



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

December 5, 2019

Mr. Guillermo Olmedillo  
Town Manager  
Town of Surfside  
9293 Harding Avenue  
Surfside, Florida 33154

**Re: Final Audit Report - Charter County Transportation System Surtax Review –  
Town of Surfside**

Dear Mr. Olmedillo:

Attached is the above-referenced Audit Report together with the Town's Response. We appreciate the courtesies and assistance extended to our staff during the audit process. Please contact Gerardo (Jerry) Suarez, Audit Manager, at (786) 469-5900, should you have any questions.

Sincerely,

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

Cathy Jackson  
Director

CJ:ag

Attachment

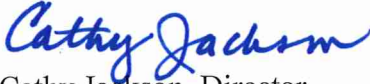
c: Javier A. Betancourt, Executive Director, OCITT  
Jason Greene, Finance Director, Town of Surfside

# Memorandum



**Date:** December 5, 2019

**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:** Final Audit Report – Charter County Transportation System Surtax Review –  
Town of Surfside

---

## **PURPOSE AND SCOPE**

We performed a review of the Town of Surfside's (Town) use of Charter County Transportation System Surtax (Surtax) Proceeds remitted by Miami-Dade County (County) for the four 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 June 7, 2007. Additionally, we assessed resolution of prior audit findings referenced in our Audit Report dated August 31, 2015 (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 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*, the Town 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 \$190,183 (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 Town 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 municipality'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 four years ended September 30, 2018, the Town received \$921,058 in Surtax Proceeds and claimed Transit and Transportation-related expenditures of \$530,212 and \$921,931, respectively (Table I). After adjusting claimed expenditures for the Maintenance of Effort (MOE) and ineligible charges, the Town had unspent Transportation-related expenditures of \$432,567 as of September 30, 2018 (Schedule II).

**Table I  
 Surtax Statistics**

Description	Fiscal Year Ended September, 30				All Years
	2015	2016	2017	2018	
Maintenance of Effort (MOE)	\$ 190,183	\$ 190,183	\$ 190,183	\$ 190,183	\$ 760,732
<b>Revenues:</b>					
Surtax Proceeds (Schedule I)	\$ 228,391	\$ 229,428	\$ 228,739	\$ 234,500	\$ 921,058
<b>Claimed Expenditures:</b>					
Transit (Table II)	\$ 119,305	\$ 128,845	\$ 133,101	\$ 148,961	\$ 530,212
Transportation (Table IV)	153,648	281,312	156,059	330,912	921,931
	\$ 272,953	\$ 410,157	\$ 289,160	\$ 479,873	\$ 1,452,143
<b>Unspent Amounts (Schedule II):</b>					
Transit-Related	\$ -	\$ -	\$ -	\$ -	
Transportation-Related	\$ 339,755	\$ 356,736	\$ 487,034	\$ 432,567	
<b>Key Account Balances as of September 30th (Schedule I):</b>					
Cash	\$ 397,629	\$ 304,326	\$ 532,218	\$ 765,035	
Fund Balance	\$ 440,662	\$ 354,264	\$ 388,363	\$ 263,292	

These and other findings along with the Town’s Responses (Attachment I) are presented in the remainder of this Report. The corrective actions planned by the Town are satisfactory, and thus the audit has been closed. Thank you for the courtesies extended to our staff during the audit process. Please contact Gerardo (Jerry) Suarez, Audit Manager, at (786) 469-5900, if you have any questions.

**FINDINGS AND RECOMMENDATIONS**

**Uses of Surtax Proceeds**

As mentioned previously, at least 20% of the Surtax Proceeds or \$184,212 must be used for Transit-related projects. The Town claimed \$530,212 for its free Community Shuttle Service that included \$474,818 paid to the operator, Limousines of South Florida, Inc. (Table II).



**Table II**  
**Claimed Transit-Related Expenditures, As Adjusted**

Description	Fiscal Year Ended September 30,				All Years
	2015	2016	2017	2018	
<b>Transportation Surtax Special Revenue Fund Expenditures:</b>					
Contracted Shuttle Service	\$ 107,517	\$ 106,751	\$ 122,463	\$ 138,087	\$ 474,818
Gasoline	11,788	10,438	8,249	6,401	36,876
Bus Shelter Glass Repairs and Other	-	11,656	2,389	4,473	18,518
Total Claimed Transit Expenditures	119,305	128,845	133,101	148,961	530,212
<b>AMS Adjustments:</b>					
Gasoline - Non-Surtax Related	-	(1,092)	-	-	(1,092)
Total Claimed, as Adjusted	\$ 119,305	\$ 127,753	\$ 133,101	\$ 148,961	\$ 529,120

Source: General Ledgers, Vendor Invoices, and other supporting documentation

The Shuttle operates Monday to Friday from 7:30 AM to 5:00 PM, and Saturdays from 8:00 AM to 1:30 PM. During the audit period, the average annual passenger ridership was 28,640 (Table III).

