

Memorandum



Date: July 30, 2021

To: Javier A. Betancourt, Executive Director
Office of the Citizens' Independent Transportation Trust (OCITT)

Cathy Jackson

From: Cathy Jackson, Director
Audit and Management Services Department

Subject: Final Audit Report – Charter County Transportation System Surtax Review -
City of Sunny Isles Beach (Sunny Isles)

We are in receipt of Sunny Isles' Response dated July 26, 2021 (Attachment I) to the above-captioned Audit Report dated June 15, 2021 (Attachment II). We are pleased with the actions taken or planned to address our findings, and thus, the audit has been closed.

Nonetheless, Christopher J. Russo, City Manager, stated that staff was unsure which OCITT Reports cited in our Audit Report were submitted late. The information requested is presented below (Table I), although it was discussed with the Finance Director during our exit conference.

Table I
Detail of Delinquent Reports

Description	Due	Date Submitted FYE September 30,		
		2017	2018	2019
Annual Certification	Nov. 1	Nov. 3, 2016 ³	Nov. 28, 2017 ¹	Nov. 9, 2018 ¹
Quarterly Reports:				
First Quarter	Feb. 1	Not Provided ²	Not Provided ²	Feb. 15, 2019 ³
Second Quarter	May 1	Not Provided ²	Not Provided ²	May 3, 2019 ³
Third Quarter	Aug. 1	Not Provided ²	Aug. 9, 2018 ¹	Aug. 16, 2019 ³
Fourth Quarter	Nov. 1	Nov. 7, 2017 ¹	Nov. 5, 2018 ³	Oct. 28, 2019 ³

Source: City of Sunny Isles Beach Records

¹ Late submission

² Documentation was not provided to support date sent to OCITT.

³ Timely submissions. Sunny Isles provided the required report by the OCITT extended due date.

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

CJ: bm

Attachments

c: Honorable Harvey A. Ruvlin, Clerk of the Courts
Geri Bonzon-Keenan, County Attorney
Edward Marquez, Chief Financial Officer
Jimmy Morales, Chief Operations Officer
David L. Clodfelter, Director, Office of Management and Budget
Christopher J. Russo, City Manager, City of Sunny Isles Beach
Tiffany Neely, Finance Director, City of Sunny Isles Beach



City Commission

George "Bud" Scholl
Mayor

July 26, 2021

Larisa Svechin
Vice Mayor

Cathy Jackson

Dana Goldman
Commissioner

Miami-Dade County

Alex Lama
Commissioner

Audit and Management Services Department

701 NW 1st Court – Suite 8-175

Miami, FL 33136

Jeniffer Viscarra
Commissioner

Re: Written Response to Charter County Transportation System Surtax Review

Christopher J. Russo
City Manager

Dear Ms. Jackson,

Mauricio Belancur
City Clerk, CMC

We are in receipt of our Charter County Transportation System Surtax Review report dated June 15, 2021. The purpose of this letter is to provide a written response to the audit findings.

Finding 1 – Use of Surtax Proceeds:

The City had \$101,533 of unspent Transportation Surtax Proceeds as of September 30, 2019.

Audit Recommendation:

Within 90 days, the City should submit a revised Five-Year Transportation Plan reflecting how the unspent Transportation proceeds will be used, as required by CITT Resolution No. 09-055. Prospectively, the City should adjust its claimed expenditures for ineligible trip costs and the administrative cost allowance.

City Response:

The City will submit a revised Five-Year Transportation Plan demonstrating how the unspent funds of \$101,533 will be utilized during the 2020-2021 Fiscal Year and adjust its claimed expenditures for ineligible trip costs and the administrative cost allowance.

Finding 2 – Accounting for Surtax-Related Expenditures:

The City did not claim eligible expenditures from the Street Maintenance Division because Finance staff cited that separate expenditure tracking for personnel costs is too cumbersome as well as availability of other funding sources.

Audit Recommendation:

Prospectively, the City may want to reassess its policy of not tracking and claiming eligible transportation related costs within the Street Maintenance Division.

