



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

February 10, 2022

Mr. James B. Wright, City Manager
City of Opa-locka
780 Fisherman Street, 4th Floor
Opa-locka, FL 33054

Re: Final Audit Report – Charter County Transportation System Surtax Review – City of Opa-locka, Fiscal Year Ended September 30, 2019

Dear Mr. Wright:

Enclosed is the above-referenced Audit Report that was discussed with your staff.

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

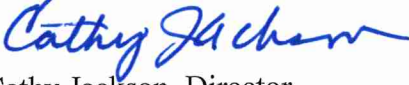
c: Javier A. Betancourt, Executive Director, OCITT

Memorandum



Date: January 31, 2022

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


Cathy Jackson, Director

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

Subject: Final Audit Report – Charter County Transportation System Surtax Review –
City of Opa-locka, Fiscal Year Ended September 30, 2019

PURPOSE AND SCOPE

We performed a review of the City of Opa-locka's (City) use of Charter County Transportation System Surtax (Surtax) Proceeds remitted by Miami-Dade County (County) for the Fiscal Year ended September 30, 2019. The primary objective was to ensure that 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 resolution of prior audit findings referenced in our December 28, 2020 Audit Report (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 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 \$254,705 (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 Fiscal Year ended September 30, 2019, the City spent \$210,388 to operate its *Opa-locka Express Circulator (Circulator)*, which reduced unspent Transit-related proceeds to \$411,429 as of September 30, 2019. Also, the City claimed \$1.15 million in Transportation expenditures, and after adjusting for the Maintenance of Effort (MOE) and other expenses, the City had a carryforward credit of \$242,829 (Table I).

Table I
Surtax Statistics for the Fiscal Year Ended September 30, 2019

Description	Amount
Maintenance of Effort	\$ 254,705
Surtax Proceeds:	
Surtax Proceeds Appropriation (Table II)	\$ 759,675
Surtax Proceeds Distribution (Schedule III)	(165,000)
Withheld Amount, as of September 30, 2019 (Table II)	<u>\$ 594,675</u>
Cumulative Withholdings, as of September 30, 2019 (Table II)	<u>\$ 2,305,484</u>
Claimed Expenditures:	
Transit (Table III)	\$ 210,388
Transportation (Table IV)	1,145,953
	<u>\$ 1,356,341</u>
Unspent Surtax Proceeds/Carry-Forward Credit (Schedule II):	
Transit	<u>\$ 411,429</u>
Transportation	<u>\$ (242,829)</u>
Key Account Balances as of September 30 (Schedule I):	
<i>People's Transportation Tax Fund:</i>	
Cash and Equity in Pooled Cash	\$ 105,100
Fund Balance	<u>\$ 1,130,655</u>

Since November 2015, OCITT has withheld the majority of the City’s Surtax Proceeds appropriation, pending submission of delinquent audited financial statements and adequate documentation to support claimed transportation expenditures. However, sufficient funds were released to ensure continued operations of the *Circulator*. As our concerns were resolved, we recommended and OCITT released to the City, \$901,927 in March 2020 and \$261,546 in May 2021 to reimburse eligible transportation expenditures claimed during the three years ended September 30, 2017. This reduced Surtax Proceeds withholdings from a high of \$2.3 million to \$1.14 million as of September 30, 2019 (Table II).

The FY 2019 audit results have been positive, and thus, we are recommending that the City be paid \$730,582 for unreimbursed transportation expenditures claimed from FYs 2017 to 2019 (Table II). This would leave \$411,429 on deposit with OCITT, representing the Unspent Transit amount as of September 30, 2019 (Table I). Annual Audits will continue until timely unqualified External Auditor opinions are issued for three consecutive years. In the meantime, non-Transit

related amounts are not recommended for release until AMS has validated the propriety of claimed expenditures.