**Table III**  
**Shuttle Ridership**

Month	FY 2015	FY 2016	FY 2017	FY 2018
October	2,602	2,339	2,385	2,270
November	2,387	2,261	2,398	2,001
December	2,766	2,378	2,365	3,349
January	2,519	2,226	2,250	2,359
February	2,541	2,473	2,414	2,221
March	2,426	2,627	2,628	2,361
April	2,046	2,553	2,501	2,362
May	2,117	2,694	2,698	1,923
June	2,255	2,714	2,308	1,790
July	2,442	2,327	2,483	2,064
August <sup>1</sup>	2,428	2,327	2,647	2,347
September <sup>1</sup>	2,428	2,398	1,841	2,319
	<u>28,957</u>	<u>29,317</u>	<u>28,918</u>	<u>27,366</u>
Average Annual Ridership	<u>28,640</u>			

Source: Limousines of South Florida, Inc. Invoices

<sup>1</sup> Estimates were used for September 2015 and August 2016.

For the remaining 80% share and MOE, the Town claimed \$921,931 for Traffic Signal studies, street lighting and maintenance, as well as road improvements and repairs (Table IV). After adjusting claimed expenditures for the MOE and disallowances, the Town had \$432,567 in unspent Transportation-related funds as of September 30, 2018 (Schedule II).

**Table IV**  
**Claimed Transportation-Related Expenditures, As Adjusted**

Description	Fiscal Year Ended September 30,				All Years
	2015	2016	2017	2018	
<b>Transportation Surtax Special Revenue Fund Expenditures:</b>					
Traffic Signal Modifications and Other Studies	\$ 8,286	\$ 93,492	\$ 33,834	\$ 84,102	\$ 219,714
Road Improvements and Repairs	47,029	83,639	16,955	15,258	162,881
Harding Avenue Electrical and Lighting Improvements <sup>1</sup>	-	-	-	100,000	100,000
Administrative Expenses <sup>2</sup>	9,850	10,850	10,750	11,250	42,700
	<u>65,165</u>	<u>187,981</u>	<u>61,539</u>	<u>210,610</u>	<u>525,295</u>
<b>MOE-Related General Fund Expenditures:</b>					
Personnel Costs - Street Maintenance Worker	53,405	56,742	63,235	67,914	241,296
Utilities - Street Lighting	35,078	36,589	31,285	33,204	136,156
Street Repairs & Maintenance	-	-	-	19,184	19,184
	<u>88,483</u>	<u>93,331</u>	<u>94,520</u>	<u>120,302</u>	<u>396,636</u>
Total Claimed Transportation Expenditures	<u>153,648</u>	<u>281,312</u>	<u>156,059</u>	<u>330,912</u>	<u>921,931</u>
<b>AMS Adjustments for Ineligible Charges:</b>					
Concrete Removal paid to Vendor Manager	(5,700)	-	-	-	(5,700)
Seawall Restoration Maintenance	-	(3,000)	-	-	(3,000)
Trash Can Receptacles - Miscoded	-	(2,105)	-	-	(2,105)
Non-Street Lighting Costs	(213)	(330)	(536)	(723)	(1,802)
	<u>(5,913)</u>	<u>(5,435)</u>	<u>(536)</u>	<u>(723)</u>	<u>(12,607)</u>
Total Claimed, as Adjusted	<u>\$ 147,735</u>	<u>\$ 275,877</u>	<u>\$ 155,523</u>	<u>\$ 330,189</u>	<u>\$ 909,324</u>

Source: General Ledgers, Vendor Invoices, and other supporting documentation

<sup>1</sup> Represents transfers to the Capital Projects Fund.

<sup>2</sup> Represents transfers to the General Fund.

### **Recommendation**

Within 90 days, the Town should work with OCITT to submit an updated Five-Year Transportation Plan reflecting how the \$432,567 in unspent Surtax Proceeds will be used, as required by *CITT Resolution No. 09-055*.

