtax Proceeds to Transit-related projects, such as circulator buses, bus shelters, bus pullout bays, or other related infrastructure. *CITT Resolution 09-055*, adopted July 30, 2009, allows for the rollover of unspent Surtax funds for up to five years, provided the municipality's Five-Year Transportation Plan demonstrates how the funds will be used.

SUMMARY RESULTS

For the seven years ended September 30, 2015, Aventura received Surtax Proceeds of \$8.1 million, and claimed Transit and Transportation-related expenditures totaling \$16.9 million (Table I). However, after adjustments for non-qualifying costs, annual amounts claimed did not exceed the \$2.3 million Maintenance of Effort (MOE) requirement.

Table I
Surtax Statistics

Description	Fiscal Year Ended September 30,							All Years
	2009	2010	2011	2012	2013	2014	2015	
Maintenance of Effort (MOE)	\$ 2,304,882	\$ 2,304,882	\$ 2,304,882	\$ 2,304,882	\$ 2,304,882	\$ 2,304,882	\$ 2,304,882	\$ 16,134,174
Revenues:								
Surtax Proceeds (Schedule IV)	\$ 887,089	\$ 912,935	\$ 977,774	\$ 1,213,562	\$ 1,280,248	\$ 1,385,071	\$ 1,436,028	\$ 8,092,707
Interest/Investment Income (Schedule II)	493	44	2,181	2,768	1,485	3,803	9,589	20,363
	\$ 887,582	\$ 912,979	\$ 979,955	\$ 1,216,330	\$ 1,281,733	\$ 1,388,874	\$ 1,445,617	\$ 8,113,070
Claimed Expenditures (Tables IV & V) ¹:								
Transit	\$ 714,492	\$ 690,372	\$ 701,412	\$ 717,270	\$ 708,748	\$ 708,570	\$ 781,663	\$ 5,022,527
Transportation	1,437,120	1,594,640	1,244,736	1,675,990	1,859,270	1,780,440	2,325,441	11,917,637
	\$ 2,151,612	\$ 2,285,012	\$ 1,946,148	\$ 2,393,260	\$ 2,568,018	\$ 2,489,010	\$ 3,107,104	\$ 16,940,164
Amounts Unspent/Subject to Recapture as of September 30th (Schedule III):								
Unspent Transportation-Related Proceeds	\$ 1,170,084	\$ 1,170,084	\$ 1,170,084	\$ 1,170,084	\$ 1,170,084	\$ 1,170,084	\$ 1,170,084	
Proceeds Subject to Recapture	\$ 2,465,466	\$ 3,378,445	\$ 4,358,400	\$ 5,574,730	\$ 6,856,463	\$ 8,245,337	\$ 9,690,954	
Key Account Balances as of September 30th (Schedule I):								
Street Maintenance Fund ¹:								
Cash and Cash Equivalents, and Investments	\$ 69,362	\$ 14,644	\$ 466,739	\$ 767,186	\$ 1,551,993	\$ 2,063,245	\$ 2,717,519	
Fund Balance	\$ 63,606	\$ 2,968	\$ 446,809	\$ 811,313	\$ 1,586,617	\$ 2,213,480	\$ 2,421,260	

Source: OCITT and Aventura's Audited Financial Statements and General Ledgers

¹ The Street Maintenance Fund combines Surtax Proceeds, Local Option Gas Taxes, State Shared Revenues, Impact Fees, and Other Miscellaneous Revenues, as well as related expenditures. Surtax-related expenditures were identified by Aventura personnel.

Pursuant to *Ordinance No. 02-116, Section 29-124(f)*, if a municipality does not meet the annual MOE requirement, they are not eligible to receive Surtax Proceeds. Thus, the \$9.7 million in Surtax Proceeds may be subject to forfeiture, which includes \$1.6 million from the prior audit period (Table II and Schedules III and III-A). Based on the foregoing, OCITT should suspend distribution of future Surtax Proceeds until this matter is resolved. Nonetheless, the City has \$1.2 million in unspent Transportation-related funds that are eligible for carryover, as the MOE was met in FY 2003 and FYs 2006 through 2008.

Table II
Summary Analysis of Surtax Proceeds Subject to Recapture

Description	Fiscal Year Ended September 30,							All Years
	2009	2010	2011	2012	2013	2014	2015	
Claimed Expenditures ¹	2,151,612	2,285,012	1,946,148	2,393,260	2,568,018	2,489,010	3,107,104	16,940,164
Less:								
Adjustments for Ineligible Expenditures (Tables IV and V)	(991,201)	(947,863)	(667,186)	(816,204)	(863,192)	(924,254)	(935,169)	(6,145,069)
Net Expenditures Available for Surtax Usage	1,160,411	1,337,149	1,278,962	1,577,056	1,704,826	1,564,756	2,171,935	10,795,095
MOE Requirement	(2,304,882)	(2,304,882)	(2,304,882)	(2,304,882)	(2,304,882)	(2,304,882)	(2,304,882)	(16,134,174)
MOE Deficiency	\$ (1,144,471)	\$ (967,733)	\$ (1,025,920)	\$ (727,826)	\$ (600,056)	\$ (740,126)	\$ (132,947)	\$ (5,339,079)
Surtax Proceeds Subject to Recapture (Schedule III)	\$ 887,582	\$ 912,979	\$ 979,955	\$ 1,216,330	\$ 1,281,733	\$ 1,388,874	\$ 1,445,617	\$ 8,113,070

¹ Amounts identified by Aventura personnel.

These and other findings are more fully discussed in the remainder of this document. As you know, Aventura submitted their Response (Attachment I) and is primarily concerned about the finding that may result in the recapture of Surtax receipts in the years the MOE was not met. We understand CITT is considering advancing a number of modifications to the *Ordinance*, including adjustments to the MOE requirement under extenuating circumstances.

OCITT should contact Aventura to resolve outstanding issues and advise AMS of planned corrective actions within 90 days. We appreciate the courtesies and assistance extended to our staff during the audit process. Please contact Jacqueline Williams, Audit Manager, at 786-469-5900, if you have any questions.

FINDINGS AND RECOMMENDATIONS

General Fund Support

Pursuant to the Interlocal Agreement, Aventura must annually certify it is providing the same level of General Fund support for Transportation projects appropriated in its FY 2002 Budget, or MOE. Aventura Officials, however, insist the MOE is \$904,000, citing \$1.4 million represented non-recurring capital costs that should be excluded. As reaffirmed in the Final Audit Report dated April 26, 2010, the MOE is \$2.3 million as appropriated in the City’s FY 2002 Budget.

Recommendation

Aventura should certify the \$2.3 million MOE within 30 days.

Claimed Expenditures

Aventura claimed \$16.9 million in Transit and Transportation expenditures (Table I), of which \$5.02 million was used to defray the costs of its third-party-operated Aventura Express Shuttle Bus Service (Table IV).

**Table III
Ridership by Route for FY 2015**

Month	Route Name					Total
	Blue	Red	Green	Purple	Yellow	
October	4,703	3,591	5,002	4,921	5,890	24,107
November	4,125	3,513	4,567	4,645	4,311	21,161
December	4,183	4,117	5,307	5,468	4,957	24,032
January	4,267	4,284	5,301	4,839	4,450	23,141
February	4,096	3,638	4,628	4,123	3,949	20,434
March	4,576	3,997	5,424	4,707	4,512	23,216
April	4,556	3,820	4,330	4,604	4,167	21,477
May	4,203	3,881	3,961	4,705	4,190	20,940
June	4,470	3,854	4,230	4,708	5,377	22,639
July	4,331	3,816	4,328	5,012	4,637	22,124
August	4,232	4,204	5,635	4,811	4,482	23,364
September	4,078	4,061	5,892	5,044	4,372	23,447
	<u>51,820</u>	<u>46,776</u>	<u>58,605</u>	<u>57,587</u>	<u>55,294</u>	<u>270,082</u>
Percentage of Total	<u>19%</u>	<u>17%</u>	<u>22%</u>	<u>21%</u>	<u>21%</u>	

Source: Shuttle Bus Ridership Reports

The Shuttle Service operates six days a week, and is accessible to the public at no charge. The combined monthly ridership is over 20,000, or approximately 270,000 annually (Table III). All five fixed routes link residential areas to retail and medical establishments, as well as Miami-Dade and Broward Transit Systems. The *Blue Express Route* serves the north end of the City, the *Green* and *Red Express Routes* operate in the central area, and the *Purple* and *Yellow Express Routes* serve the southern zones.

Table IV
Summary of Claimed Transit Expenditures, As Adjusted

Description	Fiscal Year Ended September 30,							All Years
	2009	2010	2011	2012	2013	2014	2015	
Claimed Expenditures:								
<i>Street Maintenance Fund¹:</i>								
Aventura Express Bus Service	\$ 356,269	\$ 341,751	\$ 347,256	\$ 370,985	\$ 370,108	\$ 370,959	\$ 430,698	\$ 2,588,026
Shuttle Bus Transit Study	26,500	-	-	-	-	-	-	26,500
Aventura Express Maps/Schedules	-	2,350	-	-	-	4,041	319	6,710
Refund to North Miami Beach for Canceled Transit Initiative	-	4,521	-	-	-	-	-	4,521
Consulting Services	-	-	-	-	-	-	3,050	3,050
	<u>382,769</u>	<u>348,622</u>	<u>347,256</u>	<u>370,985</u>	<u>370,108</u>	<u>375,000</u>	<u>434,067</u>	<u>2,628,807</u>
<i>General Fund:</i>								
Aventura Express Bus Service	322,223	341,750	347,656	338,085	338,640	333,570	345,623	2,367,547
Aventura Express Maps/Schedules	9,500	-	6,500	8,200	-	-	1,973	26,173
	<u>331,723</u>	<u>341,750</u>	<u>354,156</u>	<u>346,285</u>	<u>338,640</u>	<u>333,570</u>	<u>347,596</u>	<u>2,393,720</u>
Total Claimed Transit Expenditures	<u>714,492</u>	<u>690,372</u>	<u>701,412</u>	<u>717,270</u>	<u>708,748</u>	<u>708,570</u>	<u>781,663</u>	<u>5,022,527</u>
AMS Adjustments for Ineligible Costs:								
Refund to North Miami Beach for Canceled Transit Initiative	-	(4,521)	-	-	-	-	-	(4,521)
Special Event (On-Demand) Bus Service	-	-	(400)	-	-	-	-	(400)
	-	<u>(4,521)</u>	<u>(400)</u>	-	-	-	-	<u>(4,921)</u>
Total Eligible Transit Expenditures, As Adjusted	<u>\$ 714,492</u>	<u>\$ 685,851</u>	<u>\$ 701,012</u>	<u>\$ 717,270</u>	<u>\$ 708,748</u>	<u>\$ 708,570</u>	<u>\$ 781,663</u>	<u>\$ 5,017,606</u>

Source: Aventura General Ledgers and vendor invoices

¹ The Street Maintenance Fund combines Surtax Proceeds, Local Option Gas Taxes, State Shared Revenues, Impact Fees, and Other Miscellaneous Revenues, as well as related expenditures. Surtax-related expenditures were identified by Aventura personnel.

