


Memorandum



Date: December 16, 2022

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 –
City of North Miami Beach

PURPOSE AND SCOPE

We performed a review of the City of North Miami Beach's (City) use of Charter County Transportation System Surtax (Surtax) Proceeds remitted by Miami-Dade County (County) for the three years ended September 30, 2021. 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 10, 2010. Additionally, we assessed resolution of prior audit findings referenced in our Audit Report dated October 1, 2019 (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 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 City 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 \$847,476 (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 City must apply at least 20% of the 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 three years ended September 30, 2021, the City received \$5.4 million in Surtax Proceeds and claimed Transit and Transportation expenditures totaling \$9.2 million, of which the majority was spent for the *NMB Line* trolley service, debt service payments, and roadway improvement projects (Table I). After adjusting claimed expenditures for the Maintenance of Effort (MOE) and ineligible expenditures, the City had \$199,948 in unspent Transportation Surtax Proceeds as of September 30, 2021 (Schedule II).

**Table I
 Surtax Statistics**

Description	Fiscal Year Ended September 30,			All Years
	2019	2020	2021	
Maintenance of Effort	\$ 847,476	\$ 847,476	\$ 847,476	\$ 2,542,428
Revenue:				
Surtax Proceeds (Schedule I)	\$ 1,945,188	\$ 1,705,603	\$ 1,766,264	\$ 5,417,055
Claimed Expenditures:				
Transit (Table II)	\$ 766,769	\$ 1,267,789	\$ 996,520	\$ 3,031,078
Transportation (Table IV)	2,394,292	2,283,060	1,537,350	6,214,702
	\$ 3,161,061	\$ 3,550,849	\$ 2,533,870	\$ 9,245,780
Unspent Surtax Proceeds (Schedule II):				
Transit	\$ 849,514	\$ -	\$ -	
Transportation	\$ 75,527	\$ 25,153	\$ 199,948	
Key Account Balances as of September 30 (Schedule I):				
<i>Transit Surtax Special Revenue Fund:</i>				
Pooled Cash and Investments	\$ 989,766	\$ -	\$ 171,936	
Due from Miami-Dade County	\$ 504,465	\$ 396,045	\$ 571,304	
Fund Balance	\$ 1,105,936	\$ 89,839	\$ 174,544	

These and other findings are more fully discussed in the remainder of this Report, along with the City’s Responses which satisfactorily addressed our findings. Based on the foregoing, we now consider this audit closed. We appreciate the courtesies extended to our staff during the audit process. Please contact me at (786) 469-5900, if you have any questions.

FINDINGS AND RECOMMENDATIONS

Use of Transit Surtax Proceeds

At least 20% of the Surtax Proceeds, or \$1.1 million, must be used for Transit-related projects, for which the City claimed \$3 million, primarily for its *NMB Line* trolley service (Table II). Until April 2021, the City used Limousines of South Florida, Inc. to operate four fixed routes, Monday through Saturday from 7:30am to 7:30pm. Thereafter, the City entered into an Agreement with ProTransportation, Inc., DBA ProKel Mobility, to provide such services using the City’s five owned trolleys.

Table II
Summary of Claimed Transit Expenditures

Description	Fiscal Year Ended September 30,			All Years
	2019	2020	2021	
<i>Transit Surtax Special Revenue Fund</i>				
<i>NMB Line</i> Third-Party Operator Costs	\$ 647,510	\$ 730,192	\$ 826,752	\$ 2,204,454
Purchase of Two Trolleys	-	400,768	-	400,768
Transit-related Personnel Costs	66,133	93,106	126,122	285,361
Bus Shelter/Stop Studies	11,358	7,981	14,281	33,620
<i>NMB Line</i> - Software, Wireless, GPS & Cameras	7,675	9,157	11,941	28,773
Trolley Route Revision Study	27,040	-	-	27,040
Equipment for Two Purchased Trolleys	-	18,580	6,383	24,963
<i>NMB Line</i> - Operating Supplies	3,923	6,805	8,241	18,969
Other Operating Costs	3,130	1,200	2,800	7,130
Total (Schedule I)	<u>\$ 766,769</u>	<u>\$ 1,267,789</u>	<u>\$ 996,520</u>	<u>\$ 3,031,078</u>