### **Town's Response**

*On October 31, 2019, the Town submitted to the OCITT a new Five-Year Transportation Plan for transit and transportation that shows all remaining fund balance will be depleted during FY 2021.*

### **Reporting Requirements**

On a quarterly basis, the Town is required to submit a report listing projects funded by Surtax Proceeds. In addition, an annual Certification Letter together with Municipal Questionnaire, Budgets and the Five-Year Transportation Plan, are due November 1<sup>st</sup>. The Town did not provide any of the required annual documentation in FYs 2015 through 2018.

**Recommendation**

The Town should endeavor to comply with the reporting requirements, as stipulated by the *Interlocal Agreement*.

**Town's Response**

*On October 31, 2019, the Town submitted to the OCITT a new Five-Year Transportation Plan, Municipal Questionnaire, and Certification Letter. These required items were submitted prior to the due date of November 1, 2019.*

CJ:ag

Attachments

c: Honorable Harvey A. Ruvlin, Clerk of the Courts  
Abigail Price-Williams, County Attorney  
Edward Marquez, Deputy Mayor  
Jennifer Moon, Deputy Mayor/Director, Office of Management and Budget  
Guillermo Olmedillo, Town Manager, Town of Surfside

**Charter County Transportation System Surtax Review - Town of Surfside  
Transportation Surtax Special Revenue Fund**

Balance Sheets				
Description	As of September 30,			
	2015	2016	2017	2018
<b>Assets:</b>				
Cash	\$ 397,629	\$ 304,326	\$ 532,218	\$ 765,035
Receivables	55,244	76,100	76,725	78,407
Total Assets	<u>\$ 452,873</u>	<u>\$ 380,426</u>	<u>\$ 608,943</u>	<u>\$ 843,442</u>
<b>Liabilities:</b>				
Accounts Payable	\$ 12,211	\$ 26,162	\$ 25,598	\$ 12,701
Due to Other Funds	-	-	194,982	567,449
Total Liabilities	<u>12,211</u>	<u>26,162</u>	<u>220,580</u>	<u>580,150</u>
<b>Fund Balance:</b>				
Restricted for Transportation Surtax	440,662	354,264	388,363	263,292
Total Liabilities and Fund Balance	<u>\$ 452,873</u>	<u>\$ 380,426</u>	<u>\$ 608,943</u>	<u>\$ 843,442</u>
Statements of Revenues, Expenditures, and Changes in Fund Balance				
Description	For Fiscal Year Ended September 30,			
	2015	2016	2017	2018
<b>Revenues:</b>				
Surtax Proceeds <sup>1</sup>	\$ 228,391	\$ 229,428	\$ 228,739	\$ 234,500
Florida Department of Transportation Reimbursement	-	1,000	-	-
Total Revenues	<u>228,391</u>	<u>230,428</u>	<u>228,739</u>	<u>234,500</u>
<b>Expenditures:</b>				
Transportation	174,620	310,767	183,890	248,321
Capital Outlay	-	6,059	-	-
Total Expenditures	<u>174,620</u>	<u>316,826</u>	<u>183,890</u>	<u>248,321</u>
Excess (Deficiency) of Revenues Over Expenditures	53,771	(86,398)	44,849	(13,821)
<b>Other Financing Uses:</b>				
Transfers out - General Fund	(9,850)	-	(10,750)	(11,250)
Transfers out - Capital Projects Fund <sup>2</sup>	-	-	-	(100,000)
	<u>(9,850)</u>	<u>-</u>	<u>(10,750)</u>	<u>(111,250)</u>
Net Change in Fund Balance	43,921	(86,398)	34,099	(125,071)
<b>Fund Balance, Beginning</b>	396,741	440,662	354,264	388,363
<b>Fund Balance, Ending</b>	<u>\$ 440,662</u>	<u>\$ 354,264</u>	<u>\$ 388,363</u>	<u>\$ 263,292</u>

Source: Town of Surfside Audited Financial Statements and General Ledgers

<sup>1</sup> Amounts differ from those on Schedule III due to timing differences.