According to supporting documents, the \$11.9 million in Transportation-related expenditures were used mainly for roadway resurfacing and improvement projects (\$4.3 million), as well as for general landscaping and other services (\$7.6 million), of which \$6.1 million was disallowed (Table V). General landscaping services and non-street lighting projects are not eligible for Surtax use, according to *CITT Municipal Guidelines*.

After adjusting expenditures for non-qualifying costs and MOE requirements, Aventura did not meet the MOE threshold in any of the seven years reviewed. Thus, \$8.1 million in Surtax distributions may be subject to forfeiture as of September 30, 2015 (Table II).

Table V
Summary of Claimed Transportation-Related Expenditures, As Adjusted

Description	Fiscal Year Ended September 30,							All Years
	2009	2010	2011	2012	2013	2014	2015	
Claimed Expenditures:								
<i>Street Maintenance Fund ¹:</i>								
Roadway Resurfacing - Citywide	\$ 242,736	\$ 448,112	\$ 368,923	\$ 657,862	\$ 776,954	\$ 634,782	\$ 798,304	\$ 3,927,673
NE 185th Street Turning Lane Modification	-	-	-	-	-	-	179,155	179,155
Country Club Drive Bicycle/Exercise Trail	-	-	-	-	-	-	104,843	104,843
Transportation System Improvements	-	6,398	-	-	-	-	47,489	53,887
Street Lighting Poles Installation	-	-	-	-	-	-	31,467	31,467
NE 188th Street School Zone Flashers	-	-	-	-	-	-	5,036	5,036
	<u>242,736</u>	<u>454,510</u>	<u>368,923</u>	<u>657,862</u>	<u>776,954</u>	<u>634,782</u>	<u>1,166,294</u>	<u>4,302,061</u>
<i>General Fund:</i>								
General Landscaping Services	910,132	870,013	600,343	728,763	790,906	797,660	831,275	5,529,092
Street Lighting Utilities	168,714	142,293	127,494	132,077	125,491	130,198	115,110	941,377
Street Lighting Repairs/Installation	51,322	74,838	65,679	69,017	95,957	104,066	109,642	570,521
Beautification/Signage	62,704	50,235	66,252	57,298	55,891	101,237	74,908	468,525
Repairs & Maintenance	1,512	2,751	16,045	30,973	14,071	12,497	28,212	106,061
	<u>1,194,384</u>	<u>1,140,130</u>	<u>875,813</u>	<u>1,018,128</u>	<u>1,082,316</u>	<u>1,145,658</u>	<u>1,159,147</u>	<u>7,615,576</u>
Total Transportation Expenditures, As Claimed	<u>1,437,120</u>	<u>1,594,640</u>	<u>1,244,736</u>	<u>1,675,990</u>	<u>1,859,270</u>	<u>1,780,440</u>	<u>2,325,441</u>	<u>11,917,637</u>
AMS Adjustments for Ineligible Costs:								
<i>Street Maintenance Fund:</i>								
Soil Testing in the Waterways Park	-	(9,986)	(5,865)	-	-	-	-	(15,851)
Repair Cost for Resident's Vehicle Damage	-	-	(1,860)	(257)	-	-	-	(2,117)
Unsupported Landscaping for New Guardrail	-	-	-	-	-	(1,236)	-	(1,236)
Landscaping and Irrigation Installation/Repairs	-	(385)	-	(309)	-	-	-	(694)
	-	<u>(10,371)</u>	<u>(7,725)</u>	<u>(566)</u>	-	<u>(1,236)</u>	-	<u>(19,898)</u>
<i>General Fund:</i>								
General Landscaping Services	(910,132)	(870,013)	(600,343)	(728,763)	(790,906)	(797,660)	(831,275)	(5,529,092)
Welcome Signage, Pole Banners, and Others	(27,435)	(28,110)	(23,788)	(39,130)	(34,217)	(82,451)	(49,563)	(284,694)
Utilities for an Entrance Façade, Parks, Irrigation, and Others	(46,437)	(32,860)	(29,301)	(32,789)	(30,724)	(30,611)	(25,936)	(228,658)
Repairs & Installation	(3,701)	(1,405)	(696)	(11,632)	(2,058)	(3,880)	(10,882)	(34,254)
Other Supplies	(3,496)	(583)	(4,933)	(3,324)	(5,287)	(8,416)	(17,513)	(43,552)
	<u>(991,201)</u>	<u>(932,971)</u>	<u>(659,061)</u>	<u>(815,638)</u>	<u>(863,192)</u>	<u>(923,018)</u>	<u>(935,169)</u>	<u>(6,120,250)</u>
Total AMS Adjustments	<u>(991,201)</u>	<u>(943,342)</u>	<u>(666,786)</u>	<u>(816,204)</u>	<u>(863,192)</u>	<u>(924,254)</u>	<u>(935,169)</u>	<u>(6,140,148)</u>
Total Eligible Transportation Expenditures, As Adjusted	<u>\$ 445,919</u>	<u>\$ 651,298</u>	<u>\$ 577,950</u>	<u>\$ 859,786</u>	<u>\$ 996,078</u>	<u>\$ 856,186</u>	<u>\$ 1,390,272</u>	<u>\$ 5,777,489</u>

Source: Aventura General Ledgers, Audited Financial Statements, and vendor invoices

¹ The Street Maintenance Fund combines Surtax Proceeds, Local Option Gas Taxes, State Shared Revenues, Impact Fees, and Other Miscellaneous Revenues, as well as related expenditures. Surtax-related expenditures were identified by Aventura personnel.

Recommendation

Aventura should exercise greater diligence in assuring that only eligible expenditures are paid with Surtax Proceeds. OCITT should consult with the CITT and County Attorney to determine the appropriateness of recapturing \$9.7 million, which includes \$1.6 million from the prior audit period. We understand efforts are underway to possibly revise the MOE requirements.

Unspent Funds

Pursuant to *CITT Resolution No. 15-027*, approved May 20, 2015, Municipalities may retroactively roll-forward Transit and Transportation expenditures that exceed annual Surtax appropriations. As a result of this policy change, the City's unspent balance is \$1.2 million as of September 30, 2015.

Recommendation

Aventura should endeavor to reduce its unspent funds balance over the next five years.

Accounting for Surtax Funds

As shown in Schedules I and II, the City's *Street Maintenance Fund* is used to account for Transportation-related projects funded by Surtax Proceeds, Local Option Gas Taxes, State Shared Revenues, Impact Fees, and Other Miscellaneous Revenues. Therefore, City staff provided a listing of expenditures that were funded with Surtax monies to our auditors. However, supporting documents (e.g., purchase orders, invoices, etc.) did not specify the funding source. More importantly, the City was unable to provide us with a comprehensive listing that detailed the revenue source for all Fund expenditures. Without that information and level of accountability, there is a risk that the City may have used other funding sources for these expenditures.

Recommendation

Aventura should establish a separate bank account and/or sub-fund for Surtax-related transactions to enhance accountability, thereby assuring Surtax Proceeds are used solely for their intended purposes.

Reporting Requirements

Aventura submitted all required Reports, except for the annual *Certified Reports of Surtax Proceeds Expended* due November 1st. In addition, expenditure information detailed in the Quarterly Reports varied from amounts recorded in the financial records. For example, budgeted rather than actual amounts were reported. In lieu of the required Five-Year Transportation Plan, Aventura submitted its Capital Improvement Program Plan, which does not sufficiently detail in an acceptable discrete format how unspent Surtax Proceeds will be used by project.

Recommendation

All required reports should be submitted as specified in the Interlocal Agreement. OCITT should consider withholding funding if reports are consistently incomplete or delinquent.

