




**BOARD OF COUNTY COMMISSIONERS
OFFICE OF THE COMMISSION AUDITOR**

M E M O R A N D U M

TO: Honorable Audrey M. Edmonson, Chairwoman
and Members, Board of County Commissioners

FROM: Adeyinka Majekodunmi, CPA
Commission Auditor 

DATE: September 18, 2019

SUBJECT: **People's Transportation Plan (PTP) and General Fund Maintenance
of Effort (MOE)**

As requested, the Office of the Commission Auditor has prepared the attached report.

Attachment 1- People's Transportation Plan (PTP) and General Fund Maintenance of Effort (MOE)

Should you require additional information, feel free to contact me at (305) 375-4354.

cc: Honorable Carlos Gimenez, Mayor
Abigail Price-Williams, County Attorney
Geri Bonzon-Keenan, First Assistant County Attorney
Edward Marquez, Deputy Mayor
Jennifer Moon, Deputy Mayor/ Office of Management and Budget Director
Linda Cave, Director, Clerk of the Board
Eugene Love, Agenda Coordinator



Miami-Dade Board of County Commissioners
Office of the Commission Auditor

**People's Transportation Plan
(PTP) and General Fund
Maintenance of Effort (MOE)**

September 18, 2019

Yinka Majekodunmi, CPA
Commission Auditor

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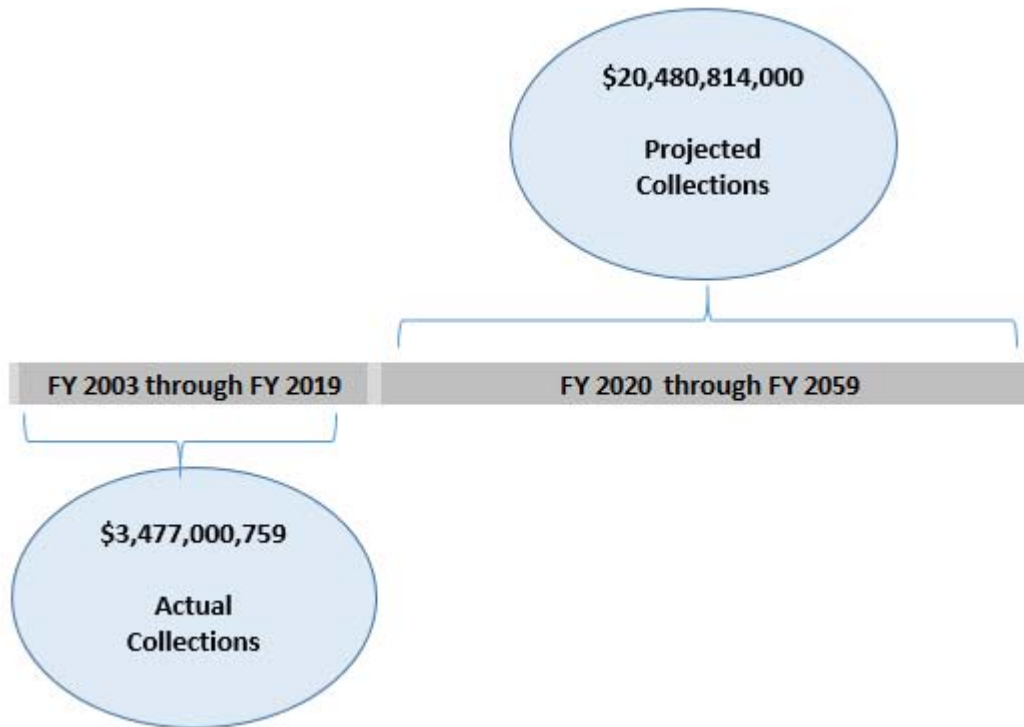
Purpose

The purpose of this report is to provide an analysis on the historical and forecasted data of the People’s Transportation Plan (PTP) collections, as well as the contributions made from the People’s Transportation Plan and the General Fund Maintenance of Effort (MOE) to the Miami Dade Department of Transportation (MDT).

Historical data has been gathered from Miami Dade County’s financial system of record (FAMIS and Data Warehouse), whereas forecasted data has been gathered from the FY 2019-20 PTP and Transit Pro-Forma Summary (July 2019 Edition) provided by the Office of Management and Budget (OMB).