<sup>2</sup> Harding Avenue Electrical and Lighting Improvements

**The Financial Statements are incomplete without the accompanying Independent Auditors' Reports and Notes.**



Charter County Transportation System Surtax Review - Town of Surfside  
Surtax Proceeds Usage Analysis

Description	Fiscal Year Ended September 30,				All Years
	2015	2016	2017	2018	
<b>Sources of Funds:</b>					
Surtax Proceeds (Schedule I)	\$ 228,391	\$ 229,428	\$ 228,739	\$ 234,500	\$ 921,058
Florida Department of Transportation (FDOT) Reimbursement (Schedule I)	-	1,000	-	-	1,000
	<u>\$ 228,391</u>	<u>\$ 230,428</u>	<u>\$ 228,739</u>	<u>\$ 234,500</u>	<u>\$ 922,058</u>
<b>Surtax Uses:</b>					
<b>Eligible Transit Expenditures (Table II)</b>					
Eligible Transportation Expenditures (Table IV)	\$ 119,305	\$ 127,753	\$ 133,101	\$ 148,961	\$ 529,120
Transit Expenditures Applied to Meet the Maintenance of Effort (MOE) <sup>2</sup>	\$ 147,735	\$ 275,877	\$ 155,523	\$ 330,189	\$ 909,324
Less: MOE (Table I)	42,448	-	34,660	-	77,108
	<u>(190,183)</u>	<u>(190,183)</u>	<u>(190,183)</u>	<u>(190,183)</u>	<u>(760,732)</u>
Amounts Expended In Excess of the MOE Requirement	\$ -	\$ 85,694	\$ -	\$ 140,006	\$ 225,700
<b>AMS Analysis:</b>					
<b>Transit-Related Expenditures:</b>					
Expenditures Available for Surtax Use <sup>2</sup>	\$ 76,857	\$ 127,753	\$ 98,441	\$ 148,961	\$ 452,012
Less 20% Minimum Amount <sup>1</sup>	<u>(45,678)</u>	<u>(45,886)</u>	<u>(45,748)</u>	<u>(46,900)</u>	<u>(184,212)</u>
Amount Available for Surtax Use	<u>\$ 31,179</u>	<u>\$ 81,867</u>	<u>\$ 52,693</u>	<u>\$ 102,061</u>	<u>\$ 267,800</u>
<b>Analysis of Unspent Amount:</b>					
Beginning Balance <sup>3</sup>	\$ -	\$ -	\$ -	\$ -	\$ -
Decrease In Unspent Amounts	<u>(31,179)</u>	<u>(81,867)</u>	<u>(52,693)</u>	<u>(102,061)</u>	<u>(267,800)</u>
Amounts Applied to Transportation-Related Expenditures	<u>31,179</u>	<u>81,867</u>	<u>52,693</u>	<u>102,061</u>	<u>267,800</u>
<b>Remaining Unspent Amounts</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Transportation-Related Expenditures:</b>					
Amounts Expended In Excess of the MOE Requirement	\$ -	\$ 85,694	\$ -	\$ 140,006	\$ 225,700
Excess Transit Expenditures Applied	<u>31,179</u>	<u>81,867</u>	<u>52,693</u>	<u>102,061</u>	<u>267,800</u>
Less Remaining 80% Amount <sup>1</sup>	<u>(182,713)</u>	<u>(183,542)</u>	<u>(182,991)</u>	<u>(187,600)</u>	<u>(736,846)</u>
Less FDOT Reimbursement	-	(1,000)	-	-	(1,000)
(Increase) Decrease in Unspent Amounts	<u>\$ (151,534)</u>	<u>\$ (16,981)</u>	<u>\$ (130,298)</u>	<u>\$ 54,467</u>	<u>\$ (244,346)</u>
<b>Analysis of Unspent Rollover:</b>					
Beginning Balance <sup>3</sup>	\$ 188,221	\$ 339,755	\$ 356,736	\$ 487,034	\$ 188,221
Increase (Decrease) In Unspent Amounts	<u>151,534</u>	<u>16,981</u>	<u>130,298</u>	<u>(54,467)</u>	<u>244,346</u>
<b>Remaining Unspent Amounts</b>	<u>\$ 339,755</u>	<u>\$ 356,736</u>	<u>\$ 487,034</u>	<u>\$ 432,567</u>	<u>\$ 432,567</u>

<sup>1</sup> 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.

<sup>2</sup> When Transportation Expenditures are insufficient to meet the MOE, Transit Expenditures may be applied.

<sup>3</sup> Per the August 31, 2015 Audit Report.



**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 <sup>1</sup>	\$ 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 <sup>2</sup>	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 <sup>2</sup>	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 <sup>1</sup>	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 <sup>2</sup>	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 <sup>3</sup>	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 <sup>5</sup>	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 <sup>1</sup>	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 <sup>4</sup>	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 <sup>1</sup>	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

<sup>1</sup> 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.