CJ:as

Attachments

- c: Honorable Harvey A. Ruvin, Clerk of the Courts
- Abigail Price-Williams, County Attorney
- Edward Marquez, Deputy Mayor
- Alina T. Hudak, Deputy Mayor
- Jennifer Moon, Director, Office of Management and Budget
- Neil R. Singh, Acting Commission Auditor
- Eric M. Soroka, City Manager, City of Aventura

**Charter County Transportation System Surtax Review - City of Aventura
Street Maintenance Fund - Balance Sheets**

Description	As of September 30,						
	2009	2010	2011	2012	2013	2014	2015
Assets:							
Cash and Cash Equivalents, and Investments	\$ 69,362	\$ 14,644	\$ 466,739	\$ 767,186	\$ 1,551,993	\$ 2,063,245	\$ 2,717,519
Due from Other Governments	230,092	239,013	273,470	333,021	316,676	376,678	361,806
Total Assets	<u>\$ 299,454</u>	<u>\$ 253,657</u>	<u>\$ 740,209</u>	<u>\$ 1,100,207</u>	<u>\$ 1,868,669</u>	<u>\$ 2,439,923</u>	<u>\$ 3,079,325</u>
Liabilities:							
Accounts Payable	\$ 64,888	\$ 47,863	\$ 202,300	\$ 177,926	\$ 192,383	\$ 95,335	\$ 558,065
Retainage Payable	105,960	-	-	-	3,132	-	-
Due to Other Funds	-	137,826	-	-	-	-	-
Total Liabilities	<u>170,848</u>	<u>185,689</u>	<u>202,300</u>	<u>177,926</u>	<u>195,515</u>	<u>95,335</u>	<u>558,065</u>
Deferred Inflows of Resources	<u>65,000</u>	<u>65,000</u>	<u>91,100</u>	<u>110,968</u>	<u>86,537</u>	<u>131,108</u>	<u>100,000</u>
Fund Balance:							
Restricted for:							
Capital Improvements	-	-	446,809	811,313	-	-	-
Community Services	-	-	-	-	1,586,617	2,213,480	1,770,123
Unreserved	63,606	2,968	-	-	-	-	-
Assigned for Subsequent Year's Budget	-	-	-	-	-	-	651,137
Total Fund Balance	<u>63,606</u>	<u>2,968</u>	<u>446,809</u>	<u>811,313</u>	<u>1,586,617</u>	<u>2,213,480</u>	<u>2,421,260</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 299,454</u>	<u>\$ 253,657</u>	<u>\$ 740,209</u>	<u>\$ 1,100,207</u>	<u>\$ 1,868,669</u>	<u>\$ 2,439,923</u>	<u>\$ 3,079,325</u>

Source: City of Aventura Audited Financial Statements

These Financial Statements are not complete without the accompanying Opinion and Notes.

**Charter County Transportation System Surtax Review - City of Aventura
Street Maintenance Fund - Statements of Revenues, Expenditures, and Changes in Fund Balance**

Description	Fiscal Year Ended September 30,						
	2009	2010	2011	2012	2013	2014	2015
Revenues:							
Intergovernmental:							
Surtax Revenues ¹	\$ 890,408	\$ 904,570	\$ 974,341	\$ 1,193,694	\$ 1,274,339	\$ 1,370,840	\$ 1,432,975
Local Option Gas Taxes	434,341	424,148	452,846	505,938	494,030	518,491	530,695
State Shared Revenues	142,514	142,226	152,099	169,814	210,378	241,077	269,391
Joint Participation Agreement/Miami Gardens Connector	91,188	-	-	-	-	-	-
	<u>1,558,451</u>	<u>1,470,944</u>	<u>1,579,286</u>	<u>1,869,446</u>	<u>1,978,747</u>	<u>2,130,408</u>	<u>2,233,061</u>
Impact Fees/Charges for Services	-	-	170,929	20,830	494,919	71,600	81,455
Interest/Investment Income	493	44	2,181	2,768	1,485	3,803	9,589
	<u>1,558,944</u>	<u>1,470,988</u>	<u>1,752,396</u>	<u>1,893,044</u>	<u>2,475,151</u>	<u>\$ 2,205,811</u>	<u>\$ 2,324,105</u>
Expenditures:							
Community Services	711,622	1,077,116	939,630	753,233	778,001	824,199	897,996
Capital Outlay	625,505	454,510	368,925	775,307	921,846	754,749	1,218,329
	<u>1,337,127</u>	<u>1,531,626</u>	<u>1,308,555</u>	<u>1,528,540</u>	<u>1,699,847</u>	<u>1,578,948</u>	<u>2,116,325</u>
Net Change in Fund Balance	221,817	(60,638)	443,841	364,504	775,304	626,863	207,780
Fund Balance (Deficit), Beginning	(158,211)	63,606	2,968	446,809	811,313	1,586,617	2,213,480
Fund Balance, Ending	<u>\$ 63,606</u>	<u>\$ 2,968</u>	<u>\$ 446,809</u>	<u>\$ 811,313</u>	<u>\$ 1,586,617</u>	<u>\$ 2,213,480</u>	<u>\$ 2,421,260</u>

Source: City of Aventura Audited Financial Statements and General Ledgers

¹ Due to timing differences, amounts differ from those reported on Schedule IV.

These Financial Statements are not complete without the accompanying Opinion and Notes.

**Charter County Transportation System Surtax Review - City of Aventura
Surtax Proceeds Usage Analysis**

Description	Fiscal Year Ended September 30,							All Years
	2009	2010	2011	2012	2013	2014	2015	
Sources of Funds:								
Surtax Proceeds (Schedule IV)	\$ 887,089	\$ 912,935	\$ 977,774	\$ 1,213,562	\$ 1,280,248	\$ 1,385,071	\$ 1,436,028	\$ 8,092,707
Interest/Investment Income (Schedule II)	493	44	2,181	2,768	1,485	3,803	9,589	20,363
	<u>\$ 887,582</u>	<u>\$ 912,979</u>	<u>\$ 979,955</u>	<u>\$ 1,216,330</u>	<u>\$ 1,281,733</u>	<u>\$ 1,388,874</u>	<u>\$ 1,445,617</u>	<u>\$ 8,113,070</u>
Surtax Uses:								
Eligible Transit Expenditures (Table IV)	\$ 714,492	\$ 685,851	\$ 701,012	\$ 717,270	\$ 708,748	\$ 708,570	\$ 781,663	\$ 5,017,606
Eligible Transportation Expenditures (Table V)	445,919	651,298	577,950	859,786	996,078	856,186	1,390,272	5,777,489
	1,160,411	1,337,149	1,278,962	1,577,056	1,704,826	1,564,756	2,171,935	10,795,095
Less: Maintenance of Effort	(2,304,882)	(2,304,882)	(2,304,882)	(2,304,882)	(2,304,882)	(2,304,882)	(2,304,882)	(16,134,174)
Deficiency Amount	<u>\$ (1,144,471)</u>	<u>\$ (967,733)</u>	<u>\$ (1,025,920)</u>	<u>\$ (727,826)</u>	<u>\$ (600,056)</u>	<u>\$ (740,126)</u>	<u>\$ (132,947)</u>	<u>\$ (5,339,079)</u>
AMS Analysis:								
Analysis of Unspent Rollover Amounts:								
Beginning Balance, as Restated (See Schedule III-A)	\$ (1,170,084)	\$ (1,170,084)	\$ (1,170,084)	\$ (1,170,084)	\$ (1,170,084)	\$ (1,170,084)	\$ (1,170,084)	\$ (1,170,084)
Change in Unspent Amounts	-	-	-	-	-	-	-	-
Total Unspent Amount	<u>\$ (1,170,084)</u>	<u>\$ (1,170,084)</u>	<u>\$ (1,170,084)</u>	<u>\$ (1,170,084)</u>	<u>\$ (1,170,084)</u>	<u>\$ (1,170,084)</u>	<u>\$ (1,170,084)</u>	<u>\$ (1,170,084)</u>
Surtax Proceeds Subject to Recapture:								
Beginning Balance (See Schedule III-A)	\$ (1,577,884)	\$ (2,465,466)	\$ (3,378,445)	\$ (4,358,400)	\$ (5,574,730)	\$ (6,856,463)	\$ (8,245,337)	\$ (1,577,884)
Increase in Surtax Proceeds Subject to Recapture	(887,582)	(912,979)	(979,955)	(1,216,330)	(1,281,733)	(1,388,874)	(1,445,617)	(8,113,070)
Total Surtax Proceeds Subject to Recapture	<u>\$ (2,465,466)</u>	<u>\$ (3,378,445)</u>	<u>\$ (4,358,400)</u>	<u>\$ (5,574,730)</u>	<u>\$ (6,856,463)</u>	<u>\$ (8,245,337)</u>	<u>\$ (9,690,954)</u>	<u>\$ (9,690,954)</u>

**Charter County Transportation System Surtax Review - City of Aventura
Surtax Proceeds Usage Analysis, As Restated**

Description	Fiscal Year Ended September 30,						All Years
	2003	2004	2005	2006	2007	2008	
Surtax Proceeds (Schedule IV)	\$ 495,408	\$ 759,096	\$ 818,788	\$ 933,612	\$ 947,021	\$ 946,296	\$ 4,900,221
Surtax Uses:							
Eligible Transit Expenditures ¹	\$ 375,888	\$ 506,686	\$ 546,598	\$ 620,886	\$ 692,804	\$ 685,897	\$ 3,428,759
Eligible Transportation Expenditures ¹	\$ 2,459,203	\$ 1,078,307	\$ 1,121,975	\$ 1,864,893	\$ 2,272,996	\$ 2,399,214	\$ 11,196,588
Transit Expenditures Applied to Meet the Maintenance of Effort (MOE)	-	506,686	546,598	439,989	31,886	-	1,525,159
Less: MOE	(2,304,882)	(2,304,882)	(2,304,882)	(2,304,882)	(2,304,882)	(2,304,882)	(13,829,292)
Amounts Expended in Excess of (Less than) the MOE Requirement	\$ 154,321	\$ (719,889)	\$ (636,309)	\$ -	\$ -	\$ 94,332	\$ (1,107,545)
AMS Analysis:							
Transit-Related Expenditures:							
Expenditures Available for Surtax Use	\$ 375,888	\$ -	\$ -	\$ 180,897	\$ 660,918	\$ 685,897	\$ 1,903,600
Less 20% Minimum Amount	(99,082)	-	-	(186,722)	(189,404)	(189,259)	(664,467)
Amount Available (Unavailable) for Surtax Use	276,806	-	-	(5,825)	471,514	496,638	1,239,133
Amount Applied to Transportation-Related Expenditures	(276,806)	-	-	-	(465,689)	(496,638)	(1,239,133)
Remaining Unspent Amount	\$ -	\$ -	\$ -	\$ (5,825)	\$ 5,825	\$ -	\$ -
Transportation-Related Expenditures:							
Expenditures Available for Surtax Use	\$ 154,321	\$ -	\$ -	\$ -	\$ -	\$ 94,332	\$ 248,653
Excess Transit Expenditures Applied	276,806	-	-	-	465,689	496,638	1,239,133
Less Remaining 80% Amount	(396,326)	-	-	(746,890)	(757,617)	(757,037)	(2,657,870)
Total Unspent Amount, Net	\$ 34,801	\$ -	\$ -	\$ (746,890)	\$ (291,928)	\$ (166,067)	\$ (1,170,084)
Total Surtax Proceeds Subject to Recapture	\$ -	\$ (759,096)	\$ (818,788)	\$ -	\$ -	\$ -	\$ (1,577,884)

¹ See the December 8, 2009 Audit Report for additional details.