Table II
Analysis of Surtax Proceeds and Withholdings

Description	Fiscal Year Ended September 30,					All Years
	2015	2016	2017	2018	2019	
Analysis of Surtax Proceeds						
Surtax Proceeds Appropriation	\$ 628,492	\$ 676,530	\$ 703,018	\$ 754,214	\$ 759,675	\$ 3,521,929
Surtax Proceeds Distribution (Schedule III)	(556,122)	(90,323)	(195,000)	(210,000)	(165,000)	(1,216,445)
Amount Withheld (Tables I & V)	72,370	586,207	508,018	544,214	594,675	2,305,484
Withheld Amount Released on March 9, 2020	(72,370)	(586,207)	(243,350)	-	-	(901,927)
Withheld Amount Released on May 4, 2021	-	-	(261,546)	-	-	(261,546)
	-	-	3,122	544,214	594,675	1,142,011
Recommended Surtax Proceeds for Release	-	-	(3,122)	(544,214)	(183,246)	(730,582)
Unused Transit Surtax Proceeds (Schedule II)	\$ -	\$ -	\$ -	\$ -	\$ 411,429	\$ 411,429

Source: OCITT and the County's Financial Accounting Management Information System

These and other findings are more fully detailed in the remainder of this Report, along with the City's Responses. AMS is pleased with the City's plans to address the findings and thus, the audit has been closed. We appreciate the courtesies and assistance extended to our staff during the audit process. Please contact me at 786-469-5900, if you have any questions.

FINDINGS AND RECOMMENDATIONS

Use of Surtax Proceeds for Transit Projects

The *Circulator*, operated by *Limousines of South Florida, Inc. (LSF)*, connects riders to the *Opa-locka Tri-Rail Station*, local businesses, as well as certain *County Metrobus* stops in the City. *Circulator* service is free to riders and is currently operating from Monday to Friday, 6:10 AM to 7:25 PM, with a modified route on Saturdays departing the *Tri-Rail Station* every hour from 9:30 AM to 5:30 PM.

Table III
Claimed Transit Expenditures and Ridership

Month of Service	FY 2019		FY 2018 ¹	
	Amount	Ridership	Amount	Ridership
October	\$ 18,171	3,212	\$ 14,439	3,638
November	16,974	2,613	14,127	3,348
December	16,605	2,430	13,938	3,224
January	18,603	2,604	14,763	3,395
February	16,416	2,432	13,558	3,092
March	17,000	2,475	15,142	3,089
April	17,874	2,441	14,078	3,028
May	18,556	2,716	14,709	3,207
June	16,875	2,211	14,540	2,745
July	18,520	2,607	14,636	2,978
August	18,333	2,554	18,198	3,270
September	16,461	2,342	16,821	3,030
(Tables I & V)	\$ 210,388	30,637	\$ 178,949	38,044
Monthly Average	\$ 17,532	2,553	\$ 14,912	3,170

Source: Vendor Invoices and Monthly Boarding Reports

¹ Presented for comparison with the FY 2019 claimed expenditures

The City claimed the \$210,388 paid to *LSF* for services rendered during FY 2019. As shown in Table III, monthly ridership averaged 2,553. The amount claimed was verified without exception and unspent Transit Proceeds decreased to \$411,429 as of September 30, 2019 (Schedule II).

Recommendation

As previously stated, the City is encouraged to reinstate the South Route that was discontinued in February 2016 or consider other alternatives to eliminate unspent amounts. In addition, the City’s Five-Year Transportation Plan should forecast the use of unspent Surtax Proceeds, as required by *CITT Resolution No. 09-055*.

City’s Response

We concur.

Transportation-Related Expenditures

For the year ended September 30, 2019, the City claimed \$1.15 million primarily for *Public Works Roads & Streets Division* personnel costs, streetlighting, and road improvements (Table IV).