Source: City of North Miami Beach General Ledgers and Vendor Invoices

In January 2020, the City acquired two additional trolleys and in February 2020, launched a new Uleta Route. Nonetheless, in March 2020, ridership declined due to the *Coronavirus Disease 2019 (COVID-19)* pandemic, and the *NMB Line* operating hours were reduced from 12 hours to 8 hours (9:00am to 5:00pm) until May 2021 (Table III).

Table III
***NMB Line* Ridership**

Months of Service	FY 2019	FY 2020	FY 2021
October-December	64,315	51,649	15,322
January-March	56,045	48,480	16,195
April-June	50,890	15,424	20,561
July-September	52,645	15,684	27,332
	<u>223,895</u>	<u>131,237</u>	<u>79,410</u>
Average Monthly Ridership	<u>18,658</u>	<u>10,936</u>	<u>6,618</u>

Source: City of North Miami Beach Quarterly Reports to OCITT

Based on the foregoing, the City successfully eliminated the \$1.2 million Transit unspent amount from September 30, 2018 (Schedule II).

Use of Transportation Surtax Proceeds

The City claimed \$6.2 million in Transportation-related expenditures that were primarily used to pay eligible debt service costs, as well as to fund Citywide roadway improvement projects and streetlight costs (Table IV).

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

Description	Fiscal Year Ended September 30,			All Years
	2019	2020	2021	
<i>Transit Surtax Special Revenue Fund:</i>				
Citywide Sidewalk Improvements	\$ 302,072	\$ 166,979	\$ 299,986	\$ 769,037
Highland Drive Roundabout	272,130	24,799	-	296,929
Citywide Roadway Resurfacing	-	274,410	-	274,410
NE 183rd Street Bike Lane Project	-	70,067	108,349	178,416
NE 153rd Street Drainage Improvements	-	101,368	25,005	126,373
Transportation Master Plan	93,186	15,336	-	108,522
NE 35th Avenue Roadway Improvements	61,697	-	-	61,697
NE 20th Avenue at NE 188th Terrace & NE 191st Drive Resurfacing	50,059	-	-	50,059
NE 168th Street & NE 20th Avenue Traffic Circle	-	-	45,338	45,338
NE 151st Street Roundabout	-	-	43,489	43,489
Other Engineering Services	4,349	1,250	1,300	6,899
Subtotal (Schedule I)	<u>783,493</u>	<u>654,209</u>	<u>523,467</u>	<u>1,961,169</u>
<i>Transfers Out to Other Funds:</i>				
Transit System Surtax Refunding Revenue Bonds, Series 2013 (Table V)	628,843	625,301	-	1,254,144
Administrative Cost	111,450	174,901	168,347	454,698
Subtotal (Schedule I)	<u>740,293</u>	<u>800,202</u>	<u>168,347</u>	<u>1,708,842</u>
<i>General Fund:</i>				
Streetlights	1,523,786	1,454,411	691,814	3,670,011
Total	<u>870,506</u>	<u>828,649</u>	<u>845,536</u>	<u>2,544,691</u>
<i>AMS Adjustments:</i>				
Excess Administrative Cost (Limited to 5% of Surtax Proceeds)	(14,191)	(89,596)	(79,695)	(183,482)
Less Non-streetlight Expenditures	(8,705)	(8,286)	(8,455)	(25,446)
	<u>(22,896)</u>	<u>(97,882)</u>	<u>(88,150)</u>	<u>(208,928)</u>
Total Eligible Transportation Expenditures (Schedule II)	<u>\$ 2,371,396</u>	<u>\$ 2,185,178</u>	<u>\$ 1,449,200</u>	<u>\$ 6,005,774</u>

Source: City of North Miami Beach Audited Financials, General Ledgers, and Vendor Invoices

As shown in Table V, the \$3.7 million Series 2013 Transit System Surtax Refunding Revenue Bonds were retired. The original issue was used to fund roads and other eligible projects.