**Charter County Transportation System Surtax Review
Summary of Payments to Municipalities**

Municipality	Fiscal Year Ended September 30,													
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	All Years
City of Miami	\$ 6,905,410	\$ 10,580,915	\$ 11,208,930	\$ 12,562,541	\$ 12,855,629	\$ 12,574,719	\$ 11,545,439	\$ 11,946,673	\$ 13,113,576	\$ 13,555,331	\$ 14,564,114	\$ 15,424,405	\$ 16,414,208	\$ 163,251,890
City of Hialeah	4,382,718	6,715,483	7,014,990	7,730,686	7,656,151	7,336,976	6,672,306	6,709,589	7,117,975	7,623,497	8,118,432	8,457,199	8,983,772	94,519,774
City of Miami Beach	1,686,079	2,583,517	2,719,756	3,029,839	3,108,056	2,960,734	2,736,361	2,765,507	2,916,205	2,978,728	3,166,271	3,351,080	3,552,358	37,554,491
City of North Miami	1,136,965	1,742,129	1,805,505	1,989,253	2,004,095	1,919,328	1,759,840	1,755,291	1,836,714	1,994,866	2,107,503	2,212,494	2,328,969	24,592,952
City of Miami Gardens ⁴	-	-	-	-	-	-	-	-	-	10,352,937	3,837,951	3,985,238	4,199,539	22,375,665
City of Homestead	621,791	952,745	1,051,671	1,208,129	1,275,853	1,387,011	1,681,886	1,747,262	1,809,949	2,053,440	2,204,159	2,354,015	2,519,902	20,867,813
City of Coral Gables	810,009	1,241,148	1,298,953	1,467,752	1,480,710	1,426,754	1,302,297	1,346,817	1,429,343	1,587,452	1,685,507	1,781,041	1,897,394	18,755,177
City of North Miami Beach	799,300	1,224,740	1,267,423	1,402,019	1,366,735	1,307,355	1,195,378	1,202,159	1,260,998	1,409,058	1,493,737	1,566,354	1,659,574	17,154,830
City of Aventura	495,408	759,096	818,788	933,612	947,021	946,296	887,089	912,935	977,774	1,213,562	1,280,248	1,385,071	1,436,028	12,992,928
Town of Miami Lakes ²	460,331	705,348	737,093	822,002	822,114	876,926	760,175	774,921	810,925	996,347	1,052,533	1,095,293	1,172,205	11,086,213
Village of Palmetto Bay	459,612	704,246	745,086	824,252	823,908	807,842	734,476	740,194	789,514	794,405	841,373	879,379	930,008	10,074,295
City of Doral ⁴	-	-	-	-	-	-	-	-	-	3,642,653	1,667,049	1,767,800	1,925,900	9,003,402
City of Hialeah Gardens	373,801	572,763	604,331	676,565	681,956	657,921	598,273	615,769	659,652	737,631	780,808	816,410	859,975	8,635,855
Town of Cutler Bay ^{4,5}	-	-	-	-	-	-	-	-	-	3,886,873	1,453,608	1,541,361	1,643,660	8,525,502
Village of Pinecrest ¹	361,540	553,977	579,684	639,364	646,631	627,523	14,305	572,099	612,279	618,387	1,205,816	686,122	723,235	7,840,962
City of Sunny Isles Beach	293,299	449,411	486,866	548,772	555,020	582,250	547,355	593,184	613,819	706,920	752,852	795,768	834,090	7,759,606
City of Opa-locka ²	291,102	446,045	468,652	533,416	513,020	497,615	448,435	445,408	480,123	516,448	552,018	580,600	556,122	6,329,004
City of Miami Springs	259,738	397,985	412,534	456,196	459,353	440,937	398,334	398,681	421,632	468,600	496,146	522,095	550,052	5,682,283
City of Sweetwater ²	270,238	414,075	429,218	472,215	477,595	458,867	418,273	419,090	350,048	368,080	390,842	326,534	275,281	5,070,356
Village of Key Biscayne	202,733	310,644	333,638	369,378	379,639	368,354	333,808	339,806	358,459	418,886	443,069	461,282	489,679	4,809,375
City of South Miami	203,889	312,415	323,655	360,476	351,494	338,279	308,347	328,868	357,423	395,573	443,069	504,946	538,750	4,767,184
Miami Shores Village	197,655	302,860	313,826	346,278	348,437	335,963	301,400	313,310	340,930	345,317	368,810	384,663	408,970	4,308,419
City of Florida City	153,748	235,582	254,464	288,454	291,983	295,547	272,056	299,755	320,951	381,591	419,450	440,752	477,906	4,132,139
North Bay Village	126,762	194,231	198,770	218,913	215,921	186,169	167,474	200,385	214,742	242,190	263,374	279,848	299,797	2,808,576
City of West Miami	113,307	173,613	185,212	202,961	194,190	184,561	167,123	167,329	180,093	202,418	214,600	224,057	235,786	2,445,250
Town of Surfside	95,908	146,959	157,799	184,160	144,185	223,419	168,610	170,243	180,473	194,919	206,033	214,832	226,558	2,314,098
Town of Bay Harbor Islands	96,989	148,613	155,936	172,145	173,190	167,339	150,306	151,009	160,052	190,982	201,912	214,053	227,105	2,209,631
Village of Biscayne Park	62,045	95,070	104,750	117,666	110,586	106,676	97,167	96,222	100,460	103,670	110,094	115,264	122,506	1,342,176
Bal Harbour Village	62,707	96,085	99,550	112,832	105,834	95,526	89,285	97,016	104,292	85,278	89,667	110,690	113,983	1,262,745
Village of El Portal	47,795	73,232	76,045	84,400	84,367	82,000	73,663	73,579	77,875	78,896	83,900	87,815	88,880	1,012,447
Village of Virginia Gardens	44,592	68,325	70,576	77,979	78,619	76,184	68,729	67,579	71,151	80,594	85,654	89,044	94,354	973,380
Town of Medley	21,186	32,464	33,963	37,170	37,616	41,385	33,052	33,111	35,277	28,436	29,889	31,913	33,823	429,285
Town of Golden Beach ²	17,511	26,830	27,952	32,999	24,732	7,016	37,226	27,846	29,686	31,187	33,042	34,366	35,427	365,820
Indian Creek Village ³	625	955	931	1,093	-	-	-	-	-	-	-	-	-	3,604
	\$ 21,054,793	\$ 32,261,501	\$ 33,986,547	\$ 37,903,517	\$ 38,214,640	\$ 37,317,372	\$ 33,968,468	\$ 35,311,637	\$ 37,732,390	\$ 58,285,152	\$ 50,643,530	\$ 52,721,784	\$ 55,855,796	\$ 525,257,127

Source: Office of the Citizens' Independent Transportation Trust (OCITT) and the County's Financial Accounting Management Information System

¹ Amount in 2009 is net of \$551,589 returned by the Village of Pinecrest for their unspent Transit portion of funding as of September 30, 2007. In 2013, OCITT returned the monies to the Village.

² Amounts are net of withholdings of \$76,553 from the Town of Miami Lakes, \$703,500 from the City of Sweetwater, \$72,370 from the City of Opa-locka, and \$21,058 from the Town of Golden Beach, due to specific instances of noncompliance.

³ A total of \$22,080 has been withheld from Indian Creek Village, at their request, since Fiscal Year (FY) 2007.

⁴ Pursuant to the respective Interlocal and/or Settlement Agreements, these Municipalities, which were incorporated after November 2002, are receiving a share of the County's Surtax Proceeds consistent with the other Municipal distributions.

⁵ As per OCITT, Municipality received \$3,000 in excess of amounts due for FY 2012, which was corrected in FY 2013.

**Charter County Transportation System Surtax
City of Aventura
Status of Prior Audit Findings ¹**

Finding	Recommendation	Auditee Response	Current Status
General Fund Support			
<p>The City of Aventura (Aventura) reported \$1.4 million as its Maintenance of Effort (MOE), yet our review disclosed budgeted General Fund Transit and Transportation expenditures of \$2.3 million in Fiscal Year (FY) 2002.</p>	<p>Require Aventura to certify the corrected MOE within 30 days.</p>	<p>Aventura respectfully disagrees and requests a waiver of the following items from the MOE calculation: Bus Shelter and Benches \$250,000; Country Club Drive Improvements \$1.4 million; and NE 188th Street Lighting Improvements \$150,000.</p>	<p>Unresolved See <i>General Fund Support</i> finding on page 3 of the Audit Report.</p>
Use of Surtax Proceeds			
<p>Using the listing of claimed qualified projects provided by City Management and the corrected MOE, we determined that Aventura was unable to expend \$2.9 million on eligible Transit and Transportation-related projects.</p>	<p>Recapture the \$2.9 million or allow for rollover.</p>	<p>Aventura respectfully requests that this figure be recalculated based on Aventura's Proposed MOE.</p>	<p>Unresolved See page 6 of the Audit Report, <i>Unspent Funds</i> finding.</p>
Interest Earned on Surtax Proceeds			
<p>Aventura did not report \$17,200 in interest earnings from unspent Surtax Proceeds for the period January 1, 2003 through September 30, 2008. The Interlocal Agreement does not require annual reporting of interest earned.</p>	<p>Prospectively, OCITT should require annual reporting of interest earned from unspent Surtax Proceeds.</p>	<p>Aventura already properly records and segregates interest earned from unspent Surtax Proceeds, and ensures that such funds are used solely for eligible Transit and Transportation projects.</p>	<p>Resolved</p>
Certification and Reporting Requirements			
<p>Aventura did not submit annual reports of qualifying expenditures to the OCITT, nor the required certification reports for FYs 2004 and 2007. In addition, Aventura did not maintain separate accounts for Surtax proceeds and expenditures, as required by the Amended Interlocal Agreement.</p>	<p>Aventura should submit all required reports to the OCITT as specified in the Interlocal Agreement, and maintain separate accounts for Surtax transactions.</p>	<p>Due to personnel changes, Aventura was unable to locate the certification reports for FYs 2004 and 2007. We do believe these reports were filed timely with OCITT.</p>	<p>Partially Resolved Reporting compliance improved. See pages 6 and 7 of the Audit Report, <i>Reporting Requirements</i> finding.</p>
Signage			
<p>The Amended Interlocal Agreement requires the posting of a conspicuous sign at the job site, structure, or vehicle funded in whole, or in part, by Surtax Proceeds. We found no evidence of posting on existing construction sites or City Circulator buses.</p>	<p>Aventura should be instructed to comply with signage requirements.</p>	<p>This was an inadvertent oversight on Aventura's part, and we will prospectively comply with the signage requirements.</p>	<p>Resolved</p>

¹ For the full text, see the December 8, 2009 Audit Report and the December 11, 2009 response from Aventura.