City Response:

The City will reassess the policy of not tracking costs within the Street Maintenance division for future reporting.



Miami-Dade County
Audit and Management Services Department
Written Response to Charter County Transportation System Surtax Review
Page 2

Finding 3 – Reporting Requirements:

The City submitted required reports, albeit some were late. In addition, Quarterly Reports did not always agree to General Ledger.

Audit Recommendation:

Prospectively, the City should submit reports timely and accurately.

City Response:

The City is not certain which reports were received late as the audit report doesn't indicate this. For the period 10/01/16-3/31/18, the reporting was handled by the former Finance Director, Audra Curts-Whann. If extensions were requested, they were approved in advance during her tenure. Since the current Finance Director's tenure (Tiffany Neely) as of 7/02/18, the City is not aware of any reports being submitted after the due date. However, the email advising of the due date for the 17-18 Q3 report was not received because of the turnover in personnel so the City is uncertain of this report's due date. This report was originally submitted on 8/9/18, it was requested by CITT again and re-sent on 11/6/18 although it had already been sent. Going forward, the City will ensure the reporting due dates are met. Any questions about the general ledger were addressed during the audit as there may have been valid reasons to exclude certain amounts which would have been documented. Going forward, the City will ensure to include details in the file work papers to address any differences/exclusions for reconciliation purposes.

We want to thank the audit personnel, Gerardo Suarez and Audrey McCulloch, for their professionalism and flexibility. If there is anything else we may provide in the future, please do not hesitate to contact us.

Sincerely,

Christopher J. Russo
City Manager

Cc: Tiffany Neely, Finance Director
Sylvia Flores, CCS Director



Attachment II

AUDIT AND MANAGEMENT SERVICES DEPARTMENT
OVERTOWN TRANSIT VILLAGE
701 NW 1st COURT – SUITE 8-175
MIAMI, FLORIDA 33136
TELEPHONE: 786-469-5900
FAX: 786-469-5933

June 15, 2021

Christopher J. Russo
City Manager
City of Sunny Isles Beach
18070 Collins Avenue
Sunny Isles Beach, Florida 33160

Re: Charter County Transportation System Surtax Review – City of Sunny Isles Beach

Dear Mr. Russo:

Enclosed is the above-captioned Audit Report that was discussed with your Finance Staff. Although the Office of the Citizens' Independent Transportation Trust (OCITT) will be contacting you to resolve the audit findings, a response is requested within 30 days.

We appreciate the courtesies and assistance provided to our staff during the audit process. Please contact Gerardo (Jerry) Suarez, Audit Manager, 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:bm

Attachment


c: Javier A. Betancourt, Executive Director, OCITT
Tiffany Neely, Finance Director, City of Sunny Isles Beach

Memorandum



Date: June 15, 2021

To: Javier A. Betancourt, Executive Director
Office of the Citizens' Independent Transportation Trust (OCITT)

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

Subject: Audit Report – Charter County Transportation System Surtax Review –
City of Sunny Isles Beach

PURPOSE AND SCOPE

We performed a review of the City of Sunny Isles Beach's (Sunny Isles) use of Charter County Transportation System Surtax (Surtax) Proceeds remitted by Miami-Dade County (County) for the three years ended September 30, 2019. The primary objective was to ensure that Surtax Proceeds were used in compliance with the *Interlocal Agreement for Distribution of Charter County Transit System Surtax Proceeds Levied by Miami-Dade County (Interlocal Agreement)* executed on July 10, 2007. Additionally, we assessed resolution of prior audit findings referenced in our Report dated June 16, 2017 (Exhibit I).

BACKGROUND

County Ordinance No. 02-116, enacted on July 9, 2002, imposed a one-half of one percent Surtax on eligible sales transactions for use on 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 III). 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*, Sunny Isles 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 \$129,926 (Table I). Surtax Proceeds 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, Sunny Isles 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 No. 09-055*, adopted July 30, 2009, allows for the rollover of unspent Surtax funds for up to five years, provided a Five-Year Transportation Plan demonstrates how the funds will be used. Additionally, *CITT Resolution No. 15-027*, adopted May 20, 2015, allows for carryover credits in the event amounts expended exceed annual Surtax allocations. See Schedule I for summary financial information.

