



AUDIT AND MANAGEMENT SERVICES DEPARTMENT
OVERTOWN TRANSIT VILLAGE
701 NW 1ST COURT – SUITE 8-175
MIAMI, FLORIDA 33136
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October 30, 2019

Ms. Andrea Agha
Village Manager
Village of Key Biscayne
88 West McIntyre Street
Key Biscayne, FL 33149

**Re: Final Audit Report – Charter County Transportation System Surtax Review –
Village of Key Biscayne**

Dear Ms. Agha:

Attached is the above-referenced Audit Report together with the Village's Response. We appreciate the courtesies and assistance extended to our staff during the audit process. Please contact G. Nancy McKee, Assistant Director, at (786) 469-5900, should you have any questions.

Sincerely,

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

Cathy Jackson
Director

CJ:bm

Attachment


c: Javier A. Betancourt, Executive Director, OCITT
Benjamin L. Nussbaum, Finance Director, Village of Key Biscayne

Memorandum



Date: October 30, 2019

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

From: 
Cathy Jackson, Director
Audit and Management Services Department

Subject: Final Audit Report – Charter County Transportation System Surtax Review –
Village of Key Biscayne

PURPOSE AND SCOPE

We performed a review of the Village of Key Biscayne's (Village) use of Charter County Transportation System Surtax (Surtax) Proceeds remitted by Miami-Dade County (County) for the three years ended September 30, 2018. 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 on July 10, 2007. Additionally, we assessed the resolution of prior audit findings referenced in our Report dated October 25, 2016 (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 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 Village 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 \$85,725 (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, the Village 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 the Village's 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 are in excess of annual Surtax allocations.

SUMMARY RESULTS

For the three years ended September 30, 2018, the Village received \$1.6 million in Surtax Proceeds and claimed Transit and Transportation-related expenditures of \$322,989 and \$7.7 million, respectively (Table I). Approximately \$6.1 million of Transportation expenditures were disallowed, as they were mostly associated with park activities and debt service claimed in prior years. After adjusting claimed expenditures for the Maintenance of Effort (MOE) as applicable, and ineligible amounts, the Village had unspent Transit Proceeds of \$760,588, and carryover credits totaling \$3.4 million to offset future Surtax Proceeds earmarked for Transportation activities (Schedule III).

Table I
Surtax Statistics

Description	Fiscal Year Ended September 30,			All Years
	2016	2017	2018	
Maintenance of Effort	\$ 85,725	\$ 85,725	\$ 85,725	\$ 257,175
Surtax Proceeds (Schedule I)	\$ 502,197	\$ 508,734	\$ 540,692	\$ 1,551,623
Claimed Expenditures:				
Transit (Table II)	\$ 31,790	\$ -	\$ 291,199	\$ 322,989
Transportation (Schedule II)	2,435,117	3,500,895	1,745,311	7,681,323
	\$ 2,466,907	\$ 3,500,895	\$ 2,036,510	\$ 8,004,312
Unspent Surtax Proceeds (Credit Carryforward) (Schedule III):				
Transit	\$ 613,234	\$ 714,981	\$ 760,588	
Transportation	\$ (3,805,640)	\$ (3,658,293)	\$ (3,399,445)	
Key Account Balances as of September 30 th (Schedule I):				
Transportation Special Revenue Fund				
Restricted Cash and Cash Equivalents	\$ 935,898	\$ 1,257,172	\$ 1,623,887	
Fund Balance	\$ 1,044,004	\$ 1,541,029	\$ 1,831,441	

These and other findings, along with the Village's Responses (Attachment I) are presented in the remainder of this Report. The corrective actions planned by the Village are satisfactory, and thus the audit has been closed. Thank you for the courtesies extended to our staff during the audit process. Please contact G. Nancy McKee, Assistant Director, at (786) 469-5900, if you have any questions.

FINDINGS AND RECOMMENDATIONS

Use of Transit Proceeds

At least 20% of Surtax Proceeds (\$310,000) must be used for eligible Transit projects, of which the Village claimed \$322,989 (Table II). On February 1, 2018, the Village initiated its *Key Biscayne Loop (KB Loop)* service, pursuant to a contract between the vendor (BEEFREE, LLC) and the Key Biscayne Community Foundation (Foundation), to operate two fixed-route vehicles, eight hours daily. The *KB Loop* service was outsourced to the Foundation,

which was not required to issue a competitive solicitation for the services. (Ridership totaled 13,244 from February 1 to September 30, 2018).

Monthly, the Foundation passes its costs through to the Village, however one of the vehicles was used for on-demand calls. We disallowed claimed costs associated with the on-demand services (\$236,408), because such services were not permitted under *County Ordinance No. 18-46* prior to November 1, 2018. After adjusting claimed expenditures for disallowed costs, the Village had unspent Transit Proceeds of \$760,588 as of September 30, 2018 (Schedule III).