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

Description	For the Years Ended September 30,	
	2019	2018 ¹
<i>People’s Transportation Tax Fund:</i>		
Citywide Milling & Resurfacing Phases I, II & III	\$ 451,741	\$ -
Cairo Lane Project	171,837	-
Asphalt Repair at 147 Street & NW 22-25 Ave.	70,000	-
Street Repairs NW 38th Avenue	69,616	-
Industrial Area Street Repairs	30,817	-
Roadway & Sidewalks Repair Supplies	7,847	-
	801,858	-
Life & Health Insurance Cost	1,209	14,918
	803,067	14,918
<i>General Fund:</i>		
Public Works Roads & Streets	182,977	157,392
Streetlighting	159,909	168,868
Roadway & Sidewalk Repairs	-	22,139
	342,886	348,399
<i>Safe Neighborhood Capital Improvements Fund:</i>		
Citywide Resurfacing Improvements	-	246,542
<i>Water & Sewer Fund:</i>		
Cairo Lane Project	-	38,948
<i>Stormwater Fund:</i>		
Debt Service Payments - Street Sweeper	-	16,582
Sweeper Maintenance Service	-	16,677
Asphalt/Roadway Repairs	-	2,000
	-	35,259
Total Claimed Transportation Expenditures (Table I)	1,145,953	684,066
<i>AMS Adjustments:</i>		
Allowable 5% Administrative Cost	37,984	10,500
Unsupported Life & Health Insurance Cost	(1,209)	(14,918)
	36,775	(4,418)
Total Eligible Transportation Expenditures (Schedule II)	\$ 1,182,728	\$ 679,648

Source: City of Opa-locka General Ledgers, Vendor Invoices, and Personnel Cost Support
¹ Presented for comparison with the FY 2019 claimed expenditures

However, we allowed a 5% administrative cost allowance that was not initially claimed, but disallowed unsupported life and health insurance costs totaling \$1,209. After deducting MOE expenditures and adjusting for unclaimed and disallowed expenditures, the City had a Transportation carry-forward credit of \$242,829 as of September 30, 2019 (Table I and Schedule II).

Recommendation

Prospectively, greater diligence should be exercised in assuring that only eligible expenditures are claimed.

City’s Response

We concur.

Financial Reporting Deficiencies

The City uses its *Special Revenue People’s Transportation Tax (PTP) Fund* to account for Surtax Proceeds and Expenditures. However, we found that not all balances were accurately presented in the FY 2019 Audited Financial Statements. For example, *Intergovernmental (Surtax) Revenue* was overstated by \$252,571 and the annual costs of the *Circulator* service were understated. The Due from Miami-Dade County was impacted by these errors and should have been \$2.3 rather than \$2.07 million as of September 30, 2019 (Table V). Similar errors were noted in FY 2018.

**Table V
 Analysis of People’s Transportation Tax Fund Account Balances
 For the Fiscal Year Ended September 30, 2019**

Description	Per Audited Financial Statements	Adjustments		As Adjusted
		Debit	Credit	
Surtax Proceeds:				
Intergovernmental (Surtax) (Schedule I & Table II)	\$ 1,012,246	\$ (252,571)	\$ -	\$ 759,675
Surtax-related Expenditures:				
Transportation (Table IV)	\$ 801,858	\$ -	\$ -	\$ 801,858
Unclaimed Admin at 5% of 759,675	-	37,984	-	37,984
Transit (Circulator) (Table III)	195,023	15,365	-	210,388
Unsupported Life and Health Insurance (Table IV)	1,209	-	(1,209)	-
Total (Schedule I)	\$ 998,090	\$ 53,349	\$ (1,209)	\$ 1,050,230
Due from Other Governments:				
Due from Miami-Dade County: (Table II)				
CITT Surtax Proceeds Released 3/9/2020	\$ 901,927	\$ -	\$ -	\$ 901,927
CITT Surtax Proceeds Released 5/4/2021	261,546	-	-	261,546
FY 2017 Withheld Surtax Proceeds	3,122	-	-	3,122
FY 2018 Withheld Surtax Proceeds	544,214	-	-	544,214
FY 2019 Withheld Surtax Proceeds	359,910	234,765	-	594,675
	2,070,719	234,765	-	2,305,484
Due from FDOT/SFRTA	975	-	-	975
Total (Schedule I)	\$ 2,071,694	\$ 234,765	\$ -	\$ 2,306,459

Source: City of Opa-locka Annual Financial Statements and General Ledgers

Recommendation

City personnel should improve the accuracy and completeness of City accounting records and audited financial statements.

City's Response

We concur.

