



AUDIT AND MANAGEMENT SERVICES DEPARTMENT  
OVERTOWN TRANSIT VILLAGE  
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September 20, 2022

Ms. Theresa Therilus, Esq.  
City Manager  
City of North Miami  
776 NE 125 Street  
North Miami, FL 33161

**Re: Final Audit Report – City of North Miami Charter County Transportation System  
Surtax Review**

Dear Ms. Therilus:

Attached is the above-referenced Final Audit Report, together with the City's Response. We appreciate the courtesies and assistance extended to our staff during the audit process. Please contact me 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

# Memorandum



**Date:** September 20, 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 – City of North Miami Charter County Transportation System Surtax Review

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## **PURPOSE AND SCOPE**

We performed a review of the City of North Miami's (North Miami) 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 March 28, 2007. 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 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*, North Miami 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 \$1.1 million (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, North Miami 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, North Miami received \$7.9 million in Surtax Proceeds and claimed expenditures totaling \$11.8 million, of which the majority was spent for costs related to the *NoMi Express* circulator, roadway & sidewalk improvements, street maintenance, and streetlighting (Table I). After adjusting claimed expenditures for the Maintenance of Effort (MOE) and ineligible expenditures, North Miami had \$140,901 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	
<b>Maintenance of Effort</b>	\$ 1,134,353	\$ 1,134,353	\$ 1,134,353	\$ 3,403,059
<b>Revenue:</b>				
Surtax Proceeds (Schedule I)	\$ 2,884,152	\$ 2,358,904	\$ 2,656,551	\$ 7,899,607
<b>Claimed Expenditures:</b>				
Transit (Table II)	\$ 911,045	\$ 916,153	\$ 911,255	\$ 2,738,453
Transportation (Table IV)	2,794,640	2,640,439	3,649,966	9,085,045
	\$ 3,705,685	\$ 3,556,592	\$ 4,561,221	\$ 11,823,498
<b>Unspent Surtax Proceeds (Carry-Forward Credit) (Schedule II):</b>				
Transit	\$ (94,277)	\$ -	\$ -	
Transportation	\$ -	\$ 4,205	\$ 140,901	
<b>Key Account Balances as of September 30 (Schedule I):</b>				
<i>Half-Cent Transportation Surtax Special Revenue Fund:</i>				
Cash - Restricted	\$ 60,481	\$ 1,178,628	\$ 615,557	
Due from Miami-Dade County	\$ 700,326	\$ 545,419	\$ 779,959	
Fund Balance	\$ 409,693	\$ 1,109,082	\$ 620,274	

These and other findings are more fully discussed in the remainder of this Report, together 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 Surtax Proceeds for Transit-related Expenditures**

North Miami expended \$2.7 million of Surtax Proceeds primarily to operate the *NoMi Express* bus service (Table II). *NoMi Express* is being serviced by Limousines of South Florida, Inc. (LSF) and runs four fixed routes on weekdays from 7:00 am to 7:00 pm. From May 2019 to June 2020, North Miami added the *NoMi Weekend Route* that was partially funded by the Florida Department of Transportation (FDOT). Monthly ridership averaged 26,687 in FY 2019, but since that time has steadily declined to a low of 10,556 (Table III). Management attributes the ridership declines to the *Coronavirus Disease 2019 (COVID-19)* pandemic.

**Table II**  
**Summary of Claimed Transit Expenditures, As Adjusted**

Description	Fiscal Year Ended September 30,			
	2019	2020	2021	Total
Claimed Expenditures:				
<i>NoMi Express:</i>				
Payments to LSF	\$ 579,167	\$ 648,416	\$ 644,702	\$ 1,872,285
Transit-related Personnel Costs	229,158	233,625	242,718	705,501
Tracking App & Video	10,514	-	-	10,514
Flyers & Other Printed Material	4,242	3,284	-	7,526
Subtotal	823,081	885,325	887,420	2,595,826
Metrobus/Metrorail/Tri-Rail Monthly Pass Purchases	63,571	30,273	3,780	97,624
Bus Shelters Installation & Maintenance	24,393	555	20,055	45,003
Total (Schedule I)	911,045	916,153	911,255	2,738,453
<i>Less AMS Adjustments for Other Revenues (Schedule I):</i>				
Metrobus/Metrorail/Tri-Rail Monthly Pass Sales	(37,958)	(14,183)	(2,625)	(54,766)
Bus Bench Advertising	-	-	(29,395)	(29,395)
FDOT Grant Reimbursement	-	(13,815)	(12,928)	(26,743)
	(37,958)	(27,998)	(44,948)	(110,904)
Total Eligible Transit Expenditures (Schedule II)	\$ 873,087	\$ 888,155	\$ 866,307	\$ 2,627,549

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

North Miami purchases Metrobus/Metrorail and Tri-Rail monthly passes from Miami-Dade County and the South Florida Regional Transportation Authority that are sold to the public and employees at discounted prices to increase transit ridership. The purchase costs have been offset by the sales revenue.