Table II
Claimed Transit Expenditures, as Adjusted

Description	Fiscal Year Ended September 30,			All Years
	2016	2017	2018	
On-Demand Transportation Services	\$ -	\$ -	\$ 172,001	\$ 172,001
Circulator Operations (<i>KB Loop</i>)	-	-	62,531	62,531
<i>KB Loop</i> Vehicle Used for On-Demand Services	-	-	56,667	56,667
Mobility Studies	24,050	-	-	24,050
Civic Center Parking Study	7,740	-	-	7,740
Total Claimed Costs	<u>31,790</u>	<u>-</u>	<u>291,199</u>	<u>322,989</u>
Less: Disallowed Amounts				
On-Demand Transportation Services	-	-	(172,001)	(172,001)
<i>KB Loop</i> Vehicle Used for On-Demand Services	-	-	(56,667)	(56,667)
Civic Center Parking Study	(7,740)	-	-	(7,740)
	<u>(7,740)</u>	<u>-</u>	<u>(228,668)</u>	<u>(236,408)</u>
Total Eligible Expenditures, as Adjusted	<u>\$ 24,050</u>	<u>\$ -</u>	<u>\$ 62,531</u>	<u>\$ 86,581</u>

Source: Village of Key Biscayne General Ledgers and Invoices.

Recommendation

Prospectively, Transit services should be competitively sourced, and all contracts approved by the Village Council. Also, use of Surtax funds for on-demand transit services must be authorized by the County, pursuant to an *Interlocal Agreement*.

Village's Response

Per CITT Resolution No. 09-055, the Village will rollover the funds for a period not to exceed 5 years. The unspent proceeds are included in the 5-year Transportation Plan (attached) and are projected to be spent down by the 3rd year (FY 2021-2022).

The Village compared on-demand transit contracts with other Municipalities for reasonableness when awarding the current contract. The Village is awaiting the Interlocal Agreement from the County Attorney's Office to become available for signature.

Use of Transportation Proceeds

The Village claimed \$7.7 million in street lighting, traffic calming, and other road-related costs to satisfy usage of the remaining \$1.2 million in Surtax Proceeds. We disallowed \$6.1 million that was primarily used for ineligible park projects, and debt service for construction costs claimed in prior years (Table III and Schedule II). After adjusting claimed expenditures for the MOE and disallowed costs, the Village had carryover credits of \$3.4 million as of September 30, 2018, that may be used to offset future Surtax revenues designated for Transportation activities (Schedule III).

Table III
Claimed Transportation Expenditures, as Adjusted

Description	Fiscal Year Ended September 30,			All Years
	2016	2017	2018	
Claimed Costs	\$ 2,435,117	\$ 3,500,895	\$ 1,745,311	\$ 7,681,323
Disallowed Costs:				
Crandon Boulevard Debt Service	(597,910)	(597,910)	(537,714)	(1,733,534)
Capital Improvements Fund Expenditures	(574,380)	(2,288,654)	(705,659)	(3,568,693)
General Fund Expenditures	(301,430)	(268,966)	(242,507)	(812,903)
	(1,473,720)	(3,155,530)	(1,485,880)	(6,115,130)
Total Eligible Expenditures, as Adjusted	\$ 961,397	\$ 345,365	\$ 259,431	\$ 1,566,193

Source: Village of Key Biscayne General Ledgers and Invoices.

Recommendation

Prospectively, the Village should ensure that all claimed Surtax costs are allowable.

Village's Response

Finance staff is aware of what qualifies as Transportation expenditures, and will only claim qualified costs in future filings.

Accounting for Surtax Funds

The Village commingles Transportation Surtax Revenues with Local Option Gas Tax (LOGT) and County Bridge Tolls in the *Transportation Special Revenue Fund* (Schedule I). The *Interlocal Agreement* requires that the Village maintain separate accounts for Surtax-related revenues and expenditures, as well as any unspent cash balances.

Recommendation

The Village should account for all Surtax-related revenues and expenditures in a sub-fund within its *Transportation Special Revenue Fund*, in order to distinguish Surtax expenditures from those funded with toll revenues.

Village's Response

The Village will separate accounts for surtax-related revenues and expenditures.

Reporting Requirements

The FY 2018 Certification Letter and Five-Year Transportation Plan were not submitted timely. Also, the Village could not substantiate submission of all other required FYs 2016 to 2018 Five-Year Transportation Plans, Quarterly Reports, Certification Letters, Annual Budgets, and Reports of Expended Proceeds to OCITT.

Recommendation

The Village should submit delinquent reports within 90 days or request a formal waiver from OCITT.