City of Aventura

Government Center
19200 West Country Club Drive
Aventura, Florida 33180

Office of the City Manager

VIA ELECTRONIC DELIVERY: Ms. Cathy Jackson, Director CJ5680@miamidade.gov
Ms. Jacqueline Williams, Audit Manager w05@miamidade.gov

January 19, 2017

Ms. Cathy Jackson, Director
Audit and Management Services Department
Overtown Transit Village
701 NW 1st Court – Suite 8-175
Miami, FL 33136

**Re: City of Aventura's Response to Charter County Transit System Surtax (Surtax)
Review for the Seven Years Ended September 30, 2015**

Dear Ms. Jackson:

Please be advised that the City of Aventura (the "City") has received your audit report dated December 16, 2016 for the seven years ended September 30, 2015. In response, we have prepared this letter for further consideration by Charles D. Scurr, Executive Director of the Office of the Citizens' Independent Transportation Trust ("OCITT"). As you are aware, the City has been and will continue to work in a cooperative spirit with both your staff and OCITT's to resolve any issues that may have been identified as a result of this audit. This letter addresses the following issues that we believe significantly impact your findings:

- Maintenance of Effort ("MOE") – Ongoing Appeal
- Suggested Recalculated MOE Amount
- Inequity of MOE Calculation
- Responses to Your Findings and Recommendations

MOE – Ongoing Appeal

As you are aware, the unique MOE dilemma that the City finds itself in is nothing new and dates back as early as July 23, 2004 ("Exhibit A"). The Original MOE calculation (as determined by your first audit report on December 8, 2009) included three (3) capital project amounts that we believe should be specifically excluded. Those amounts and our reasoning are outlined below under the section labeled **Suggested Recalculated MOE Amount**.

Please be advised that after the completion of the first audit dated December 8, 2009, City and OCITT staff met and discussed at length our MOE issue. As a result of that meeting, the City was under the impression that the MOE had been "administratively" adjusted (rounded) to

\$904,000, (\$2,304,882 less \$1,400,000 [Country Club Drive Improvements] = \$904,882) and thus has been using that figure for purposes of our quarterly reports and Annual Certification since that time. It wasn't until the beginning of fieldwork for the second audit, that it was brought to our attention by your staff that the MOE had never been administratively adjusted and therefore the City was still being held to the disputed amount of \$2,304,882. Even though we made it clear in all of our subsequent correspondence to OCITT that we were using the revised MOE of \$904,000 on our reports, no one from OCITT ever indicated that we should not have been doing so.

As you are aware, after receiving your second audit draft report on July 25, 2016, City and OCITT staff met again on August 18 and 29, 2016 and held a telephone conference call on September 22, 2016 in order to continue to try and resolve our MOE issue. OCITT staff was very cooperative and appeared to have a good understanding of our complex MOE issue. Although our original goal was to bring the issue to the Trust Audit Committee for resolution, it became apparent after our September 22nd conference call that this option was not viable and that the best approach would be to seek legislative changes in the form of an amendment to County Ordinance No. 02-116 that would hopefully resolve the issue. As you can imagine, this is not an easy task and will require input from several parties prior to its completion and submission for consideration.

On December 23, 2016, OCITT's Executive Director sent an email to all of the participating cities' Managers and Municipal Transportation Directors inviting them to a Municipal Workshop that will take place on Friday, January 27, 2017 from 9 AM to 12 noon at the HistoryMiami Museum in Downtown Miami to bring us up to date on CITT matters and to also focus on two (2) areas one (1) of which includes:

The following paragraph is an excerpt from that email:

- **“Potential Amendments to the CITT Ordinance** – It has been several years since the Ordinance governing the CITT has been amended. The Trust is considering advancing a number of modifications but would like to gain your input before initiating the process. A number of cities have made suggestions on possible changes to the Ordinance. These include allowing technology based applications for a first mile-last mile solution, providing for additional flexibility on senior demand response systems and **providing for unique circumstance MOE flexibility.**”

It is clear that through our discussions and by way of the email excerpt above that OCITT staff is well aware of the City's unique MOE issue and circumstances. The City has been and is continuing to work in a collaborative effort with OCITT staff to come up with an equitable solution to both parties. As a result, the City respectfully requests that the results of this audit be held in abeyance and that no action be taken until the City has an opportunity to work with the County towards making legislative changes that would resolve our MOE issue.

Suggested Recalculated MOE Amount

As mentioned earlier, the Original MOE of \$2,308,882 includes three (3) capital project amounts that we believe should be specifically excluded:

1. Country Club Drive Improvements – \$1,400,000

2. Bus Shelters and Benches – \$250,000
3. NE 188th Street Lighting Improvements – \$150,000

Country Club Drive Improvements – \$1,400,000

Although this amount had been disputed by the City since July 23, 2004 (“Exhibit A”), it does not appear that a formal response from OCITT was ever received. This \$1,400,000 capital project was part of the FY 2001/02 Budget and was substantially completed during FY 2002/03. It was specifically budgeted in our General Fund capital outlay department/division (8050) and was part of our 2001/02 – 2005/06 Capital Improvement Program. This was a one-time capital project and was never designed to be an ongoing operational maintenance cost to the City regardless of the funding source. Accordingly, the City recommends excluding this amount from the MOE calculation.

Furthermore this capital project was not complete as of September 30, 2002. Due to the nature and complexity of this project, the only costs that were incurred during FY 2001/02 were related to engineering costs. Since this project was not related to ongoing operational maintenance and was capital in nature, it was reappropriated in FY 2002/03 in the amount of \$1,400,000 through Ordinance 2003-03 (“Exhibit B”).

Bus Shelters and Benches – \$250,000 (a similar bus shelter is pictured below)

This \$250,000 capital project was part of the FY 2001/02 Budget. It was specifically budgeted in our General Fund capital outlay department/division (8050) and was part of our 2001/02 – 2005/06 Capital Improvement Program.

The City has 19 Bus Shelters located throughout its municipal boundaries which were constructed at various times and have become part of our infrastructure due to their relative high cost, complex design and permanence (25 year useful life). These shelters are significant structures that are designed by engineers in order to meet all applicable Florida Building Code requirements. Due to their relatively high cost, the City has opted to include them on our property insurance schedule along with our other City facilities. Accordingly, the City recommends excluding this amount from the MOE calculation.





NE 188th Street Lighting Improvements – \$150,000

This \$150,000 capital project was part of the FY 2001/02 Budget. It was specifically budgeted in our General Fund capital outlay department/division (8050) and was part of our 2001/02 – 2005/06 Capital Improvement Program. Street lights are part of our infrastructure due to their relative high cost, complex design and permanence (25 year useful life). Accordingly, the City recommends excluding this amount from the MOE calculation.

In order to facilitate and simplify the budgeting process, the City utilizes a unique but acceptable budgeting practice of traditionally budgeting its capital expenditures within a separate “Capital Outlay” department/division of the General Fund. In the past, revenues from other funds have been transferred into the General Fund to support these capital projects instead of splitting the cost(s) among multiple funds.

Many organizations utilize Capital Projects Funds to budget and record transactions for similar capital projects. The reality is that if the City had budgeted these capital projects in a Capital Projects Fund instead of the General Fund, they would never have been considered for purposes of the MOE calculation. This is a case of “Form over Substance” as no matter where the items were budgeted they are non-recurring, non-operational maintenance capital expenditures that we believe should not be considered as part of the original level of General Fund support as they were clearly separated from the other operating department/divisions. All of these projects were one-time capital projects that were never designed to be part of our ongoing operational costs to the City regardless of the funding source.

As a result of the explanation above, the City believes that all three (3) capital projects should be removed from the Original MOE calculation, thus reducing it from \$2,304,882 to \$504,882 and that the revised figure should be implemented retroactively to the program’s inception. We believe that if the recalculated MOE figure was used since inception, many of the findings outlined in the first and second audits would no longer be applicable or at the very least, significantly mitigated.

The Table below is referenced in first audit dated December 8, 2009.