SUMMARY RESULTS

During the audit period, Sunny Isles received \$2.8 million in Surtax Proceeds and claimed Transit and Transportation-related expenditures totaling \$3.1 million (Table I). After adjusting claimed expenditures for the Maintenance of Effort (MOE) and other items, Sunny Isles had \$101,533 in unspent Transportation Surtax Proceeds as of September 30, 2019 (Schedule II).

**Table I
 Surtax Statistics**

Description	Fiscal Year Ended September 30,			All Years
	2017	2018	2019	
Maintenance of Effort	\$ 129,926	\$ 129,926	\$ 129,926	\$ 389,778
Surtax Proceeds (Schedule I) ¹	\$ 871,313	\$ 918,763	\$ 1,015,507	\$ 2,805,583
Claimed Expenditures				
Transit (Table IV)	\$ 813,270	\$ 693,733	\$ 856,844	\$ 2,363,847
Transportation (Table V)	355,942	146,751	201,588	704,281
	\$ 1,169,212	\$ 840,484	\$ 1,058,432	\$ 3,068,128
Unspent (Carryforward) Surtax Proceeds (Schedule II) ²				
Transportation	\$ (138,701)	\$ 41,249	\$ 101,533	
Street Maintenance and Construction Fund (Schedule I) ²				
Cash and Cash Equivalents	\$ 563,724	\$ 628,091	\$ 920,316	
Fund Balance	\$ 1,141,309	\$ 1,185,360	\$ 1,594,556	

¹ Surtax Proceeds do not agree with Schedule III due to timing differences.

² As of September 30th.

These and other findings and recommendations are more fully discussed in the remainder of this document. We appreciate the courtesies and cooperation extended to our Staff during the audit process. A written response is requested from Sunny Isles within 30 days. Please contact Gerardo (Jerry) Suarez, Audit Manager, at 786-469-5900, if you have any questions.

FINDINGS AND RECOMMENDATIONS

Use of Surtax Proceeds

Sunny Isles claimed \$2.4 million in Transit-related expenditures to operate its community circulator, *SIBshuttle*. The *SIBshuttle* offers free public transportation along three routes daily, excluding major holidays, at varying times from 7:45 am to 7:50 pm. The average combined monthly ridership is 9,515 or 114,179 annually (Table II).

Table II
SIBshuttle Ridership

Month	For the Fiscal Year ended September 30,		
	2017	2018	2019
October	10,888	10,234	9,823
November	10,846	9,869	8,574
December	10,503	9,657	8,570
January	10,784	9,834	9,354
February	12,026	9,592	9,955
March	13,501	9,906	10,089
April	10,431	9,008	9,867
May	10,131	9,567	10,439
June	8,913	7,723	8,270
July	8,326	7,545	8,280
August	9,339	8,660	8,382
September	6,470	8,393	8,789
	<u>122,158</u>	<u>109,988</u>	<u>110,392</u>

Source: Sunny Isles Ridership Data

As of September 30, 2019, the fleet was comprised of seven buses, two of which were acquired during the audit period to replace buses that had been in service for approximately ten years. Another bus purchased in fiscal year 2011 was pending sale as of May 31, 2021. Three of the six active buses are placed in service weekly on a rotational basis (Table III).