Village's Response

The Village has already submitted the FY 2020 Certification Letter, Five-Year Transportation Plan, Annual Budget, and Annual Report (attached).

CJ:bm

Attachments

- c: Honorable Harvey A. Ruvin, Clerk of the Courts
- Abigail Price-Williams, County Attorney
- Edward Marquez, Deputy Mayor
- Jennifer Moon, Deputy Mayor/Director, Office of Management and Budget
- Andrea Agha, Village Manager, Village of Key Biscayne

**Charter County Transportation System Surtax Review - Village of Key Biscayne
Transportation Special Revenue Fund Financial Statements**

Balance Sheets			
Description	As of September 30,		
	2016	2017	2018
Assets:			
Restricted Cash and Cash Equivalents	\$ 935,898	\$ 1,257,172	\$ 1,623,887
Accounts Receivable, net	201,952	207,531	215,805
Due from Other Funds	-	375,281	20,081
Total Assets	<u>\$ 1,137,850</u>	<u>\$ 1,839,984</u>	<u>\$ 1,859,773</u>
Liabilities:			
Due to Other Funds	\$ 93,846	\$ 298,955	\$ -
Accounts Payable	-	-	28,332
Total Liabilities	<u>93,846</u>	<u>298,955</u>	<u>28,332</u>
Fund Balance:			
Restricted	629,740	715,133	823,271
Assigned	414,264	825,896	1,008,170
Total Fund Balance	<u>1,044,004</u>	<u>1,541,029</u>	<u>1,831,441</u>
Total Liabilities and Fund Balance	<u>\$ 1,137,850</u>	<u>\$ 1,839,984</u>	<u>\$ 1,859,773</u>
Statements of Revenues, Expenditures, and Changes in Fund Balance			
Description	Fiscal Year Ended September 30,		
	2016	2017	2018
Revenues:			
Transportation Surtax Revenues	\$ 502,197	\$ 508,734	\$ 540,692
Local Option Gas Tax	217,618	221,106	213,463
County Toll Bridge Revenue	365,000	365,000	365,000
Interest Income	184	95	170
Total Revenues	<u>1,084,999</u>	<u>1,094,935</u>	<u>1,119,325</u>
Expenditures:			
General Government	31,790	-	291,199
Debt Service:			
Principal	474,229	490,522	449,424
Interest and Fiscal Charges	123,681	107,388	88,290
Total Expenditures	<u>629,700</u>	<u>597,910</u>	<u>828,913</u>
Excess of Revenues over Expenditures	455,299	497,025	290,412
Fund Balance, Beginning of Year	<u>588,705</u>	<u>1,044,004</u>	<u>1,541,029</u>
Fund Balance, End of Year	<u>\$ 1,044,004</u>	<u>\$ 1,541,029</u>	<u>\$ 1,831,441</u>

Source: Village of Key Biscayne Audited Financial Statements and General Ledgers

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

**Charter County Transportation System Surtax Review - Village of Key Biscayne
Capital Improvements Fund Financial Statements**

Balance Sheets			
Description	As of September 30,		
	2016	2017	2018
Assets:			
Cash and Cash Equivalents	\$ 241,512	\$ 3,127	\$ 719,042
Restricted Cash and Cash Equivalents	131,236	465,316	987
Accounts Receivable, net	1,282	1,282	-
Investments	1,501,784	-	-
Due from Other Funds	-	18,036	863,179
Restricted Investments	2,016,625	2,016,625	-
Total Assets	<u>\$ 3,892,439</u>	<u>\$ 2,504,386</u>	<u>\$ 1,583,208</u>
Liabilities:			
Accounts Payable and Accrued Liabilities	\$ 1,850,361	\$ 1,228,136	\$ 535,615
Due to Other Funds	4,156,659	7,581,604	1,047,593
Total Liabilities	6,007,020	8,809,740	1,583,208
Fund Balance	(2,114,581)	(6,305,354)	-
Total Liabilities and Fund Balance	<u>\$ 3,892,439</u>	<u>\$ 2,504,386</u>	<u>\$ 1,583,208</u>
Statements of Revenues, Expenditures, and Changes in Fund Balance			
Description	Fiscal Year Ended September 30,		
	2016	2017	2018
Revenues:			
Interest Income	\$ 8,355	\$ 24	\$ -
Expenditures:			
General Government	203,525	19,026	12,438
Parks and Recreation	-	1,049	3,462
Capital Outlay	6,809,972	6,438,265	3,078,636
Debt Service:			
Principal	162,862	-	66,281
Interest and Fiscal Charges	5,321	-	1,497
Intergovernmental Payment	2,390,330	-	-
Total Expenditures	<u>9,572,010</u>	<u>6,458,340</u>	<u>3,162,314</u>
Deficiency of Revenues over Expenditures	(9,563,655)	(6,458,316)	(3,162,314)
Other Financing Sources:			
Transfers In	4,260,203	2,267,543	9,467,668
Net Change in Fund Balance	(5,303,452)	(4,190,773)	6,305,354
Fund Balance, Beginning of Year	<u>3,188,871</u>	<u>(2,114,581)</u>	<u>(6,305,354)</u>
Fund Balance, End of Year	<u>\$ (2,114,581)</u>	<u>\$ (6,305,354)</u>	<u>\$ -</u>