**Table III**  
**NoMi Express Ridership**

Description	FY 2019	FY 2020	FY 2021	Total
October	33,424	29,234	12,700	75,358
November	25,708	23,212	8,982	57,902
December	25,417	25,075	10,603	61,095
January	26,438	25,595	9,360	61,393
February	24,522	22,871	9,234	56,627
March	27,338	22,056	11,592	60,986
April	27,338	22,007	8,715	58,060
May	27,848	10,955	9,878	48,681
June	23,895	12,367	11,262	47,524
July	26,046	11,741	11,710	49,497
August	26,658	11,268	11,122	49,048
September	25,612	11,163	11,510	48,285
	320,244	227,544	126,668	674,456
Average Monthly Ridership	26,687	18,962	10,556	

Source: NoMi Express Ridership Reports

### **Recommendation**

North Miami should further explore the causes of its ridership declines and consider adjusting services accordingly, to assure the most effective use of Surtax monies.

**Auditee Response**

*Our average monthly ridership significantly decreased from FY 2019 (26,687) to FY 2021 (10,556) because of the COVID-19 pandemic. However, we plan to explore and take all measures to increase the ridership to pre-pandemic levels through our marketing program and route structure adjustments. We will prepare a monthly Transportation Newsletter which will be disseminated to all City neighborhood associations, City Hall and public libraries. We will coordinate this effort with our Public Information Office.*

**Use of Surtax Proceeds for Transportation-related Expenditures**

North Miami claimed \$9.1 million in Transportation-related expenditures that were primarily used to fund roadway & sidewalks improvements, street maintenance, and streetlighting (Table IV). The most prominent project was the \$1.2 million spent for the NE 125<sup>th</sup> Street Downtown Pedestrian Enhancement project partially funded by FDOT (Schedule III). Pursuant to a Joint Participation Agreement executed in June 2019, FDOT agreed to reimburse up to \$771,955 of the project costs. As of the date of this Report, North Miami had accrued \$725,725 of which \$389,378 had been reimbursed as of July 31, 2022, and the remaining funds are expected in September 2022.

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

Description	Fiscal Year Ended September 30,			
	2019	2020	2021	Total
Claimed Expenditures:				
Half-Cent Transportation Surtax Special Revenue Fund (Schedule I)	\$ 1,771,405	\$ 771,433	\$ 2,271,473	\$ 4,814,311
General Fund - Public Works Department, Street Maintenance and Construction Division	1,023,235	1,869,006	1,378,493	4,270,734
Total	2,794,640	2,640,439	3,649,966	9,085,045
Less AMS Adjustments:				
FDOT Grant Reimbursement	-	-	(725,725)	(725,725)
Ineligible Amounts	(43,245)	(133,819)	(136,340)	(313,404)
	(43,245)	(133,819)	(862,065)	(1,039,129)
Total Eligible Transportation Expenditures (Schedules II & III)	\$ 2,751,395	\$ 2,506,620	\$ 2,787,901	\$ 8,045,916

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

After adjusting claimed expenditures for the MOE, ineligible expenditures, and FDOT grant reimbursements, North Miami had \$140,901 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, North Miami 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**

*We plan to use \$140,901 unspent transportation Surtax funds on traffic calming devices improvement projects throughout the City and will include these funds in our Five-Year Transportation Plan. These funds will be used for all traffic calming improvement projects which are authorized by the County and we maintain an ongoing list of those projects.*

*We are anticipating a final invoice reimbursement from FDOT for the NE 125 Street beautification project this month.*

**Reporting Requirements**

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

**Recommendation**

North Miami should be more diligent in ensuring OCITT financial reporting deadlines are met.