<sup>2</sup> 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.

<sup>3</sup> 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.

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

<sup>5</sup> 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  
 Town of Surfside  
 Status of Prior Audit Findings <sup>1</sup>

Finding	Recommendation	Auditee Response	Current Status
<p><b>Maintenance of Effort</b>                      The Town disputed the \$190,183 MOE which was the amount appropriated in the FY 2002 General Fund Budget for Transportation-related projects, as stipulated in <i>County Ordinance No. 02-116</i>. The Town cited an MOE based on actual expenses of \$65,080.</p>	<p>The Town should revise and re-certify its MOE as \$190,183 within 90 days.</p>	<p>The Town will comply with the audit recommendation to revise and re-certify the MOE of \$190,183.</p>	<p><b>Resolved</b></p>
<p><b>Use of Surtax Proceeds</b>                      Transportation funds totaling \$188,221 were available for carryover as of September 30, 2014.</p>	<p>The Town should submit a revised Five-Year Transportation Plan within 90-days, reflecting how the \$188,221 will be used.</p>	<p>The Town's Five-Year Transportation Plan will include unspent Transportation Funds in the amount of \$188,221 to fund sidewalk improvements over the next five years.</p>	<p><b>Partially Resolved</b>                      As of September 30, 2018, unspent Transportation Funds totaled \$432,567 (pages 2 – 4).</p>
<p><b>Certification and Reporting Requirements</b>                      Since FY 2011, Surfside's compliance with reporting requirements has improved. However, prior to that time, certain annual Certification Letters and Quarterly Reports were not on file with OCITT.</p>	<p>Prospectively, Surfside should continue to submit all required reports when due to OCITT.</p>	<p>The Town will make every effort to ensure that the reports are submitted when due to OCITT.</p>	<p><b>Partially Resolved</b>                      The Town did not submit any of the required annual Certification Letters, Municipal Questionnaires, Budgets and Five-Year Transportation Plans. Only the Quarterly Reports were provided (page 4).</p>
<p><b>Shuttle Service Schedule</b>                      The Town contracted with Limousines of South Florida, Inc. to provide a Community Shuttle service. Using the schedule posted on the municipal website, we confirmed the Shuttle was not operating in conformance with the published route.</p>	<p>At least quarterly, the Town should confirm that the Shuttle follows the posted routes and stops as required.</p>	<p>The Town will conduct periodic reviews of the shuttle bus service at least quarterly to confirm the posted routes and stops are being met.</p>	<p><b>Resolved</b></p>

<sup>1</sup> For the full text, see the Audit Report dated August 31, 2015 and The Town's response dated November 4, 2015.





# TOWN OF SURFSIDE

9293 HARDING AVENUE  
SURFSIDE, FLORIDA 33154  
(305) 861-4863 • FAX: (305) 861-1302  
WWW.TOWNOFSURFSIDEFL.GOV

December 4, 2019

Cathy Jackson  
Director  
Audit and Management Services Department  
701 NW 1<sup>st</sup> Court, Suite 8-175  
Miami, Florida 33136

RE: Town of Surfside (Town) Audit Report (2015-2018) – Charter County  
Transportation System Surtax (Surtax)

Dear Ms. Jackson: 

The following is a listing of recommendations made by you, with our response to the same:

1. Within 90 Days, the Town should work with the OCITT to submit an updated Five-Year Transportation Plan reflecting how the \$432,567 in unspent Surtax Proceeds will be used, as required by *CITT Resolution No. 09-055*. (Also reported as a Prior Audit Finding.)
  - a. On October 31, 2019, The Town submitted to the OCITT a new Five-Year Transportation Plan for transit and transportation that shows all remaining fund balance will be depleted during FY 2021.
2. The Town should endeavor to comply with the reporting requirements, as stipulated by the *Interlocal Agreement*. (Also reported as a Prior Audit Finding.)
  - a. On October 31, 2019, The Town submitted to the OCITT a new Five-Year Transportation Plan, Municipal Questionnaire, and Certification Letter. These required items were submitted prior to the due date of November 1, 2019.

We look forward to your final report that will assist the Town in delivering better management of the Surtax as required under the *Interlocal Agreement*

Sincerely,  
  
Guillermo Olmedillo  
Town Manager

Cc: Javier A. Betancourt, Executive Director, OCITT  
Jason Greene, Finance Director, Town of Surfside