Source: Village of Key Biscayne Audited Financial Statements and General Ledgers

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

**Charter County Transportation System Surtax Review - Village of Key Biscayne
Analysis of Claimed Transportation-Related Expenditures**

Description	Fiscal Year Ended September 30,			All Years
	2016	2017	2018	
<i>Transportation Special Revenue Fund</i>				
Crandon Boulevard Debt Service, Actual Costs Previously Claimed	\$ 597,910	\$ 597,910	\$ 537,714	\$ 1,733,534
<i>Capital Improvements Fund</i>				
Eligible Costs:				
Traffic Calming	276,009	33,523	183,171	492,703
Street Lighting Poles	270,276	54,529	16,008	340,813
Street Signs	175,860	10,225	-	186,085
Pedestrian Lighting and Flashers	145,175	-	-	145,175
Sidewalk Repairs	26,041	107,425	-	133,466
Crosswalk Safety	3,500	53,000	7,500	64,000
Traffic Circle Maintenance	2,040	39,423	5,988	47,451
Milling and Resurfacing	19,226	-	-	19,226
Bicycle Racks	-	1,166	-	1,166
	<u>918,127</u>	<u>299,291</u>	<u>212,667</u>	<u>1,430,085</u>
Ineligible Costs:				
Beach and Coastal Systems Renourishment/Restoration	43,109	1,893,711	120,611	2,057,431
Underground Power Line Studies and Engineering	76,520	12,950	368,980	458,450
401 Hampton Lane Corner Park	-	166,409	54,173	220,582
Landscaping for Non-Surtax Funded Projects	197,644	4,250	18,183	220,077
Crandon Boulevard Park	1,850	50,746	48,897	101,493
Lake Park	27,977	44,146	14,092	86,215
Community Center and Village Hall Repairs and Maintenance	72,346	1,700	7,600	81,646
Calusa Park Trail	63,839	-	-	63,839
Dog Park	-	59,006	-	59,006
Decorative Park Lighting and Damages Reimbursed by Insurance	37,063	7,132	-	44,195
Irrigation and Sprinklers	30,558	-	6,500	37,058
Butterfly Garden	3,000	-	32,608	35,608
Window Tinting and Wrap for Public Works Vehicles	-	24,793	-	24,793
Beach Park	-	10,850	10,260	21,110
Playground, Beach Management, and Video Conferencing	-	-	20,295	20,295
Village Hall and Civic Center Parking	12,029	2,992	-	15,021
Harbor Drive, Canal Pavers	-	9,969	-	9,969
Village Anniversary Banners	4,933	-	-	4,933
Village Hall Signage	185	-	3,460	3,645
Sewer Backflow Prevention	3,327	-	-	3,327
	<u>574,380</u>	<u>2,288,654</u>	<u>705,659</u>	<u>3,568,693</u>
<i>General Fund</i>				
Eligible Costs:				
Administrative Costs (limited to 5% of Surtax Proceeds)	25,110	25,437	27,035	77,582
Street Lighting Utilities	18,160	20,637	19,729	58,526
	<u>43,270</u>	<u>46,074</u>	<u>46,764</u>	<u>136,108</u>
Ineligible Costs:				
Water and Sewer Utilities	251,917	222,286	195,991	670,194
Non-Street Lighting Utilities	49,513	46,595	46,232	142,340
Propane Gas and Other	-	85	284	369
	<u>301,430</u>	<u>268,966</u>	<u>242,507</u>	<u>812,903</u>
Total Claimed Costs	<u>\$2,435,117</u>	<u>\$ 3,500,895</u>	<u>\$ 1,745,311</u>	<u>\$ 7,681,323</u>

Source: Village of Key Biscayne General Ledgers and Invoices

Charter County Transportation System Surtax Review - Village of Key Biscayne
Surtax Proceeds Usage Analysis