**Auditee Response**

*We will make every effort to meet the deadlines for all financial reporting requirements. We plan to provide quarterly reports to our Public Works Department at least two weeks prior to the deadline, so that they have sufficient time to review the reports and submit them to OCITT. In the past, we have given them few days to review which is not sufficient for their busy schedule.*

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  
Theresa Therilus, Esq., City Manager, City of North Miami

**Charter County Transportation System Surtax Review - City of North Miami  
Half-Cent Transportation Surtax Special Revenue Fund**

<b>Balance Sheets</b>			
<b>Description</b>	<b>As of September 30,</b>		
	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>Assets:</b>			
Pooled Cash and Cash Equivalents	\$ 60,481	\$ 1,178,628	\$ 615,557
Due from Miami-Dade County	700,326	545,419	779,959
Due from Florida Department of Transportation (FDOT)	-	-	725,725
Accounts Receivable, Net of Allowance	162	311	-
	<u>\$ 760,969</u>	<u>\$ 1,724,358</u>	<u>\$ 2,121,241</u>
<b>Liabilities and Fund Balance:</b>			
<b>Liabilities:</b>			
Vouchers Payable	\$ 81,271	\$ 342,126	\$ 120,723
Construction Contracts Payable	73	18,524	101,163
Accrued Payroll and Benefits	14,718	9,426	9,155
	<u>96,062</u>	<u>370,076</u>	<u>231,041</u>
<b>Deferred Inflows of Resources:</b>			
Unavailable Revenues - Due from Miami-Dade County	255,214	245,200	544,201
Unavailable Revenues - Due from FDOT	-	-	725,725
	<u>255,214</u>	<u>245,200</u>	<u>1,269,926</u>
<b>Fund Balance:</b>			
Restricted	409,693	1,109,082	620,274
	<u>\$ 760,969</u>	<u>\$ 1,724,358</u>	<u>\$ 2,121,241</u>
<b>Statements of Revenues, Expenditures, and Changes in Fund Balance</b>			
<b>Description</b>	<b>Fiscal Year Ended September 30,</b>		
	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>Revenues:</b>			
Surtax Proceeds <sup>1</sup> (Table I)	\$ 2,884,152	\$ 2,358,904	\$ 2,656,551
Metrobus/Metrorail and Tri-Rail Pass Sales	37,958	14,183	2,625
Florida Department of Transportation Reimbursements	-	13,815	12,928
Other Revenues	-	73	29,395
Accounting Adjustment Made in Error Corrected <sup>2</sup>	530,383	-	-
	<u>3,452,493</u>	<u>2,386,975</u>	<u>2,701,499</u>
<b>Expenditures:</b>			
Transit Expenditures (Table II)	911,045	916,153	911,255
Transportation Expenditures (Table IV)	1,771,405	771,433	2,271,473
	<u>2,682,450</u>	<u>1,687,586</u>	<u>3,182,728</u>
Deficiency of Revenues over Expenditures	770,043	699,389	(481,229)
Other Financial Sources	-	-	(7,579)
Net Change in Fund Balance	770,043	699,389	(488,808)
Fund Balance, Beginning	(360,350)	409,693	1,109,082
Fund Balance, Ending	<u>\$ 409,693</u>	<u>\$ 1,109,082</u>	<u>\$ 620,274</u>

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

<sup>1</sup> Amounts differ from Schedule IV due to timing differences.

<sup>2</sup> City of North Miami staff corrected an adjusting journal entry of \$530,383 made at the FY 2018 year-end, which was found to be in error.

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

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

Description	Fiscal Year Ended September 30,			All Years
	2019	2020	2021	
<b>Sources of Funds:</b>				
Surtax Proceeds (Schedule I) <sup>1</sup>	\$ 2,884,152	\$ 2,358,904	\$ 2,656,551	\$ 7,899,607
<b>Surtax Uses:</b>				
<b>Eligible Transit Expenditures</b> (Table II)	\$ 873,087	\$ 888,155	\$ 866,307	\$ 2,627,549
<b>Eligible Transportation Expenditures</b> (Schedule III)	\$ 2,751,395	\$ 2,506,620	\$ 2,787,901	\$ 8,045,916
Less MOE	(1,134,353)	(1,134,353)	(1,134,353)	(3,403,059)
Expenditures Available For Surtax Use	\$ 1,617,042	\$ 1,372,267	\$ 1,653,548	\$ 4,642,857
<b>AMS Analysis:</b>				
<b>Transit-Related Expenditures:</b>				
Expenditures Available for Surtax Use	\$ 873,087	\$ 888,155	\$ 866,307	\$ 2,627,549
Less 20% Minimum Amount <sup>2</sup>	(576,830)	(471,781)	(531,310)	(1,579,921)
Increase in Carryforward Credits	\$ 296,257	\$ 416,374	\$ 334,997	\$ 1,047,628
<b>Analysis of Carryforward Credits:</b>				
Beginning Balance <sup>3</sup>	\$ (488,300)	\$ (94,277)	\$ -	\$ (488,300)
Increase in Carryforward Credits	(296,257)	(416,374)	(334,997)	(1,047,628)
Excess Amount Applied to Transportation	690,280	510,651	334,997	1,535,928
<b>Remaining Carryforward Credits</b>	\$ (94,277)	\$ -	\$ -	\$ -
<b>Transportation-Related Expenditures:</b>				
Expenditures Available for Surtax Use	\$ 1,617,042	\$ 1,372,267	\$ 1,653,548	\$ 4,642,857
Excess Transit Expenditures Applied	690,280	510,651	334,997	1,535,928
Less Remaining 80% Amount <sup>2</sup>	(2,307,322)	(1,887,123)	(2,125,241)	(6,319,686)
(Increase) Decrease in Unspent Funds	\$ -	\$ (4,205)	\$ (136,696)	\$ (140,901)
<b>Analysis of Unspent Rollover:</b>				
Beginning Balance <sup>3</sup>	\$ -	\$ -	\$ 4,205	\$ -
Increase in Unspent Amounts	-	4,205	136,696	140,901
<b>Remaining Unspent Amount</b>	\$ -	\$ 4,205	\$ 140,901	\$ 140,901