**Table II (As Determined by Auditors)
FY 2002 General Fund MOE**

Description	Budget	Actual
Transit-Related:		
Circulator Operations	\$ 280,000	\$ 304,052
Bus Shelter and Benches	250,000	213,677
Transit-Related MOE	530,000	517,729
Transportation-Related:		
Country Club Drive Improvements	1,400,000	240,635
NE 188th Street Lighting Improvements	150,000	148,506
Street Lighting Utilities	85,000	107,394
Street Maintenance	81,956	87,160
Engineering and Professional Services	30,465	61,330
Street Repairs & Maintenance	27,461	78,753
Transportation-Related MOE	1,774,882	723,778
Total MOE	\$ 2,304,882	\$ 1,241,507

Source: City of Aventura FY2002 Budget and General Ledger

**Table II (As Proposed by City)
FY 2002 General Fund MOE**

Description	Budget	Actual
Transit-Related:		
Circulator Operations	\$ 280,000	\$ 304,052
Transit-Related MOE	\$ 280,000	\$ 304,052
Transportation-Related:		
Street Lighting Utilities	85,000	107,394
Street Maintenance	81,956	87,160
Engineering and Professional Services	30,465	61,330
Street Repairs & Maintenance	27,461	78,753
Transportation-Related MOE	224,882	334,637
Total MOE	\$ 504,882	\$ 638,689

Source: City of Aventura FY2002 Budget and General Ledger

Inequity of MOE Calculation

When comparing the City's MOE to that of the other participating municipalities, it is readily apparent that our MOE is significantly disproportionate when taking the size of our budget, population and Surtax revenue into consideration ("Exhibit C"). Due to the inclusion of the three (3) capital projects, our MOE is currently maintained at an artificially exorbitant amount – one that cannot be sustained. **Our MOE is currently 150% of the total Surtax funds that we are projected to receive.** Based on our analysis, it does not appear that most other cities are even close to having this type of ratio. Furthermore the newly participating cities of Cutler Bay, Doral and Miami Gardens all receive higher Surtax distributions than the City but none of them are required to have an MOE.

This inequity makes it extremely difficult and financially challenging for the City to (year after year) spend sufficient funds on qualified expenditures that allow us to meet the current artificially high MOE. Our City plans and conducts its financial operations in a very responsible and progressive manner and will not spend unnecessary funds in order to receive additional funds. We do not believe that the calculation is equitable or representative of what the spirit of the Surtax Program is designed to accomplish.

This inequity issue has been raised before and was addressed at the September 30, 2004 CITT meeting. The following is an excerpt from the summary of minutes taken at that meeting.

“Lastly, Mr. Morse discussed his concerns about the Municipal Compliance Action Plan. The People’s Transportation Plan Ordinance required that a municipality’s share of surtax proceeds be used only to supplement, not replace, its general fund support for transportation projects at the time the surtax was approved. However, several municipalities have a zero baseline of general fund support for transportation because they had been using special funds, traffic citation revenues, etc., for transportations projects rather than the general fund. At the September 20, 2004, External Affairs Committee meeting, Members discussed the possibility of recommending modifications to the PTP Ordinance. Mr. Bruce Libhaber, Assistant County Attorney stated that the Ordinance, I as well as the Interlocal Agreements specifically requires a maintenance of effort of general revenue support, in addition to specific line items dedicated to transportation or transportation departments. Additionally, the Ordinance specifies that fiscal year 2001-2002 is the baseline year and some municipalities had unusually low or high levels of spending for transportation projects that year. Members agreed the External Affairs Committee should continue to review the issue.”

Accordingly, we respectfully request that you address this inequity by supporting an amendment to County Ordinance No. 02-116 that will allow us to reduce our MOE to a reasonable and comparable level.

Responses to Your Findings and Recommendations

The following items are in response to your recommendations made in the current report.

It is clear that through our discussions and by way of the email excerpt (found on page 2) that OCITT staff is well aware of the City’s unique MOE issue and circumstances. The City has been and is continuing to work in a collaborative effort with OCITT staff to come up with an equitable solution to both parties. As a result, the City respectfully requests that the results of this audit be held in abeyance and that no action be taken until the City has an opportunity to work with the County towards making legislative changes that would resolve our MOE issue.

Recommendation #1

Aventura should certify the \$2.3 million MOE within 30 days.

Response

The City continues to respectfully disagree with the inclusion of the three (3) capital projects that are included in the current \$2.3 million MOE (see section above labeled **Suggested Recalculated MOE Amount**).

In light of the above explanation, the City respectfully requests the removal of these three (3) **highlighted** items from the MOE calculation found on page 5, thus reducing the MOE from \$2,304,882 to \$504,882. The City believes that if the MOE were adjusted as proposed by the

City, this finding and others to follow, would no longer be applicable or at the very least severely mitigated. See **highlighted** paragraph on page 6 for additional information.

Recommendation #2

Aventura should exercise greater diligence in assuring that only eligible expenditures are paid with Surtax Proceeds. OCITT should consult with the County Attorney to determine whether the \$9.7 must be recaptured.

Response

The City exercises great care and diligence in the expenditure of its funds and is committed to planning and conducting the City's financial operations in a responsible and progressive manner. We have and will continue to review and enhance our processes (where possible) to ensure that we operate in a highly efficient and effective manner and to ensure that only eligible expenditures are paid with Surtax Proceeds. In addition, the City respectfully requests that this figure be recalculated based on the City's Proposed MOE calculation as determined on page 5. See **highlighted** paragraph on page 6 for additional information.

Recommendation #3

As previously recommended, OCITT should consult with the County Attorney to determine whether the \$9.7 million must be recaptured.

Response

See **highlighted** paragraph on page 6 for additional information.

Recommendation #4

Aventura should establish a separate bank account and/or sub-fund for Surtax-related transactions to enhance accountability, thereby assuring Surtax Proceeds are used solely for their intended purposes.

Response

The City concurs with the recommendation and plans on implementing such a plan during FY 2017-18 for the sole purpose of tracking Surtax related transactions thus enhancing overall accountability.

Recommendation #5

All required reports should be submitted as specified in the Interlocal Agreement. OCITT should consider withholding funding if reports are incomplete or delinquent.

Response

The City takes great pride in furnishing the reports that are required under the Interlocal Agreement in a timely manner and believes that it is currently in compliance with such reporting requirements. See **highlighted** paragraph on page 6 for additional information.

The City would like to extend our sincere appreciation for the Office of the Citizens' Independent Transportation Trust's consideration of our written responses. If you should require any further information regarding this submission, please contact, Brian K. Raducci, Finance Director at (305) 466-8920.

Sincerely,



Eric M. Soroka
ICMA-CM, City Manager

Cc: David M. Wolpin, City Attorney
Mitchell A. Bierman, City Attorney
Brian K. Raducci, Finance Director

Exhibit A



City of Aventura

Government Center
19200 West Country Club Drive
Aventura, Florida 33180

Exhibit A

July 23, 2004

JEFFREY M. PERLOW
MAYOR

COMMISSIONERS
ZEV AUERBACH
JAY R. BESKIN
KEN COHEN
BOB DIAMOND
HARRY HOLZBERG
MANNY GROSSMAN

ERIC M. SOROKA
CITY MANAGER

Mr. Nestor Toledo
Citizens Independent Transportation Trust
111 N.W. 1st Street
Miami, Florida 33128-1994

Re: 2001/02 thru 2003/04 Transportation Expenditures

Dear Mr. Toledo:

As we discussed earlier today, I am providing you with copies of the 2001/02, 2002/03 and 2003/04 budgets as adopted by the City of Aventura City Commission.

Also, I am providing a worksheet which shows the page numbers where transportation expenditures are included for each year. The worksheet also reflects actual expenditures for 2001/02 and 2002/03 fiscal years. From this analysis it is apparent that the Country Club Drive Improvement project was a multiple year project, which was included in the 2001/02 budget but which was substantially completed during the 2002/03 fiscal year. Eric Soroka, City Manager and I do not believe that this project should be included in the 2001/02 fiscal year for the establishment of maintenance of effort yardstick for General Fund transportation expenditures.

I will be happy to discuss this matter with you once you have had the opportunity to review the budgets and worksheets. Please call me at (305) 466-8920.

Sincerely,

Harry M. Kilgore
Finance Support Services Director

HMK/mn

CITY OF AVENTURA
 TABULATION OF TRANSPORTATION BUDGET ITEMS
 2001/02 THRU 2003/04 FISCAL YEARS


Acct no.		2001/02 BUDGET PAGE NO.	AMOUNT	2001/02 ACTUAL	2002/03 BUDGET PAGE NO.	AMOUNT	2002/03 ACTUAL	2003/04 BUDGET PAGE NO.	AMOUNT
001-5001-539-	GENERAL FUND								
	OPERATING EXPENDITURES								
	OTHER CONTRACTUAL SERVICES								
	3450 LANDSCAPE/TREE MAINT-STREETS	59	1,265,000	1,413,880	58	1,400,000	1,559,576	54	1,550,000
	3451 BEAUTIFICATION/SIGNAGE	59	33,500	63,718	58	55,000	63,086	54	55,000
	3455 TRANSPORTATION SERVICES	59	280,000	304,052	58	300,000	300,296	54	283,000
	OTHER CHARGES FOR SERVICES								
	4311 UTILITIES/STREET LIGHTING	59	85,000	107,394	58	95,000	159,457	54	100,000
	4320 UTILITIES/WATER/STREETS (1/2 TOTAL	59	65,000	132,447	58	72,500	163,764	54	77,500
	4591 R & M STREETS	60	30,000	86,034	59	45,000	107,375	54	65,000
	TOTAL GEN. FUND OPERATING EXP		1,758,500	2,107,525		1,967,500	2,353,554		2,130,500
001-8050-541-	CAPITAL OUTLAY								
	6302 WALKWAY/SIDEWALKS	67	10,000	12,307					
	6303 SAFETY IMPROVEMENTS		-	62,645					
	6304 BUS SHELTERS/BENCHES	67	250,000	213,677	66	30,000	29,051		
	6305 ROAD RESURFACING		-	42,164					
	6307 LIGHTING IMPROVEMENTS		-	151,271				62	35,110
	6314 190 ST		-	1,123			129,304		
	6316 COUNTRY CLUB DR. IMPROVEMENTS	67	1,400,000	93,735			1,682,171		
	6317 188 ST LIGHTING IMPROVEMENTS	67	150,000						
	TOTAL GENERAL FUND CAPITAL		1,810,000	576,922		30,000	1,840,526		35,110
	TOTAL GENERAL FUND		3,568,500	2,684,447		1,997,500	4,194,080		2,165,610
120-5001-541-	TRANSPORTATION & STREET MAINTENANCE FUND								
	3455 BUS SERVICE		-		AMDT	70,000	70,000	69	194,000
	6307 LIGHTING IMPROVEMENTS							69	259,890
	6316 COUNTRY CLUB DR. IMPROVEMENTS				AMDT	280,000	280,000		
	6341 TRANSPORTATION IMPROVEMENTS						434	69	281,000
	TOTAL TRANS. & STREET MAINT. FUND		-			350,000	350,434		734,890
	TOTAL ALL TRANSPORTATION EXP.		3,568,500	2,684,447		2,347,500	4,544,514		2,900,500

Exhibit B

CITY OF AVENTURA
OFFICE OF THE CITY MANAGER

MEMORANDUM

TO: City Commission

FROM: Eric M. Soroka, ICMA-CM, City Manager 

DATE: December 16, 2002

SUBJECT: **Ordinance Amending 2002/03 FY Budget to Revise Fund 120 –
 Transportation and Street Maintenance Fund and Reappropriate
 Capital Projects**

1st Reading January 7, 2003 City Commission Meeting Agenda Item 64
 2nd Reading February 4, 2003 City Commission Meeting Agenda Item _____

RECOMMENDATION

It is recommended that attached budget amendment for 2002/03 FY be adopted by the City Commission to amend Fund 120 to revise the title of the Fund to account for new revenues and expenditures associated with the recently passed County Transit System Surtax of ½ % sales tax increase for transportation and to reappropriate two capital projects from the prior fiscal year.