Table V
Summary of Debt Service Requirements
Transit System Surtax Refunding Revenue Bonds, Series 2013

Description	Fiscal Year Ended September 30,		All Years
	2019	2020	
Outstanding Principal	\$ 1,233,000	\$ 620,000	
Less: Principal Payment	(613,000)	(620,000)	
Outstanding Balance	<u>\$ 620,000</u>	<u>\$ -</u>	
<i>Debt Service Requirements (Table IV)</i>			
Principal	\$ 613,000	\$ 620,000	\$ 1,233,000
Interest	15,843	5,301	21,144
Total	<u>\$ 628,843</u>	<u>\$ 625,301</u>	<u>\$ 1,254,144</u>

Source: Loan Documents, City's General Ledgers, and Audited Financial Statements

Administrative costs exceeded 5% of Surtax Proceeds by \$183,482 (Table IV). After adjusting claimed expenditures for the MOE, excess administrative costs and ineligible expenditures, the City had \$199,948 in unspent Transportation Surtax Proceeds as of September 30, 2021 (Schedule II). *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.

Recommendation

Prospectively, greater diligence should be exercised in assuring that only eligible expenditures are claimed. Also, the City should submit a Five-Year Transportation Plan outlining how the unspent Surtax Proceeds will be used, as required by *CITT Resolution No. 09-055*.

Auditee Response

The City will allocate the unspent expenditure of \$199,948 to a transportation project.

Execution of Revised Interlocal Agreement

The City signed the revised *Interlocal Agreement* dated June 10, 2010, however, it appears the document was not executed by the County.

Recommendation

OCITT should immediately execute the Agreement and forward copies to the City and Clerk of Courts, as required.

Auditee Response

The City requests a copy of the completed executed *Interlocal Agreement* by the OCITT once signed.

Reporting Requirements

During the audit period, the City did not always timely submit required Reports to OCITT.

Recommendation

The City should be more diligent in ensuring OCITT financial reporting deadlines are met.

Auditee Response

With recent turnover in staff, the Public Works Department has recently been untimely in its submission for the past two cycles. The City is actively working to fill the vacancy to ensure all future submissions are timely.

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
- Arthur H. Sorey, III, City Manager, City of North Miami Beach

**Charter County Transportation System Surtax Review - City of North Miami Beach
Transit Surtax Special Revenue Fund**

Balance Sheets			
Description	As of September 30,		
	2019	2020	2021
Assets:			
Pooled Cash and Investments	\$ 989,766	\$ -	\$ 171,936
Due from Miami-Dade County	504,465	396,045	571,304
	<u>\$ 1,494,231</u>	<u>\$ 396,045</u>	<u>\$ 743,240</u>
Liabilities and Fund Balance:			
Liabilities:			
Accounts Payable and Accrued Liabilities	\$ 388,295	\$ 172,249	\$ 170,080
Due to Other Funds	-	133,957	-
	<u>388,295</u>	<u>306,206</u>	<u>170,080</u>
Deferred Inflows of Resources:			
Taxes Received in Advance from Miami-Dade County	-	-	398,616
	<u>-</u>	<u>-</u>	<u>398,616</u>
Fund Balance:			
Restricted Interlocal Agreements	1,105,936	89,839	174,544
	<u>\$ 1,494,231</u>	<u>\$ 396,045</u>	<u>\$ 743,240</u>
Statements of Revenues, Expenditures, and Changes in Fund Balance			
Description	Fiscal Year Ended September 30,		
	2019	2020	2021
Revenues:			
Surtax Proceeds ¹ (Table I)	\$ 1,945,188	\$ 1,705,603	\$ 1,766,264
Surplus Bus Disposal	-	-	6,775
Miscellaneous	-	500	-
	<u>1,945,188</u>	<u>1,706,103</u>	<u>1,773,039</u>
Expenditures:			
Transit (Table II)	766,769	1,267,789	996,520
Transportation (Table IV)	783,493	654,209	523,467
	<u>1,550,262</u>	<u>1,921,998</u>	<u>1,519,987</u>
Excess (Deficiency) of Revenues over Expenditures	394,926	(215,895)	253,052
Other Financial Uses:			
Transfers Out to Debt Service Fund - Series 2013 (Table IV)	(628,843)	(625,301)	-
Transfers Out to General Fund - Administrative Cost (Table IV)	(111,450)	(174,901)	(168,347)
	<u>(740,293)</u>	<u>(800,202)</u>	<u>(168,347)</u>
Net Change in Fund Balance	(345,367)	(1,016,097)	84,705
Fund Balance, Beginning	1,451,303	1,105,936	89,839
Fund Balance, Ending	<u>\$ 1,105,936</u>	<u>\$ 89,839</u>	<u>\$ 174,544</u>