Table III
Sunny Isles Bus Fleet as of September 30, 2019

Bus Number	Description	Dimensions/ Capacity	Date Purchased	Cost	Mileage ¹	Years in Service
Inactive - Pending Auction						
1030	2010 Chevrolet C 5500	33 ft/28 passengers	10/12/2010	\$ 93,289	159,366	7
Active/In-Service						
1224	2012 Ford F-550	31 ft/24 passengers	4/5/2013	101,998 ²	127,866	7
1225	2012 Ford F-550	31 ft/24 passengers	4/5/2013	101,398 ²	132,387	7
1226	2012 Ford F-550	31 ft/24 passengers	7/12/2013	108,884	145,465	7
1609	2016 Glaval Legacy	35 ft/32 passengers	4/12/2016	167,426	81,110	4
1721	2017 International Aero Elite 320	35 ft/28 passengers	2/14/2017	143,338	88,032	3
1819	2019 International Aero Elite 320	35 ft/28 passengers	11/30/2018	141,686	41,926	2

Source: Sunny Isles Records

¹ Bus Mileage is as of 2/8/2021, except for Bus Number 1030 with mileage as of 8/1/2017.

² Acquired through an Interlocal Agreement with the County using Federal funds.

Claimed transit expenditures primarily included \$1.3 million in salary and fringe benefits for one supervisor and seven bus drivers, some of whom were employed part time with no additional responsibilities (Table IV). AMS adjustments included unclaimed administrative expenses and bus sales proceeds that were not used to offset the cost of the new buses. Further, our review disclosed that approximately three percent of the claimed expenditures related to trips outside City limits to Mount Sinai Medical Center and cultural events that were disallowed. These trips exceeded five miles and were not to a rail or bus station in violation of *County Ordinance No.18-46*, adopted May 1, 2018.

Table IV
Summary of Claimed Transit Expenditures, As Adjusted

Description	Fiscal Year Ended September 30,			All Years
	2017	2018	2019	
Operating:				
Personnel Cost	\$ 424,496	\$ 422,469	\$ 450,451	\$ 1,297,416
Shuttle Bus Maintenance and Repairs	90,671	79,006	130,952	300,629
Gasoline and Tires	60,820	68,402	68,520	197,742
Bus Tracking Services	1,436	12,914	12,199	26,549
Uniforms and Accessories	3,267	3,614	4,185	11,066
Other	8,341	3,040	13,101	24,482
	<u>589,031</u>	<u>589,445</u>	<u>679,408</u>	<u>1,857,884</u>
Capital:				
Purchase of Shuttle Buses	142,663	675	141,686	285,024
Bus Shelter/Benches Improvements	81,576	103,613	-	185,189
Fuel Card Readers	-	-	35,750	35,750
	<u>224,239</u>	<u>104,288</u>	<u>177,436</u>	<u>505,963</u>
Total Claimed (Table I)	813,270	693,733	856,844	2,363,847
AMS Adjustments:				
Administrative Costs ¹	36,341	45,938	50,775	133,054
Ineligible Trip Expenses ²	(17,671)	(17,683)	(20,382)	(55,736)
Proceeds from Sale of Shuttle Buses	(3,675)	-	(3,676)	(7,351)
Expenditures, as Adjusted (Schedule II)	<u>\$ 828,265</u>	<u>\$ 721,988</u>	<u>\$ 883,561</u>	<u>\$ 2,433,814</u>

Source: Sunny Isles General Ledgers

¹ AMS adjusted Administrative Expenses to reflect 5% of Surtax Proceeds.

² Include transportation to Mount Sinai Medical Center and cultural events.

To meet its Transportation-related spending targets, Sunny Isles claimed \$704,281 including construction costs for the Pedestrian/Vehicular Bridge at North Bay Road, street lighting and street maintenance (Table V). After adjusting those claimed expenditures for the MOE and excess Transit expenditures, unspent Transportation Surtax Proceeds totaling \$101,533 were available for carryover (Schedule II).