BACKGROUND

A. Transportation and Street Maintenance Fund

As you are aware, this past November the voters approved a ½ % sales tax increase to fund transportation improvements. The tax will be in effect on January 1, 2003. As part of the People's Transportation Program, the cities in Miami-Dade County will receive 20% of the proceeds for transit enhancement projects. It is estimated that the City of Aventura will receive \$735,248 annually. However, for this fiscal year, the proceeds are estimated to be \$350,000 based on half-year implementation.

Based on the fact that the proceeds are restricted to certain transportation expenses, the revenues and expenditures will be accounted for in the newly revised Fund 120 entitled "Transportation and Street Maintenance Fund", formally entitled "Street Maintenance Fund". Furthermore, 20% of the City's share must be used for transit such as bus services, bus pullout bays, shelters and any other transit-related infrastructure. The funds can only be

utilized for new programs and capital projects beyond those previously funded in FY 2001/02.

It is proposed that the \$350,000 be budgeted as follows:

- a. Enhance transit services beyond levels set in the 2001/02 budget. This would fund the increase in the new bus service bid along with increase in services scheduled during the year - \$70,000.
- b. Partially fund Country Club Drive road resurfacing and street lighting - \$280,000.

B. Reappropriate Capital Projects

In addition, the following capital projects that were not completed in 2001/02 should be reappropriated in this fiscal year.

1. General Fund – Country Club Drive Improvements - \$1,400,000.
2. 2000 Construction Loan Fund – Waterways Park Land Acquisition \$4,000,000.

If you have any questions, please feel free to contact me.

EMS/aca

Attachment

CC01139-02

ORDINANCE NO. 2003-03

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF AVENTURA, FLORIDA, AMENDING ORDINANCE NO. 2002-24 WHICH ORDINANCE ADOPTED A BUDGET FOR THE 2002/2003 FISCAL YEAR BY REVISING THE 2002/2003 FISCAL YEAR OPERATING AND CAPITAL BUDGET AS OUTLINED IN EXHIBITS "A" AND "B" ATTACHED HERETO; AUTHORIZING THE CITY MANAGER TO DO ALL THINGS NECESSARY TO CARRY OUT THE AIMS OF THIS ORDINANCE; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, upon the periodic review and analysis of current budgetary commitments and obligations, and based upon the projected needs and requirements of the City and upon the recommendations of the City Manager (and the concurrence of the Finance Support Services Director as to Accounting Principles), it is deemed necessary to adjust, amend and implement the 2002/2003 Operating and Capital Budget as set forth in Exhibits "A" and "B" attached hereto and made a part hereof.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF AVENTURA, FLORIDA, AS FOLLOWS:

Section 1. The recitals contained in the preamble to this Ordinance are incorporated by reference herein.

Section 2. The City Commission hereby authorizes the amendment of Ordinance No. 2002-24, which Ordinance adopted a budget for the 2002/2003 fiscal year, by revising the 2002/2003 budget as set forth on the attached Exhibits "A" and "B", which exhibits are deemed incorporated by reference as though set forth in full herein.

Section 3. The "Street Maintenance Fund 120" is hereby replaced by the "Transportation and Street Maintenance Fund 120" as outlined in Exhibit "A".

Section 4. The City Manager is hereby authorized to do all things necessary to carry out the aims of this Ordinance.

Section 5. Effective Date. This Ordinance shall be effective immediately upon adoption on second reading.

The foregoing Ordinance was offered by Commissioner Rogers-Libert, who moved its adoption on first reading. This motion was seconded by Commissioner Beskin, and upon being put to a vote, the vote was as follows:

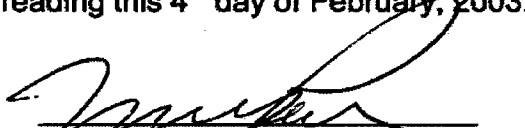
Commissioner Arthur Berger	yes
Commissioner Jay R. Beskin	yes
Commissioner Ken Cohen	yes
Commissioner Manny Grossman	yes
Commissioner Patricia Rogers-Libert	yes
Vice Mayor Harry Holzberg	yes
Mayor Jeffrey M. Perlow	yes

The foregoing Ordinance was offered by Commissioner Rogers-Libert, who moved its adoption on second reading. This motion was seconded by Commissioner Berger and upon being put to a vote, the vote was as follows:

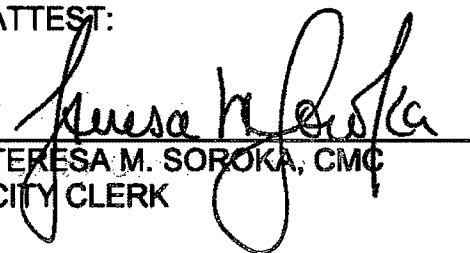
Commissioner Arthur Berger	yes
Commissioner Jay R. Beskin	yes
Commissioner Ken Cohen	yes
Commissioner Manny Grossman	yes
Commissioner Patricia Rogers-Libert	yes
Vice Mayor Harry Holzberg	yes
Mayor Jeffrey M. Perlow	yes

PASSED AND ADOPTED on first reading this 7th day of January, 2003.

PASSED AND ADOPTED on second reading this 4th day of February, 2003.


JEFFREY M. PERLOW, MAYOR

ATTEST:


TERESA M. SOROKA, CMC
CITY CLERK

APPROVED AS TO LEGAL SUFFICIENCY:


CITY ATTORNEY

Commissioner Anne Berger	yes
Commissioner Jay Richardson	yes
Commissioner Ken Cohen	yes
Commissioner Mary Grammon	yes
Commissioner Patricia Rogers-Lum	yes
Vice Mayor Harry Holzberg	yes
Mayor Jeffrey M. Perlow	yes

Exhibit "A"

CITY OF AVENTURA

TRANSPORTATION AND STREET MAINTENANCE FUND 120

CATEGORY SUMMARY

2002/03

FUND DESCRIPTION

This fund was established to account for restricted revenues and expenditures which by State Statute and County Transit System Surtax Ordinance are designated for transportation enhancements, street maintenance and construction costs. Expenditures will either be accounted for in the General Fund by designating specific expenditure accounts in the Community Services Department and the Capital Improvement Program or in this fund by designating specific Capital projects.

REVENUE PROJECTIONS

OBJECT CODE	CATEGORY	1999/00	2000/01	2001/02	2002/03	2002/03
		ACTUAL REVENUE	ACTUAL REVENUE	APPROVED CITY MANAGER BUDGET	COMMISSION PROPOSAL	COMMISSION APPROVAL
310000/319999	Locally Levied Taxes	0	0	0	0	0
320000/329999	Licenses & Permits	0	0	0	0	0
330000/339999	Intergovernmental Rev.	499,288	517,664	632,000	896,000	896,000
340000/349999	Charges for Services	0	0	0	0	0
350000/359999	Fines & Forfeitures	0	0	0	0	0
360000/369999	Misc. Revenues	9,778	16,689	7,500	7,500	7,500
380000/389999	Transfer from Funds	0	0	0	0	0
399900/399999	Fund Balance	133,314	239,881	190,000	20,000	20,000
TOTAL AVAILABLE		\$ 642,380	\$ 773,224	\$ 729,500	\$ 923,500	\$ 923,500

EXPENDITURES

OBJECT CODE NO.	CATEGORY/RECAP	1999/00	2000/01	2001/02	2002/03	2002/03
		ACTUAL	ACTUAL	APPROVED CITY MANAGER BUDGET	COMMISSION PROPOSAL	COMMISSION APPROVAL
1000/2999	Personal Services	0	0	0	0	0
3000/3999	Contractual Services	0	0	0	0	0
4000/4999	Other Charges/Svcs	0	0	0	0	0
5000/5399	Commodities	0	0	0	0	0
6400/5999	Other Operating Exp.	0	0	0	0	0
TOTAL OPERATING EXPENSES		\$ -	\$ -	\$ -	\$ -	\$ -
6000/6999	Capital Outlay	0	0	0	280,000	280,000
9000/9999	Transfers	372,000	663,000	729,500	573,000	573,000
TOTAL EXPENDITURES		\$ 372,000	\$ 663,000	\$ 729,500	\$ 853,000	\$ 853,000