<sup>1</sup> Amounts differ from Schedule IV due to timing differences.

<sup>2</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>3</sup> Per the October 1, 2019 Audit Report.



**Charter County Transportation System Surtax Review - City of North Miami  
Claimed Transportation Expenditures, As Adjusted**

Description	Fiscal Year Ended September 30,			
	2019	2020	2021	Total
<b>Half-Cent Transportation Surtax Special Revenue Fund:</b>				
NE 125th Street Downtown Pedestrian Enhancement <sup>1</sup>	\$ -	\$ -	\$ 1,188,426	\$ 1,188,426
Street Lights Utilities	552,472	205,971	287,820	1,046,263
Installation of Traffic Circles	352,932	338,842	56,945	748,719
Personnel Cost - Street Maintenance	245,290	33,490	260,710	539,490
Tressler Street Drainage Improvements	400,000	-	-	400,000
Sidewalks Roadway Improvements	-	-	199,991	199,991
Landscape Services - Roadway Tree Trimming <sup>2</sup>	23,660	83,030	79,092	185,782
Roadway Materials	107,326	39,700	37,083	184,109
Pedestrian Bridge Replacement	-	-	102,529	102,529
Equipment Rental - Allocation Street Maintenance	-	42,600	40,800	83,400
Design & Engineering Services	60,991	-	3,200	64,191
Traffic & Maintenance Supplies	7,147	16,605	8,920	32,672
Risk Management - General Liability <sup>2</sup>	2,023	8,769	3,802	14,594
Striping Machine Purchase & Repair	10,737	-	-	10,737
Miscellaneous Expenses	8,827	2,426	2,155	13,408
Subtotal (Schedule I)	1,771,405	771,433	2,271,473	4,814,311
<b>General Fund - Public Works Department, Street Maintenance and Construction Division:</b>				
Personnel Costs - Street Maintenance	660,932	749,501	828,413	2,238,846
Street Lights Utilities	20,587	327,985	342,871	691,443
Equipment Rental - Allocation Street Maintenance	266,871	272,200	129,985	669,056
Sidewalk Roadway Improvements	-	399,984	-	399,984
Pension Bond Debt Service <sup>2</sup>	26,663	24,436	34,242	85,341
Roadway Materials	19,852	41,781	4,640	66,273
Special Department Supplies <sup>2</sup>	21,848	19,689	11,775	53,312
Maintenance of Rights-of-Way	10,434	8,579	6,759	25,772
Risk Management - General Liability <sup>2</sup>	(16,215)	14,172	17,177	15,134
Miscellaneous Expenses <sup>2</sup>	650	5,610	515	6,775
Maintenance Buildings & Parking Lots <sup>2</sup>	3,489	1,367	1,096	5,952
Small Tool Purchases	2,054	2,607	148	4,809
Contractual Services - Installation Bridge Clearance Signs	4,600	-	-	4,600
Contractual Services - Janitorial Services <sup>2</sup>	1,470	1,095	872	3,437
	1,023,235	1,869,006	1,378,493	4,270,734
Total Claimed Transportation Expenditures (Table IV)	2,794,640	2,640,439	3,649,966	9,085,045
<b>Less AMS Adjustments:</b>				
FDOT Grant Reimbursement - NE 125th Street Downtown Pedestrian Enhancement <sup>1</sup>	-	-	(725,725)	(725,725)
<b>Ineligible Amounts:</b>				
Landscape Services - Roadway Tree Trimming	(23,660)	(83,030)	(79,092)	(185,782)
Pension Bond Debt Service	(26,663)	(24,436)	(34,242)	(85,341)
Risk Management - General Liability	14,192	(22,941)	(20,979)	(29,728)
Maintenance Buildings & Parking Lots	(3,489)	(1,367)	(1,096)	(5,952)
Contractual Services - Janitorial Services	(1,470)	(1,095)	(872)	(3,437)
Special Dept. Supplies - Dog Waste Bags & Others	(2,155)	-	(59)	(2,214)
Miscellaneous Expenses - Survey Cost for Parking Lots	-	(950)	-	(950)
	(43,245)	(133,819)	(136,340)	(313,404)
	(43,245)	(133,819)	(862,065)	(1,039,129)
Total Eligible Transportation Expenditures, As Adjusted (Table IV & Schedule II)	\$ 2,751,395	\$ 2,506,620	\$ 2,787,901	\$ 8,045,916