Source: City of North Miami Beach Audited Financial Statements and General Ledgers

¹ Amounts differ from Schedule III due to timing differences.

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

**Charter County Transportation System Surtax Review - City of North Miami Beach
Surtax Proceeds Usage Analysis**

Description	Fiscal Year Ended September 30,			All Years
	2019	2020	2021	
Sources of Funds:				
Surtax Proceeds (Schedule I) ¹	\$ 1,945,188	\$ 1,705,603	\$ 1,766,264	\$ 5,417,055
Proceeds from Sale of Surplus Bus (Schedule I)	-	-	6,775	6,775
	<u>\$ 1,945,188</u>	<u>\$ 1,705,603</u>	<u>\$ 1,773,039</u>	<u>\$ 5,423,830</u>
Surtax Uses:				
Eligible Transit Expenditures (Table II)	\$ 766,769	\$ 1,267,789	\$ 996,520	\$ 3,031,078
Eligible Transportation Expenditures (Table IV)	\$ 2,371,396	\$ 2,185,178	\$ 1,449,200	\$ 6,005,774
Less MOE	(847,476)	(847,476)	(847,476)	(2,542,428)
Expenditures Available for Surtax Use	<u>\$ 1,523,920</u>	<u>\$ 1,337,702</u>	<u>\$ 601,724</u>	<u>\$ 3,463,346</u>
AMS Analysis:				
Transit-Related Expenditures:				
Expenditures Available for Surtax Use	\$ 766,769	\$ 1,267,789	\$ 996,520	\$ 3,031,078
Less 20% Minimum Amount ²	(389,038)	(341,121)	(353,253)	(1,083,412)
Less Proceeds from Sale of Surplus Bus	-	-	(6,775)	(6,775)
Decrease in Unspent Funds	<u>\$ 377,731</u>	<u>\$ 926,668</u>	<u>\$ 636,492</u>	<u>\$ 1,940,891</u>
Analysis of Unspent Rollover:				
Beginning Balance ³	\$ 1,227,245	\$ 849,514	\$ -	\$ 1,227,245
Decrease in Unspent Funds	(377,731)	(926,668)	(636,492)	(1,940,891)
Excess Amount Applied to Transportation	-	77,154	636,492	713,646
Remaining Unspent Amount	<u>\$ 849,514</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Transportation-Related Expenditures:				
Expenditures Available for Surtax Use	\$ 1,523,920	\$ 1,337,702	\$ 601,724	\$ 3,463,346
Excess Transit Expenditures Applied	-	77,154	636,492	713,646
Less Remaining 80% Amount ²	(1,556,150)	(1,364,482)	(1,413,011)	(4,333,643)
(Increase) Decrease in Unspent Funds	<u>\$ (32,230)</u>	<u>\$ 50,374</u>	<u>\$ (174,795)</u>	<u>\$ (156,651)</u>
Analysis of Unspent Rollover:				
Beginning Balance ³	\$ 43,297	\$ 75,527	\$ 25,153	\$ 43,297
Increase (Decrease) in Unspent Amounts	32,230	(50,374)	174,795	156,651
Remaining Unspent Amount	<u>\$ 75,527</u>	<u>\$ 25,153</u>	<u>\$ 199,948</u>	<u>\$ 199,948</u>