Table V
Summary of Claimed Transportation Expenditures

Description	Fiscal Year Ended September 30,			All Years
	2017	2018	2019	
Operating:				
Street Lighting	\$ 38,566	\$ 38,477	\$ 39,825	\$ 116,868
Street Maintenance and Repairs	-	7,554	17,952	25,506
	<u>38,566</u>	<u>46,031</u>	<u>57,777</u>	<u>142,374</u>
Transfers Out:				
Pedestrian/Vehicular Bridge at North Bay Road	317,376	100,720	143,811	561,907
Total Claimed (Table I)	<u>\$ 355,942</u>	<u>\$ 146,751</u>	<u>\$ 201,588</u>	<u>\$ 704,281</u>

Source: Sunny Isles General Ledgers

Recommendation

Within 90 days, Sunny Isles should submit a revised Five-Year Transportation Plan reflecting how the unspent Transportation Proceeds will be used, as required by *CITT Resolution No. 09-055*. Prospectively, the City should adjust its claimed expenditures for ineligible trip costs and the administrative cost allowance.

Accounting for Surtax-Related Revenues and Expenditures

The *Street Maintenance and Construction Fund* is comprised of the *Transit and Transportation* and *Street Maintenance Divisions* (Table VI). However, the City did not claim eligible expenditures for the *Street Maintenance Division* because Finance Staff cited that separate expenditure tracking for personnel costs is too cumbersome as well as the availability of other funding sources.

Table VI
Summary of Expenditures and Transfers
Street Maintenance and Construction Fund

Description	Fiscal Year Ended September 30,			All Years
	2017	2018	2019	
Operating:				
Transit (Table IV)	\$ 589,031	\$ 589,445	\$ 679,408	\$ 1,857,884
Transportation (Table V)	38,566	46,031	57,777	142,374
	627,597	635,476	737,185	2,000,258
Street Maintenance Division ¹	864,538	906,373	896,254	2,667,165
	1,492,135	1,541,849	1,633,439	4,667,423
Capital:				
Transit (Table IV)	224,239	104,288	177,436	505,963
Street Maintenance Division ¹	12,173	8,595	67,742	88,510
	236,412	112,883	245,178	594,473
Total Expenditures (Schedule I)	<u>\$ 1,728,547</u>	<u>\$ 1,654,732</u>	<u>\$ 1,878,617</u>	<u>\$ 5,261,896</u>

Source: Sunny Isles General Ledgers

¹ Unclaimed costs

Recommendation

Prospectively, Sunny Isles may want to reassess its policy of not tracking and claiming eligible transportation-related costs within the *Street Maintenance Division*.

Reporting Requirements

Sunny Isles submitted required reports, albeit some were late. In addition, Quarterly Reports did not always agree to the General Ledger.

Recommendation

Prospectively, Sunny Isles should submit Reports timely and accurately.

CJ:bm

Attachments

- c: Honorable Harvey A. Ruvin, Clerk of the Courts
- Geri Bonzon-Keenan, County Attorney
- Edward Marquez, Chief Financial Officer
- Jimmy Morales, Chief Operations Officer
- David L. Clodfelter, Director, Office of Management and Budget
- Christopher J. Russo, City Manager, City of Sunny Isles Beach

**Charter County Transportation System Surtax Review - City of Sunny Isles Beach
Street Maintenance and Construction Fund**