CITY OF AVENTURA

TRANSPORTATION AND STREET MAINTENANCE FUND 120

2002/03

REVENUE PROJECTIONS

OBJECT CODE	CATEGORY	1999/00 ACTUAL REVENUE	2000/01 ACTUAL REVENUE	2001/02 APPROVED CITY MANAGER BUDGET	2002/03 PROPOSAL	2002/03 COMMISSION APPROVAL
<u>Intergovernmental Revenues</u>						
3351200	State Revenue Sharing	\$ 116,114	\$ 113,147	\$ 115,000	\$ 115,000	\$ 115,000
3353001	Local Option Cap. Impr. Gas Tax	113,971	119,998	127,000	130,000	130,000
3353010	Local Option Gas Tax	269,203	284,509	290,000	301,000	301,000
	County Transit System Surtax	0	0	0	350,000	350,000
	Total	\$ 499,288	\$ 517,654	\$ 532,000	\$ 596,000	\$ 596,000
<u>Misc. Revenues</u>						
3611000	Interest Earnings	\$ 9,778	\$ 15,689	\$ 7,500	\$ 7,500	\$ 7,500
	Total	\$ 9,778	\$ 15,689	\$ 7,500	\$ 7,500	\$ 7,500
<u>Non -Revenue</u>						
3999000	Carryover	\$ 133,314	\$ 239,881	\$ 190,000	\$ 20,000	\$ 20,000
	Total	\$ 133,314	\$ 239,881	\$ 190,000	\$ 20,000	\$ 20,000
	TOTAL AVAILABLE	\$ 642,390	\$ 773,224	\$ 729,500	\$ 923,500	\$ 923,500

CITY OF AVENTURA

TRANSPORTATION AND STREET MAINTENANCE FUND 120

EXPENDITURES

OBJECT CODE	CATEGORY	1999/00	2000/01	2001/02	2002/03	2002/03
		ACTUAL REVENUE	ACTUAL REVENUE	APPROVED CITY MANAGER BUDGET	COMMISSION PROPOSAL	COMMISSION APPROVAL
OPERATING						
<u>Community Services - 50-572</u>						
3455	Enhanced Transit Services	0	0	0	70,000	70,000
CAPITAL OUTLAY						
<u>Community Services - 50-572</u>						
6316	Country Club Drive Improvements				\$ 280,000	\$ 280,000
TRANSFERS						
9117	Transfer to General Fund	\$ 372,000	\$ 563,000	\$ 729,500	573,000	573,000
TOTAL		\$ 372,000	\$ 563,000	\$ 729,500	\$ 923,000	\$ 923,000

REVENUE PROJECTION RATIONALE

3351200 State Revenue Proceeds - Revenue received in this category represents a portion of the total State Revenue Sharing Funds. Their source is the motor fuel tax and is restricted to road construction and maintenance. Based on information from the State, it is anticipated that \$115,000 will be received in the upcoming fiscal year.

3353001/ Local Option Gas Tax - The County has adopted two phases of the local option gas tax. The first phase is six cents per gallon on fuel and is collected by the State's Department of Revenue and remitted monthly based on a formula which provides a weight of 75% to population and 25% to center line mileage in each city. These funds must be used for transportation related expenditures. The second phase must be used for transportation expenditures needed to meet the requirements of the capital improvements elements of an adopted comprehensive plan.

County Transit System Surtax - County voters approved a 1/2 percent sales tax increase for transportation needs that goes into effect January 2003. As provided by County Ordinance the cities receive 20% of the proceeds based upon population. Based on information provided by the County is anticipated

EXPENDITURE

3455 Enhanced Transit Services - Funds will be used to fund required 20% of County Transit System Surtax for enhanced public bus transportation system beyond levels set in the 2001/02 budget.

6316 Country Club Drive Improvements - Funds will be used to assist in funding the improvements which include resurfacing, curbing, street lighting, landscaping and irrigation.

9101 Transfer To General Fund - After the budget is reviewed, specific expenditure accounts in the Community Services Department and the Capital Improvement Program will be designated as funded from this fund. Although we will account for these expenditures within the General Fund, transfers will be made once per month from the Street Construction and Maintenance Fund to the General Fund to reimburse the General Fund for actual expenditures made from these designated expenditure accounts.

Exhibit "B"

Budget Amendments
2000 Loan Construction Fund 340

OBJECT CODE	CATEGORY	2002/03 ADOPTED BUDGET	2002/03 AMENDED AMOUNT	2002/03 REVISED BUDGET
Revenues				
	<u>Non -Revenue</u>			
3999000	Carryover	0	4,000,000	4,000,000
	SUBTOTAL	\$ 0	\$ 4,000,000	\$ 4,000,000

Expenditures

	<u>Community Services</u>			
6203	Waterways Park	-	4,000,000	4,000,000
	SUBTOTAL	\$ -	\$ 4,000,000	\$ 4,000,000

Total Amendments-

\$4,000,000

GENERAL FUND 001

OBJECT CODE	CATEGORY	2002/03 ADOPTED BUDGET	2002/03 AMENDED AMOUNT	2002/03 REVISED BUDGET
Revenues				
	<u>Non -Revenue</u>			
3999000	Carryover	7,500,000	1,400,000	8,900,000
	SUBTOTAL	\$ 7,500,000	\$ 1,400,000	\$ 8,900,000

Expenditures

	<u>Community Services</u>			
6316	Country Club Drive Improv	-	1,400,000	1,400,000
	SUBTOTAL	\$ -	\$ 1,400,000	\$ 1,400,000

Total Amendments-

\$1,400,000

Exhibit C

Request for Payment of Municipal Surtax Proceeds

Estimated Municipal Transportation Surtax Funds Distribution
Projected for FY 2016/17

Amount ⁽⁵⁾
\$ 262,000,000

Payment for Month(s): September 2016

Municipality	Current Amount	MOE Requirement	MOE as a % of Annual Projection	Population	% Population ⁽⁶⁾	20%	20%	80%
				Apr-15		\$ 52,400,000	Transit Share	Transportation Share
Indian Creek	\$ -	\$ -	0%	86	0.007%	\$ 3,531	\$ 706	\$ 2,825
Medley	3,257	34,000	99%	836	0.066%	34,328	6,866	27,463
Golden Beach	3,477	38,000	100%	928	0.073%	38,106	7,621	30,485
El Portal ⁽¹⁾	-	7,000	8%	2,264	0.177%	92,966	18,593	74,373
Virginia Gardens	9,101	11,295	11%	2,416	0.189%	99,207	19,841	79,366
Bal Harbour Village	10,826	324,785	285%	2,778	0.218%	114,072	22,814	91,258
Biscayne Park	11,907	209,064	162%	3,147	0.247%	129,224	25,845	103,379
Bay Harbor Islands	21,937	213,648	94%	5,552	0.435%	227,980	45,596	182,384
Surfside	21,698	190,183	81%	5,703	0.447%	234,180	46,836	187,344
West Miami	22,798	61,000	25%	6,018	0.472%	247,115	49,423	197,692
North Bay Village	29,771	55,234	16%	8,178	0.641%	335,810	67,162	268,648
Miami Shores	39,680	240,963	56%	10,489	0.822%	430,706	86,141	344,565
Florida City	47,135	165,000	32%	12,577	0.986%	516,444	103,289	413,156
Key Biscayne	47,495	85,752	16%	12,684	0.994%	520,838	104,168	416,671
South Miami	51,658	115,668	21%	13,656	1.070%	560,751	112,150	448,601
Miami Springs	53,190	218,678	38%	14,089	1.104%	578,531	115,706	462,825
Sweetwater ⁽⁴⁾	23,326	129,095	22%	14,247	1.116%	585,019	117,004	468,015
Opa-Locka ⁽³⁾	-	254,705	35%	17,528	1.374%	719,745	143,949	575,796
Pinecrest	69,784	103,361	14%	18,408	1.443%	755,881	151,176	604,704
Sunny Isles Beach	82,279	129,926	15%	21,592	1.692%	886,624	177,325	709,299
Hialeah Gardens	85,563	42,500	5%	22,997	1.802%	944,317	188,863	755,454
Palmetto Bay	90,125	-	0%	23,843	1.868%	979,056	195,811	783,245
Miami Lakes	114,371	322,102	26%	30,209	2.367%	1,240,460	248,092	992,368
Aventura	141,298	2,304,882	150%	37,473	2.937%	1,538,739	307,748	1,230,991
North Miami Beach	163,917	847,476	47%	43,533	3.411%	1,787,579	357,516	1,430,063
Coral Gables	184,974	2,333,362	115%	49,397	3.871%	2,028,370	405,674	1,622,696
North Miami	232,109	1,199,875	47%	61,678	4.833%	2,532,660	506,532	2,026,128
Homestead	252,494	1,219,161	43%	69,533	5.449%	2,855,207	571,041	2,284,165
Miami Beach	347,120	2,900,000	77%	91,714	7.187%	3,766,016	753,203	3,012,813
Hialeah	874,167	127,049	1%	233,038	18.262%	9,569,149	1,913,830	7,655,319
Miami ⁽²⁾	1,531,384	4,718,932	26%	439,509	34.442%	18,047,388	3,609,478	14,437,910
PER CAPITA AMOUNT						\$ 41.06		
Cutler Bay	162,844	-	0%	44,109		1,811,231		
Doral	200,555	-	0%	55,660		2,285,545		
Miami Gardens	410,143	-	0%	109,951		4,514,875		
Total	\$ 5,340,383					\$ 8,611,651		
Tickmark Legend:		Municipal Participation		1,276,100	100.000%	52,400,000	10,480,000	41,920,000
⁽¹⁾ Withheld \$8,562 from El Portal		New Cities		209,720				
⁽²⁾ Withheld \$92,000 from Miami		Annexations**		7,657				
⁽³⁾ Withheld \$63,982 from Opa-Locka		Unincorporated		1,160,457				
⁽⁴⁾ Withheld \$29,000 from Sweetwater		Total Miami-Dade		2,653,934				
⁽⁵⁾ Estimate based on Projected Collections for FY 2016 with a 3% growth for FY 2017.								
⁽⁶⁾ Population net of amount annexed.								
New Cities with No MOE								

City staff verified with OCITT staff on 1/18/2017 that Indian Creek is not participating in the PTP and Palmetto Bay was not incorporated in FY 2001-2002 and therefore has no MOE.