¹ Amounts differ from 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 October 1, 2019 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	2020	2021	
City of Miami ¹	\$ 163,251,890	\$ 16,889,133	\$ 16,523,990	\$ 18,187,632	\$ 19,212,362	\$ 17,998,849	\$ 22,285,992	\$ 274,349,848
City of Hialeah	94,519,774	9,243,159	9,346,775	9,873,020	10,107,558	8,933,032	10,881,914	152,905,232
City of Miami Beach	37,554,491	3,670,335	3,678,499	3,925,123	3,963,754	3,458,999	4,266,480	60,517,681
City of Miami Gardens ²	22,375,665	4,336,722	4,409,954	4,737,286	4,846,211	4,248,977	5,187,794	50,142,609
City of North Miami	24,592,952	2,454,241	2,473,804	2,665,998	2,700,412	2,348,890	2,955,552	40,191,849
City of Homestead	20,867,813	2,669,792	2,788,854	2,969,698	3,152,022	2,762,015	3,460,648	38,670,842
City of Coral Gables	18,755,177	1,955,854	1,981,236	2,091,593	2,132,315	1,893,283	2,298,517	31,107,975
City of North Miami Beach	17,154,830	1,733,203	1,746,039	1,882,765	1,945,188	1,705,603	2,164,880	28,332,508
City of Doral ²	9,003,402	2,120,606	2,232,433	2,508,437	2,747,033	2,551,901	3,196,639	24,360,451
City of Aventura	12,992,928	1,494,036	1,502,980	1,590,870	1,613,705	1,413,111	1,726,374	22,334,004
Town of Cutler Bay ²	8,525,502	1,721,858	1,769,140	1,899,220	1,935,984	1,696,665	2,061,382	19,609,751
Town of Miami Lakes ¹	11,086,213	1,209,319	1,211,635	1,288,227	1,309,407	1,163,617	1,430,953	18,699,371
Village of Palmetto Bay	10,074,295	952,951	956,304	1,013,542	1,033,365	902,837	1,104,932	16,038,226
City of Hialeah Gardens	8,635,855	904,713	922,372	986,599	1,007,122	882,753	1,072,793	14,412,207
City of Sunny Isles Beach	7,759,606	869,990	866,019	933,221	951,809	841,547	1,055,544	13,277,736
Village of Pinecrest	7,840,962	737,876	738,316	777,521	790,584	691,410	840,243	12,416,912
City of Miami Springs	5,682,283	562,418	565,087	601,223	608,639	530,692	646,273	9,196,615
City of Sweetwater ¹	5,070,356	273,778	133,332	466,662	166,116	1,850,267	1,013,554	8,974,065
City of Opa-locka ¹	6,329,004	90,323	195,000	210,000	165,000	1,112,782	469,710	8,571,819
City of South Miami	4,767,184	546,219	547,720	546,151	541,343	473,555	588,532	8,010,704
Village of Key Biscayne	4,809,375	502,197	508,734	540,692	550,288	481,895	586,580	7,979,761
City of Florida City	4,132,139	498,385	504,443	542,769	557,265	488,960	601,470	7,325,431
Miami Shores Village	4,308,419	419,557	420,697	443,831	447,113	391,399	490,481	6,921,497
North Bay Village	2,808,576	314,789	328,007	378,523	384,140	335,832	411,904	4,961,771
City of West Miami	2,445,250	241,053	241,373	279,166	307,465	291,897	355,342	4,161,546
Town of Surfside	2,314,098	229,428	228,739	234,500	248,902	221,896	273,043	3,750,606
Town of Bay Harbor Islands	2,209,631	231,953	222,682	234,375	249,414	220,923	274,132	3,643,110
Bal Harbour Village	1,262,745	114,472	111,421	114,881	125,178	109,190	132,732	1,970,619
Village of Biscayne Park ¹	1,342,176	125,900	126,220	135,905	135,965	10,084	-	1,876,250
Village of Virginia Gardens	973,380	96,229	96,903	102,910	103,132	90,977	110,807	1,574,338
Village of El Portal ^{1,3}	1,012,447	6,467	174,873	90,094	89,175	77,404	79,627	1,530,087
Town of Medley	429,285	34,442	33,529	35,277	35,617	31,486	38,448	638,084
Town of Golden Beach ¹	365,820	36,766	37,221	39,423	39,386	34,961	42,988	596,565
Indian Creek Village	3,604	-	-	-	-	-	-	3,604
	\$ 525,257,127	\$ 57,288,164	\$ 57,624,331	\$ 62,327,134	\$ 64,202,969	\$ 60,247,689	\$ 72,106,260	\$ 899,053,674