Description	Fiscal Year Ended September 30,			All Years
	2016	2017	2018	
Surtax Proceeds (Schedule I)	\$ 502,197	\$ 508,734	\$ 540,692	\$ 1,551,623
Surtax Uses:				
Eligible Transit Expenditures (Table II)	\$ 24,050	\$ -	\$ 62,531	\$ 86,581
Eligible Transportation Expenditures (Table III)	\$ 961,397	\$ 345,365	\$ 259,431	\$ 1,566,193
Less: MOE (Table I)	(85,725)	(85,725)	(85,725)	(257,175)
Expenditures Available for Surtax Use	\$ 875,672	\$ 259,640	\$ 173,706	\$ 1,309,018
AMS Analysis:				
Transit-Related Expenditures:				
Expenditures Available for Surtax Use	\$ 24,050	\$ -	\$ 62,531	\$ 86,581
Less 20% Minimum Amount ¹	(100,439)	(101,747)	(108,138)	(310,324)
Increase in Unspent Funds	\$ (76,389)	\$ (101,747)	\$ (45,607)	\$ (223,743)
Analysis of Unspent Amount:				
Beginning Balance ²	\$ 536,845	\$ 613,234	\$ 714,981	\$ 536,845
Increase In Unspent Amounts	76,389	101,747	45,607	223,743
Remaining Unspent Amount	\$ 613,234	\$ 714,981	\$ 760,588	\$ 760,588
Transportation-Related Expenditures:				
Expenditures Available for Surtax Use	\$ 875,672	\$ 259,640	\$ 173,706	\$ 1,309,018
Less Remaining 80% Amount ¹	(401,758)	(406,987)	(432,554)	(1,241,299)
Increase (Decrease) in Carryforward Amounts	\$ 473,914	\$ (147,347)	\$ (258,848)	\$ 67,719
Analysis of Carryforward Credit:				
Beginning Balance ²	\$ (3,331,726)	\$ (3,805,640)	\$ (3,658,293)	\$ (3,331,726)
(Increase) Decrease In Carryforward Amounts	(473,914)	147,347	258,848	(67,719)
Remaining Carryforward Credit ³	\$ (3,805,640)	\$ (3,658,293)	\$ (3,399,445)	\$ (3,399,445)

¹ 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.

² Per the October 25, 2016 Audit Report

³ Credits may be applied to future Surtax funding per *CITT Resolution No. 15-027*.

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

Municipality	Fiscal Year Ended September 30,							All Years
	2003 to 2012	2013	2014	2015	2016	2017	2018	
City of Miami ¹	\$ 116,849,163	\$ 14,564,114	\$ 15,424,405	\$ 16,414,208	\$ 16,889,133	\$ 16,523,990	\$ 18,187,632	\$ 214,852,645
City of Hialeah	68,960,371	8,118,432	8,457,199	8,983,772	9,243,159	9,346,775	9,873,020	122,982,728
City of Miami Beach	27,484,782	3,166,271	3,351,080	3,552,358	3,670,335	3,678,499	3,925,123	48,828,448
City of Miami Gardens ²	10,352,937	3,837,951	3,985,238	4,199,539	4,336,722	4,409,954	4,737,286	35,859,627
City of North Miami	17,943,986	2,107,503	2,212,494	2,328,969	2,454,241	2,473,804	2,665,998	32,186,995
City of Homestead	13,789,737	2,204,159	2,354,015	2,519,902	2,669,792	2,788,854	2,969,698	29,296,157
City of Coral Gables	13,391,235	1,685,507	1,781,041	1,897,394	1,955,854	1,981,236	2,091,593	24,783,860
City of North Miami Beach	12,435,165	1,493,737	1,566,354	1,659,574	1,733,203	1,746,039	1,882,765	22,516,837
City of Aventura	8,891,581	1,280,248	1,385,071	1,436,028	1,494,036	1,502,980	1,590,870	17,580,814
City of Doral ²	3,642,653	1,667,049	1,767,800	1,925,900	2,120,606	2,232,433	2,508,437	15,864,878
Town of Miami Lakes ¹	7,766,182	1,052,533	1,095,293	1,172,205	1,209,319	1,211,635	1,288,227	14,795,394
Town of Cutler Bay ²	3,886,873	1,453,608	1,541,361	1,643,660	1,721,858	1,769,140	1,899,220	13,915,720
Village of Palmetto Bay	7,423,535	841,373	879,379	930,008	952,951	956,304	1,013,542	12,997,092
City of Hialeah Gardens	6,178,662	780,808	816,410	859,975	904,713	922,372	986,599	11,449,539
City of Sunny Isles Beach	5,376,896	752,852	795,768	834,090	869,990	866,019	933,221	10,428,836
Village of Pinecrest ³	5,225,789	1,205,816	686,122	723,235	737,876	738,316	777,521	10,094,675
City of Miami Springs	4,113,990	496,146	522,095	550,052	562,418	565,087	601,223	7,411,011
City of Opa-locka ⁵	4,640,264	552,018	580,600	556,122	90,323	195,000	210,000	6,824,327
City of South Miami	3,280,419	443,069	504,946	538,750	546,219	547,720	546,151	6,407,274
Village of Key Biscayne	3,415,345	443,069	461,282	489,679	502,197	508,734	540,692	6,360,998
City of Sweetwater ¹	4,077,699	390,842	326,534	275,281	273,778	133,332	466,662	5,944,128
City of Florida City	2,794,031	419,450	440,752	477,906	498,385	504,443	542,769	5,677,736
Miami Shores Village	3,145,976	368,810	384,663	408,970	419,557	420,697	443,831	5,592,504
North Bay Village	1,965,557	263,374	279,848	299,797	314,789	328,007	378,523	3,829,895
City of West Miami	1,770,807	214,600	224,057	235,786	241,053	241,373	279,166	3,206,842
Town of Surfside	1,666,675	206,033	214,832	226,558	229,428	228,739	234,500	3,006,765
Town of Bay Harbor Islands	1,566,561	201,912	214,053	227,105	231,953	222,682	234,375	2,898,641
Village of Biscayne Park	994,312	110,094	115,264	122,506	125,900	126,220	135,905	1,730,201
Bal Harbour Village	948,405	89,667	110,690	113,983	114,472	111,421	114,881	1,603,519
Village of El Portal ⁴	751,852	83,900	87,815	88,880	6,467	174,873	90,094	1,283,881
Village of Virginia Gardens	704,328	85,654	89,044	94,354	96,229	96,903	102,910	1,269,422
Town of Medley	333,660	29,889	31,913	33,823	34,442	33,529	35,277	532,533
Town of Golden Beach ¹	262,985	33,042	34,366	35,427	36,766	37,221	39,423	479,230
Indian Creek Village	3,604	-	-	-	-	-	-	3,604
	<u>\$ 366,036,017</u>	<u>\$ 50,643,530</u>	<u>\$ 52,721,784</u>	<u>\$ 55,855,796</u>	<u>\$ 57,288,164</u>	<u>\$ 57,624,331</u>	<u>\$ 62,327,134</u>	<u>\$ 702,496,756</u>