Balance Sheets			
Description	As of September 30,		
	2017	2018	2019
Assets:			
Cash and Cash Equivalents	\$ 563,724	\$ 628,091	\$ 920,316
Investments	506,934	566,234	613,187
Receivables, net	328,282	345,513	271,103
Interest Receivable	-	1,551	1,697
Inventory	3,916	3,743	3,171
Prepays	-	120	120
	<u>\$ 1,402,856</u>	<u>\$ 1,545,252</u>	<u>\$ 1,809,594</u>
Liabilities, Deferred Inflows of Resources, and Fund Balance:			
Liabilities:			
Accounts Payable	\$ 87,538	\$ 174,501	\$ 101,563
Accrued Liabilities	17,009	17,391	19,475
	<u>104,547</u>	<u>191,892</u>	<u>121,038</u>
Deferred Inflows of Resources:			
Unavailable Revenue - Taxes	157,000	168,000	94,000
Fund Balance:			
Nonspendable - Inventory and Prepays	3,916	3,863	3,291
Restricted - Transportation	1,137,393	1,181,497	1,591,265
	<u>1,141,309</u>	<u>1,185,360</u>	<u>1,594,556</u>
Total Liabilities Deferred Inflows of Resources, and Fund Balance	<u>\$ 1,402,856</u>	<u>\$ 1,545,252</u>	<u>\$ 1,809,594</u>
Statements of Revenues, Expenditures, and Changes in Fund Balance			
Description	Year Ended September 30,		
	2017	2018	2019
Revenues:			
Intergovernmental:			
Surtax Proceeds	\$ 871,313	\$ 918,763	\$ 1,015,507
Other	369,101	367,909	372,254
	<u>1,240,414</u>	<u>1,286,672</u>	<u>1,387,761</u>
Licenses and Permits	9,185	2,375	3,435
Investment Income	8,877	10,456	40,428
	<u>1,258,476</u>	<u>1,299,503</u>	<u>1,431,624</u>
Expenditures:			
Transportation	1,492,135	1,541,849	1,633,439
Capital Outlay	236,412	112,883	245,178
	<u>1,728,547</u>	<u>1,654,732</u>	<u>1,878,617</u>
Deficiency of Revenues over Expenditures	(470,071)	(355,229)	(446,993)
Other Financing Sources:			
Transfers In	717,034	500,000	1,000,000
Transfers Out	(317,376)	(100,720)	(143,811)
Total Other Financing Sources	<u>399,658</u>	<u>399,280</u>	<u>856,189</u>
Net Change in Fund Balance	(70,413)	44,051	409,196
Fund Balance, Beginning of Year	<u>1,211,722</u>	<u>1,141,309</u>	<u>1,185,360</u>
Fund Balance, End of Year	<u>\$ 1,141,309</u>	<u>\$ 1,185,360</u>	<u>\$ 1,594,556</u>

Source: City of Sunny Isles Beach Comprehensive Annual Financial Reports and General Ledgers

These Financial Statements are not complete without the accompanying Independent Auditors' Reports and Notes.

Charter County Transportation System Surtax Review - City of Sunny Isles Beach
Surtax Proceeds Usage Analysis

Description	Fiscal Year Ended September 30,			All Years
	2017	2018	2019	
Receipts:				
Surtax Proceeds (Schedule I) ¹	\$ 726,824	\$ 918,763	\$ 1,015,507	\$ 2,661,094
Surtax Uses:				
Eligible Transit Expenditures (Table IV)	\$ 828,265	\$ 721,988	\$ 883,561	\$ 2,433,814
Eligible Transportation Expenditures (Table V)	\$ 355,942	\$ 146,751	\$ 201,588	\$ 704,281
Less MOE (Table I)	(129,926)	(129,926)	(129,926)	(389,778)
Expenditures Available for Surtax Use	\$ 226,016	\$ 16,825	\$ 71,662	\$ 314,503
AMS Analysis:				
Transit-Related Expenditures:				
Expenditures Available for Surtax Use	\$ 828,265	\$ 721,988	\$ 883,561	\$ 2,433,814
Less 20% Minimum Amount ²	(145,365)	(183,753)	(203,101)	(532,219)
Excess Expenditures	\$ 682,900	\$ 538,235	\$ 680,460	\$ 1,901,595
Analysis of Excess Expenditures Rollover Amounts:				
Beginning Carry-Forward Balance ³	\$ -	\$ -	\$ -	\$ -
Excess Expenditures Applied	(682,900)	(538,235)	(680,460)	(1,901,595)
Excess Expenditures Applied to Reduce Unspent Transportation-Related Surtax Proceeds	682,900	538,235	680,460	1,901,595
Remaining Carry-Forward Credit	\$ -	\$ -	\$ -	\$ -
Transportation-Related Expenditures:				
Expenditures Available for Surtax Use	\$ 226,016	\$ 16,825	\$ 71,662	\$ 314,503
Less Remaining 80% Amount ²	(581,459)	(735,010)	(812,406)	(2,128,875)
Increase In Unspent Funds	(355,443)	(718,185)	(740,744)	(1,814,372)
Analysis of Unspent Rollover:				
Beginning Balance ³	\$ 188,756	\$ (138,701)	\$ 41,249	\$ 188,756
Increase In Unspent Amounts	355,443	718,185	740,744	1,814,372
Excess Transit Expenditures Applied	(682,900)	(538,235)	(680,460)	(1,901,595)
Remaining Unspent (Carryforward) Amount	\$ (138,701)	\$ 41,249	\$ 101,533	\$ 101,533