Source: Office of the Citizens' Independent Transportation Trust (OCITT) and County General Ledgers

¹ Amounts are net of withholdings and/or recapture of \$76,553 from the Town of Miami Lakes, \$766,362 from the City of Sweetwater, \$21,058 from the Town of Golden Beach, \$2.2 million from the City of Opa-locka, \$3.3 million from the City of Miami, \$255,236 from the Village of Biscayne Park, and \$17,970 from the Village of El Portal 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 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 – City of North Miami Beach (City)
Status of Prior Audit Findings ¹**

Finding	Recommendation	Auditee Response	Current Status
Use of Surtax Proceeds for Transit Projects			
Although the City has considerably increased its Transit-related expenditures, it still had \$1.2 million in unspent Transit Surtax Proceeds as of September 30, 2018.	The City’s Five-Year Transportation Plan shows the \$1.2 million of rollover monies being fully-utilized. OCITT should ensure the City adheres to the Plan.	The City welcomes the OCITT oversight.	Resolved <i>See pages 2 and 3 of the Audit Report.</i>
Use of Surtax Proceeds for Transportation Projects			
After adjusting claimed expenditures for the MOE and ineligible costs, the City had unspent Transportation Surtax Proceeds of \$43,297 as of September 30, 2018.	The City should exercise greater diligence in assuring that only eligible expenditures are used to satisfy the MOE.	The City disputes the fact that Surtax Proceeds were used to pay ineligible expenditures. The analysis appears to indicate that a portion of the streetlights paid did not qualify as eligible costs for the MOE. Streetlights are not paid from the CITT proceeds.	Unresolved The City had unspent Transportation Surtax Proceeds of \$199,948 as of September 30, 2021. <i>See pages 3 to 5 of the Audit Report.</i>
Investment Earnings			
The City did not allocate investment earnings to the <i>Transit Surtax Special Revenue Fund</i> in FYs 2016 through 2018, and only a minimal amount in FY 2015. Using <i>Pooled Cash and Investments</i> per the City’s Audited Financial Statements, we estimate an additional \$55,253 should be credited to the Surtax Fund.	Prospectively, the City should allocate investment income of \$55,253 on unspent Surtax monies.	The City does not invest proceeds of the CITT.	Unresolved
Execution of Revised Interlocal Agreement			
The City signed the revised <i>Interlocal Agreement</i> dated June 10, 2010, however, it appears the document was not executed by the County.	OCITT should promptly execute the Agreement and forward copies to the City and Clerk of Courts, as required.	No response.	Unresolved The OCITT and the City could not provide a copy of the fully executed 2010 <i>Interlocal Agreement</i> . <i>See page 5 of the Audit Report.</i>
Reporting Requirements			
The City submitted most of its required reports to OCITT. However, several of the reports were submitted late.	City Staff must strive to provide the required reports accurately and timely to OCITT.	The City is committed to filing reports timely.	Unresolved During the audit period, the City did not always timely submit required Reports to OCITT. <i>See page 5 of the Audit Report.</i>

¹ See the Audit Report dated October 1, 2019 and the Response dated September 16, 2019 for the full text