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

¹ Amounts are net of withholdings of \$76,553 from the Town of Miami Lakes, \$1.6 million from the City of Sweetwater, \$21,058 from the Town of Golden Beach, and \$2.5 million from the City of Miami, due to specific instances of noncompliance.

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

⁴ Amount in FY 2016 is net of \$84,069 withheld due to instances of noncompliance, which was returned in FY 2017 by OCITT.

⁵ A total of \$1.7 million is being withheld from the City of Opa-locka due to instances of noncompliance.

**Charter County Transportation System Surtax Review – Village of Key Biscayne
Status of Prior Audit Findings¹**

Finding		Recommendation	Auditee Response	Current Status
Use of Surtax Proceeds				
At least 20% of Surtax Proceeds, or \$569,000, must be used for Transit-related projects. The Village only claimed \$42,950 for a mobility study during Fiscal Year (FY) 2015.	Within 30 days, the Village should submit a Five-Year Plan that shows how unused Transit funds will be spent, or OCITT should work with Village staff to determine if those Proceeds can be applied to County projects that effectively address the community's needs.	The Village submitted a current Five-Year Plan that showed future uses of unused Transit funds.	<u>Unresolved</u> The Village had unspent Transit Proceeds of \$760,588 as of September 30, 2018. (See pages 2-3 of the Audit Report.)	
The remaining proceeds, totaling \$2.3 million, primarily funded street lighting and Public Works street maintenance payroll. The Village claimed 100% of these employee salaries, which should only have been allocated at the percentage of time spent on eligible road-related work.				
Reporting Requirements				
The Village elected to claim actual expenditures for the Crandon Boulevard Expansion Project in prior years, instead of debt service costs. However, Quarterly Expenditure Reports submitted to OCITT included annual debt service costs as claimed Transportation-related expenditures.	Certification Letters should be submitted for FYs 2009 and 2010. Prospectively, the Village should submit accurate reports within required deadlines, or request filing extensions.	The Village submitted the missing Certification Letters.	<u>Unresolved</u> The Village did not timely submit current reports. (See page 5 of the Audit Report.)	
The Village did not submit required documentation within required deadlines.				

¹ See the Audit Report dated October 25, 2016 and the Village's Response dated November 25, 2016 for the full text.