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

<sup>1</sup> Pursuant to a June 6, 2019 Joint Participation Agreement, FDOT agreed to reimburse up to \$771,955 of the project cost.

<sup>2</sup> All or a part of these expenditures are not related to Surtax-funded road projects, and therefore are not eligible for Surtax uses.

**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 <sup>1</sup>	\$ 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 <sup>2</sup>	22,375,665	4,336,722	4,409,954	4,737,286	4,846,211	4,248,977	5,187,794	50,142,609
<b>City of North Miami</b>	<b>24,592,952</b>	<b>2,454,241</b>	<b>2,473,804</b>	<b>2,665,998</b>	<b>2,700,412</b>	<b>2,348,890</b>	<b>2,955,552</b>	<b>40,191,849</b>
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 <sup>2</sup>	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 <sup>2</sup>	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 <sup>1</sup>	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 <sup>1</sup>	5,070,356	273,778	133,332	466,662	166,116	1,850,267	1,013,554	8,974,065
City of Opa-locka <sup>1</sup>	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 <sup>1</sup>	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 <sup>1,3</sup>	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 <sup>1</sup>	365,820	36,766	37,221	39,423	39,386	34,961	42,988	596,565
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>\$ 60,247,689</u>	<u>\$ 72,106,260</u>	<u>\$ 899,053,674</u>

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

<sup>1</sup> 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.

<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> 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 (City)  
Status of Prior Audit Findings <sup>1</sup>**

Finding	Recommendation	Auditee Response	Current Status
<b>Use of Surtax Proceeds</b>			
<p>The City claimed \$10.8 million in Transportation-related expenditures, of which \$792,181 were deemed ineligible for Surtax uses. However, the City fully utilized all Transportation-related Surtax monies as of September 30, 2018.</p>	<p>Prospectively, the City should review OCITT guidance to ensure that claimed costs are eligible for Surtax Use.</p>	<p>The City's Management agrees that some of the \$792,181 costs were deemed ineligible. However, there are some costs deemed ineligible the City believes are properly included as program costs (\$171,010 roadway tree trimming).</p> <p>With respect to the remaining \$621,171, the City will take steps to simplify the accounting for transit-related expenditures and transportation-related expenditures, and code costs with increased scrutiny according to OCITT guidelines.</p>	<p><b>Unresolved</b> Ineligible Transportation expenditures included \$185,782 for roadway tree trimming. <i>See Schedule III.</i></p>
<b>Inaccurate Reporting of Surtax Revenue</b>			
<p>The City reported Surtax Proceeds of \$2.1 million in its FY 2018 Audited Financial Statements, instead of the correct amount of \$2.6 million.</p>	<p>The Finance Department should ensure that adjusting journal entries are properly reviewed and approved by authorized personnel, before they are posted to financial accounts.</p>	<p>The Surtax revenue balance was adjusted inadvertently when entries were done at the end of fiscal year 2018 to ensure revenue presented in accordance with the City's 60-day period of availability for GAAP purposes. The entry prepared understated revenue at 09/30/2018. The error was discovered after the City had already issued the 9/30/2018 CAFR, and the \$530,383 amount, though significant to the Surtax Fund, was not material to the overall financial statements. Therefore, the balance will be recognized in the 09/30/2019 financial statements.</p>	<p><b>Resolved</b></p>
<b>Reporting Requirements</b>			
<p>The City submitted two FY 2016 Quarterly Reports after their due dates.</p>	<p>The City should strive to submit timely reports, as required by the <i>Interlocal Agreement</i>.</p>	<p>The City will continue to make timely submittals of its reports in accordance with the Inter-local Agreement.</p>	<p><b>Unresolved</b> <i>See page 5 of the Audit Report.</i></p>

<sup>1</sup> See the Audit Report dated October 1, 2019 for the full text.