People’s Transportation Plan (PTP) Analysis

OCA’s review indicates that the total collection of the PTP is as follows:

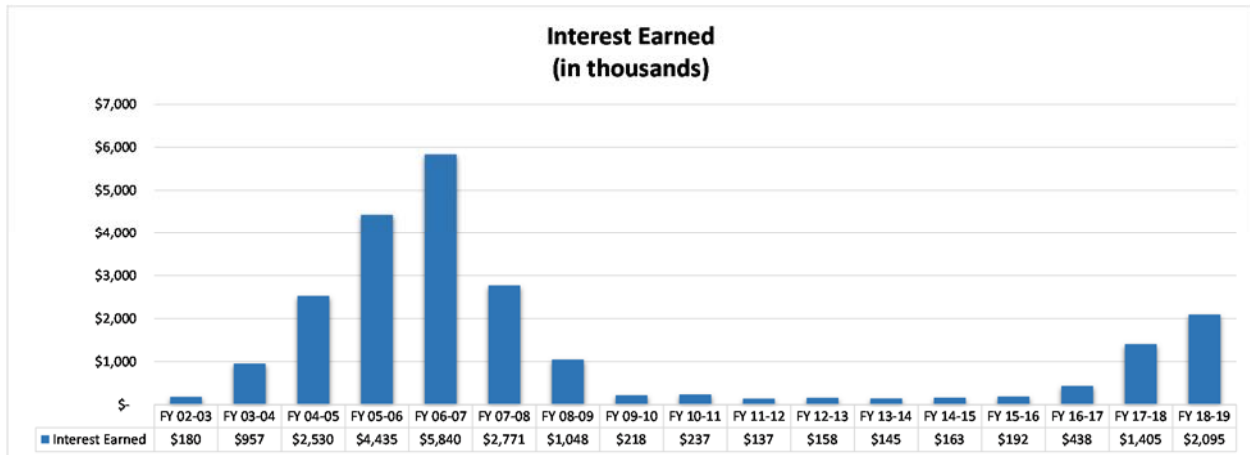


The detail of the total amount collected from FY 2003 to FY 2019 (as of August 31, 2019) is specified below:

Description	PTP Actual FY 2003 to FY 2019
Discretionary Sales Surtaxes	\$3,423,296,627
Interest Earnings	\$22,950,132
Other Miscellaneous Revenues	\$30,754,000
Total PTP Revenues	\$3,477,000,759

According to the FY 2019-20 PTP and Transit Pro-Forma Summary (July 2019 Edition), the forecasted interest revenue is \$4 million over the next 40 years, with estimated annual earnings of \$100,000. The actual interest earned has fluctuated over the past 15 years with the highest being \$5.8 million and the lowest being \$137,000 as indicated on the graph below.

According to OMB, the decreased in interest revenue from FY 2010 to FY 2017 was due to the economic crisis where interest rates dropped nationwide.



Source: FAMIS System and Data Warehouse Report

In terms of funds transferred from PTP to MDT operation and maintenance, as of August 31, 2019, the MDT has received \$1.6 billion in proceeds for Transit related activities, including debt service. The projected total transfer over the next 40 years is \$2.4 Billion.

According to OMB, \$486 million was used for non-PTP operating expenses; this transfer also includes the Loan for Existing Services (\$119 million) which was paid back including interest.

County Wide General Fund Maintenance of Effort (MOE)

Our review indicates that the total County Wide General Fund-Maintenance of Effort to MDT from FY 2003 to FY 2019 (as of August 31, 2019) is \$2.5 Billion while the total projected contribution is \$26.3 Billion during the next 40 years.

According to directives provided by the Board of County Commissioners (BCC) in FY 2005, the required MOE amount was to increase by 3.5% annually.

However, the MOE support will increase more than 3.5% since the PTP will absorb the increased debt service requirements according to OMB.

The projected increase for the next four years is as follows:

Year	MOE Contribution to Transit Operating Fund	Year Over Year % Increase
FY 20-21	\$214,928,000	3.5%
FY 21-22	\$277,684,000	30%
FY 22-23	\$318,615,000	15%
FY 23-24	\$361,075,000	13%

Summary Table

The tables below provide a summary of the content analyzed under the People Transportation Plan Section:

Description	PTP Funds FY 2002 to FY 2019	PTP Funds Projected FY 2020 to FY 2059
Discretionary Sales Surtaxes	\$3,423,296,627	\$20,446,499,000
Interest Earnings	\$22,950,132	\$4,000,000
Other Miscellaneous Revenues	\$30,754,000	\$0
Carryover	\$0	\$30,315,000
Total PTP Revenues	\$3,477,000,759	\$20,480,814,000

Description	PTP Funds FY 2002 to FY 2019	PTP Funds Projected FY 2020 to FY 2059
Transferred from PTP to Transit Operation and Maintenance	\$1,613,054,507	\$2,393,768,000
Total Funds Transferred	\$1,613,054,507	\$2,393,768,000