VILLAGE OF KEY BISCAINE

Office of the Village Manager

Village Council

October 29, 2019

Michael W. Davey, Mayor
Allison McCormick, Vice Mayor

Cathy Jackson
Director
Office of the Citizens' Independent
Transportation Trust
701 NW 1st Court – Suite 8-175
Miami, FL 33136

Luis Lauredo
Edward London
Brett Moss
Katie Petros
Ignacio J. Seguro

RE: Audit Report – Charter County Transportation System Surtax Review – Village of Key Biscayne

Village Manager

Andrea M. Agha

Dear Ms. Jackson,

We received the draft audit report dated October 21, 2019 for the three years ended September 30, 2018 and would like the opportunity to respond to the findings:

- a. Finding #1 – The Village had unspent Transit Proceeds of \$760,588
 - a. Per CiTT Resolution No 09-055, the Village will rollover the funds for a period not to exceed 5 years. The unspent proceeds are included in the 5-year Transportation Plan (attached) and are projected to be spent down by the 3rd year (FY 2021-2022).
- b. Finding #2 – Transit Services were not competitive sourced and on-demand transit services must be authorized by the County pursuant to an Interlocal Agreement
 - a. The Village compared on-demand transit contracts with other Municipalities for reasonableness when awarding the current contract. The Village is awaiting the Interlocal Agreement from the County Attorney's Office to become available for signature.
- c. Finding #3 - Village comingled Transportation Surtax Revenues with Local Option Gas Tax (LOGT) and County Toll Bridge Tolls in the Transportation Special Revenue Fund. The Interlocal Agreement requires that the Village maintain separate accounts for surtax-related revenues and expenditures, as well as any unspent cash balances
 - a. The Village will separate accounts for surtax-related revenues and expenditures
- d. Finding #4 - The Village did not timely submit the Certification Letter and Five-Year Transportation Plan, Quarterly Reports, and Annual Budgets, and Annual Report.
 - a. The Village has already submitted the FY 20 Certification Letter, Five-Year Transportation Plan, Annual Budget, and Annual Report (attached)

Sincerely,

Andrea Agha
Village Manager

Cc: G. Nancy McKee, Asst. Director
Benjamin Nussbaum, Finance Director



VILLAGE OF KEY BISCAINE

Office of the Village Manager

Village Council

October 22, 2019

Michael W. Davey, Mayor
Allison McCormick, Vice Mayor

Luis Lauredo
Edward London
Brett Moss
Katie Petros
Ignacio J. Seguro

Javier Betancourt
Executive Director
Office of the Citizens' Independent
Transportation Trust
111 N.W. First Street, Suite 1010
Miami, Florida 33128

Village Manager

RE: Certification and Reporting Compliance for FY 2019-2020

Andrea M. Agha

Dear Mr. Betancourt:

In accordance with the certification and reporting requirements of the Interlocal Agreement (revised) between our Municipality and Miami-Dade County regarding Charter County Transit System Proceeds Levied by Miami-Dade County, we certify that:

- i) For the current fiscal year, we are providing at least the same level of general fund support for transportation that we provided in the FY 2001-2002 budget in the amount of \$85,725.
- ii) We are using the current year's portion of the Municipal Share received in accordance with the Interlocal Agreement.

Also, as required by the Interlocal Agreement we are including:

- i) A certified copy of the current Operational and Capital Budget for the current fiscal year.
- ii) List of projects in the format mandated by the Office of the Citizens' Independent Transportation Trust: The 5-year transportation plan which includes ongoing and projected projects on which surtax proceeds have been and are planned to be expended.
- iii) A completed Municipal Questionnaire / Annual Report.

Sincerely,

Andrea Agha
Village Manager

Cc: Michael Davey, Mayor
Benjamin Nussbaum, Finance Director

PTP/TRANSIT
FIVE-YEAR MUNICIPAL TRANSIT IMPROVEMENT PROGRAM
& QUARTERLY REPORTING

Instructions: Please complete un-shaded portions of this spreadsheet.
Unhide rows at end of spreadsheet as needed.

MUNICIPALITY:	Village of Key Biscayne
CONTACT NAME:	Benjamin Nussbaum
TITLE / POSITION:	Finance Director
TELEPHONE:	305-365-8919
E-MAIL:	bnussbaum@keybiscayne.fl.gov
REPORT DATE:	October 1, 2019

MOE:

Project Name and Description	Project Location	Estimated Start/End Date	Total Project Cost (1)	Phase (2)	Funding Source	Amount	Phase (2)	Funding Source	Amount	Phase (2)	Funding Source	Amount	Phase (2)	Funding Source	Amount
Miscellaneous Transit Projects	Village Wide	Start mm/yy	82,494		PIP	82,494		PIP			PIP			PIP	
		10/01/2019													
		End mm/yy													
		09/30/2020													
		Start mm/yy			82,494	CST		PIP	434,660		PIP	167,677		PIP	122,407
		10/01/2019						Village Funds	293,562		Village Funds	352,668			
Freebee Transit Services	Village Wide	End mm/yy	2,110,000	ON											
		End mm/yy													
		09/30/2024													
		Start mm/yy			PIP			PIP			PIP			PIP	
		End mm/yy													
		Start mm/yy			PIP			PIP			PIP			PIP	
		End mm/yy													
		End mm/yy													
		Start mm/yy			PIP			PIP			PIP			PIP	
		End mm/yy													
		Start mm/yy			PIP			PIP			PIP			PIP	
		End mm/yy													
		Start mm/yy			PIP			PIP			PIP			PIP	
		End mm/yy													
		Start mm/yy			PIP			PIP			PIP			PIP	
		End mm/yy													
		Start mm/yy			PIP			PIP			PIP			PIP	
		End mm/yy													

PTP/TRANSPORTATION
FIVE-YEAR MUNICIPAL TRANSPORTATION IMPROVEMENT PROGRAM
& QUARTERLY REPORTING

Instructions: Please complete un-shaded portions of this spreadsheet. Un-hide rows at the end of spreadsheet as needed.

MUNICIPALITY:	Village of Key Biscayne
CONTACT NAME:	Benjamin Nussbaum
TITLE / POSITION:	Finance Director
TELEPHONE:	305-365-8919
E-MAIL:	bnussbaum@keybiscayne.fl.gov
REPORT DATE:	October 1, 2019

[illegible]

	FY 2019-2020	FY 2020-2021	FY 2021-2022	FY 2022-2023	FY 2023-2024
CST: Construction	TOTAL Projected Expenditure \$ 450,000	TOTAL Projected Expenditure \$ 1,389,167	TOTAL Projected Expenditure \$ 1,389,167	TOTAL Projected Expenditure \$ 489,628	TOTAL Projected Expenditure \$ 504,317
ROW: Right of Way Acquisition					
PE: Preliminary Engineering	PTP Projected Start \$ 448,079	PTP Projected Start \$ 545,325	PTP Projected Start \$ 475,367	PTP Projected Start \$ 489,628	PTP Projected Start \$ 504,317
FS: Feasibility Study	Less PTP Projected Expenditures \$ 364,275	Less PTP Projected Expenditures \$ 545,325	Less PTP Projected Expenditures \$ 475,367	Less PTP Projected Expenditures \$ 489,628	Less PTP Projected Expenditures \$ 504,317
PP: Procurement Process	= PTP Projected Unexpended \$ 83,804	= PTP Projected Unexpended \$ -	= PTP Projected Unexpended \$ -	= PTP Projected Unexpended \$ -	= PTP Projected Unexpended \$ -
SP: Service Planning					
IP: Implementation Process					
ON: On-Gong					

CST: Construction
ROW: Right of Way Acquisition
PE: Preliminary Engineering
FS: Feasibility Study
PP: Procurement Process
SP: Service Planning
IP: Implementation Process
ON: On-Going
OTH: Other

FY 19/20 CITT Municipal Questionnaire / Annual Report

MUNICIPALITY:	Village of Key Biscayne
CONTACT NAME:	Benjamin Nussbaum
TITLE / POSITION:	Finance Director
TELEPHONE:	305-365-8919
E-MAIL:	bnussbaum@keybiscayne.fl.gov
REPORT DATE:	October 1, 2019

TRANSIT PROJECTS	October 1, 2019 thru September 30, 2020	
Number of Trolley/Circulator Routes	1	(#)
Number of Trolley/Circulator Vehicles	2	(#)
Number of Trolley/Circulator Ridership	42,782	(#)
Total Trolley/Circulator Miles Operated	66,570	(mi)
Is your Trolley/Circulator Municipally operated?	Yes / No	
Is your Trolley/Circulator Contractor operated?	Yes / No	
Number of Bus Bench Installed	-	(#)
Number of Bus Shelter Installed	-	(#)
LIST ADDITIONAL TRANSIT RELATED PROJECTS / EXPENDITURES BELOW:		
Miscellaneous Transit Projects	82,494	

TRANSPORTATION PROJECTS	October 1, 2019 thru September 30, 2020	
Lane miles (milling, resurfacing, reconstruction, new roads, roadwidening, new lanes)		(mi)
Number of Traffic calming devices installed (Traffic circles, speed bumps, etc.)		(#)
Number of Street Lights installed		(#)
Number of Signs installed		(#)
Linear feet of Sidewalks installed		(ft)
Linear feet of Drainage installed (stormwater construction)		(ft)
LIST ADDITIONAL TRANSPORTATION RELATED PROJECTS / EXPENDITURES BELOW:		
Crandon Blvd Bike & Pedestrian Improvements	200,000	
Village Center Roadway Redesign / Parking Imprv.	250,000	