¹ The FY 2017 Amount does not agree with Schedule I due to a change in revenue recognition for AMS Analysis purposes. The resulting catch-up adjustment is reflected in FY 2017.

Further, Amounts for FY 2017-2019 do not agree with Schedule III due to timing differences.

² At least 20% of the Surtax Proceeds must be used on Transit-related projects, such as circulator buses, and the remaining funds (80%) are earmarked for eligible Transportation projects.

³ Per the June 16, 2017 Audit Report

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

Municipality	Fiscal Year Ended September 30,					All Years
	2003 to 2015	2016	2017	2018	2019	
City of Miami ¹	\$ 163,251,890	\$ 16,889,133	\$ 16,523,990	\$ 18,187,632	\$ 19,212,362	\$ 234,065,007
City of Hialeah	94,519,774	9,243,159	9,346,775	9,873,020	10,107,558	133,090,286
City of Miami Beach	37,554,491	3,670,335	3,678,499	3,925,123	3,963,754	52,792,202
City of Miami Gardens ²	22,375,665	4,336,722	4,409,954	4,737,286	4,846,211	40,705,838
City of North Miami	24,592,952	2,454,241	2,473,804	2,665,998	2,700,412	34,887,407
City of Homestead	20,867,813	2,669,792	2,788,854	2,969,698	3,152,022	32,448,179
City of Coral Gables	18,755,177	1,955,854	1,981,236	2,091,593	2,132,315	26,916,175
City of North Miami Beach	17,154,830	1,733,203	1,746,039	1,882,765	1,945,188	24,462,025
City of Aventura	12,992,928	1,494,036	1,502,980	1,590,870	1,613,705	19,194,519
City of Doral ²	9,003,402	2,120,606	2,232,433	2,508,437	2,747,033	18,611,911
Town of Miami Lakes ¹	11,086,213	1,209,319	1,211,635	1,288,227	1,309,407	16,104,801
Town of Cutler Bay ²	8,525,502	1,721,858	1,769,140	1,899,220	1,935,984	15,851,704
Village of Palmetto Bay	10,074,295	952,951	956,304	1,013,542	1,033,365	14,030,457
City of Hialeah Gardens	8,635,855	904,713	922,372	986,599	1,007,122	12,456,661
City of Sunny Isles Beach	7,759,606	869,990	866,019	933,221	951,809	11,380,645
Village of Pinecrest	7,840,962	737,876	738,316	777,521	790,584	10,885,259
City of Miami Springs	5,682,283	562,418	565,087	601,223	608,639	8,019,650
City of Opa-locka ¹	6,329,004	90,323	195,000	210,000	165,000	6,989,327
City of South Miami	4,767,184	546,219	547,720	546,151	541,343	6,948,617
Village of Key Biscayne	4,809,375	502,197	508,734	540,692	550,288	6,911,286
City of Florida City	4,132,139	498,385	504,443	542,769	557,265	6,235,001
City of Sweetwater ¹	5,070,356	273,778	133,332	466,662	166,116	6,110,244
Miami Shores Village	4,308,419	419,557	420,697	443,831	447,113	6,039,617
North Bay Village	2,808,576	314,789	328,007	378,523	384,140	4,214,035
City of West Miami	2,445,250	241,053	241,373	279,166	307,465	3,514,307
Town of Surfside	2,314,098	229,428	228,739	234,500	248,902	3,255,667
Town of Bay Harbor Islands	2,209,631	231,953	222,682	234,375	249,414	3,148,055
Village of Biscayne Park	1,342,176	125,900	126,220	135,905	135,965	1,866,166
Bal Harbour Village	1,262,745	114,472	111,421	114,881	125,178	1,728,697
Village of El Portal ³	1,012,447	6,467	174,873	90,094	89,175	1,373,056
Village of Virginia Gardens	973,380	96,229	96,903	102,910	103,132	1,372,554
Town of Medley	429,285	34,442	33,529	35,277	35,617	568,150
Town of Golden Beach ¹	365,820	36,766	37,221	39,423	39,386	518,616
Indian Creek Village	3,604	-	-	-	-	3,604
	<u>\$ 525,257,127</u>	<u>\$ 57,288,164</u>	<u>\$ 57,624,331</u>	<u>\$ 62,327,134</u>	<u>\$ 64,202,969</u>	<u>\$ 766,699,725</u>

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

¹ Amounts are net of withholdings of \$76,553 from the Town of Miami Lakes, \$2.1 million from the City of Sweetwater, \$21,058 from the Town of Golden Beach, \$2.3 million from the City of Opa-locka, and \$3.3 million from the City of Miami, due to specific instances of noncompliance. Partial amounts were released as follows: \$1.3 million to Sweetwater on 11/27/2019, and \$901,927 to Opa-locka on 3/9/2020.

² 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.

³ Amount in FY 2016 is net of \$84,069 withheld due to instances of noncompliance, which was returned in FY 2017 by OCITT.

**Charter County Transportation System Surtax Review – City of Sunny Isles Beach (City)
Status of Prior Audit Findings ¹**

Finding	Recommendation	Auditee Response	Current Status
Use of Surtax Proceeds			
After adjusting claimed amounts for the MOE, proceeds from bus sales, and minor disallowances, the City had \$188,756 in unspent Transportation Proceeds as of September 30, 2016.	Pursuant to <i>CITT Resolution No. 09-055</i> , the City should submit a revised Five-Year Transportation Plan to demonstrate how the \$188,756 will be used.	The City submitted a revised Five-Year Transportation Plan with its July 7, 2017 response, demonstrating how the unspent funds will be utilized during the 2017-2018 Fiscal Year.	<u>Resolved</u>
Accounting for Surtax-Related Expenditures			
Documents supporting claimed expenditures (e.g., invoices) did not specify the funding source.	The City should specify the funding source to enhance accountability.	The City has amended its accounting procedures for Transportation (capital projects-related expenditures) for Fiscal Year 2016-2017 to specify the funding source as recommended. The funding source is readily available/visible on invoices paid for Transit (operating) expenditures.	<u>Resolved</u>
Shuttle Bus Maintenance Vendor			
From October 2008 through June 2012, contractor John Churchill was used by the City to maintain the <i>SIBshuttle</i> bus fleet, for an annual average fee of \$15,000, without a formal contract.	Prospectively, the City should endeavor to competitively solicit vendors, and formalize Professional Service Agreements in writing.	The City evaluated the shuttle bus fleet maintenance sources in their geographic area and contracted with the City of Hialeah, to provide maintenance services on the bus fleet.	<u>Resolved</u>
Reporting Requirements			
The City submitted most of the required reports, albeit some were received late. In addition, two Annual Certification letters (FYs 2009 and 2010) and the 3 rd Quarterly Report for FY 2009 were unavailable for review. Further, Quarterly Reports did not always agree to the General Ledger.	Prospectively, the City should submit Reports timely and accurately.	The City shall endeavor to submit Reports timely and accurately. Current internal processes have enhanced our data storage and reporting capabilities. Each quarterly report submission is electronically stored.	<u>Partially Resolved</u> Some reports were received late and the Quarterly Reports did not always agree to the General Ledger (<i>See page 6 of the Audit Report</i>).

¹ For the full text, see the Audit Report dated June 16, 2017 and the City’s Response dated July 7, 2017.