Certification and Reporting Requirements

The City submitted all required Reports for FY 2019 to OCITT, which included a corrected certified \$254,705 MOE. However, some Reports were submitted after required deadlines, including the Audited Financial Statements that were not issued until June 28, 2021.

Recommendation

The City should be more diligent in ensuring OCITT reporting deadlines are met. Further, every effort must be made to ensure that the FY 2020 audit is completed no later than July 31, 2022. This would free up additional monies being withheld.

City's Response

We concur.

CJ:bm

Attachments

- c: Honorable Harvey A. Ruvin, Clerk of the Courts
- Gerri Bonzon-Keenan, County Attorney
- Edward Marquez, Chief Financial Officer
- Jimmy Morales, Chief Operations Officer
- David L. Clodfelter, Director, Office of Management and Budget
- James B. Wright, City Manager, City of Opa-locka

**Charter County Transportation System Surtax Review - City of Opa-locka
People's Transportation Tax Fund**

Balance Sheets		
Description	As of September 30,	
	2019	2018 ¹
Assets		
Cash and Cash Equivalents	\$ 105,100	\$ 105,100
Due from Other Governments	2,071,694	1,430,433
Due from Other Funds	2,038,093	1,807,400
Total Assets	\$ 4,214,887	\$ 3,342,933
Liabilities and Fund Balance		
Liabilities:		
Accounts Payable and Accrued Liabilities	\$ 53,314	\$ 35,248
Due to Other Funds	3,030,918	1,963,745
Total Liabilities	3,084,232	1,998,993
Fund Balance:		
Restricted for Transportation	1,130,655	1,343,940
Total Liabilities and Fund Balance	\$ 4,214,887	\$ 3,342,933
Statements of Revenues, Expenditures, and Changes in Fund Balance		
Description	Fiscal Year Ended September 30,	
	2019	2018 ¹
Revenues:		
Intergovernmental (Surtax Proceeds)	\$ 1,012,246	\$ 701,837
Expenditures:		
Transportation	998,090	193,867
Excess of Revenues over Expenditures	14,156	507,970
Fund Balance, Beginning	1,343,940	1,082,514
Prior Period Adjustment	(227,441)	(246,544)
Fund Balance, Ending	\$ 1,130,655	\$ 1,343,940

Source: City of Opa-locka Audited Financial Statements

¹ Presented for comparison with the FY 2019 financial data.

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

Charter County Transportation System Surtax Review - City of Opa-locka
Surtax Proceeds Usage Analysis

Description	Fiscal Year Ended September 30,	
	2018 ¹	2019
Surtax Proceeds (Schedule III)	\$ 210,000	\$ 165,000
Amount Pending Release by OCITT ² (Table II)	544,214	594,675
	<u>\$ 754,214</u>	<u>\$ 759,675</u>
Surtax Uses:		
Eligible Transit Expenditures (Table III)	\$ 178,949	\$ 210,388
Eligible Transportation Expenditures (Table IV)	\$ 679,648	\$ 1,182,728
Less MOE (Table I)	(254,705)	(254,705)
Expenditures Available For Surtax Use	<u>\$ 424,943</u>	<u>\$ 928,023</u>
AMS Analysis:		
Transit-Related Expenditures:		
Expenditures Available for Surtax Use	\$ 178,949	\$ 210,388
Less 20% Minimum Amount ³	(150,843)	(151,935)
Decrease in Unspent Funds	<u>\$ 28,106</u>	<u>\$ 58,453</u>
Analysis of Unspent Rollover:		
Beginning Balance ⁴	\$ 497,988	\$ 469,882
Decrease in Unspent Amounts	(28,106)	(58,453)
Remaining Unspent Amount	<u>\$ 469,882</u>	<u>\$ 411,429</u>
Transportation-Related Expenditures:		
Expenditures Available For Surtax Use	\$ 424,943	\$ 928,023
Less Remaining 80% Amount ³	(603,371)	(607,740)
Increase (Decrease) in Rollforward Amount	<u>\$ (178,428)</u>	<u>\$ 320,283</u>
Analysis of Carry-Forward Credit:		
Beginning Balance ⁴	\$ (100,974)	\$ 77,454
(Increase) Decrease in Rollforward Amount	178,428	(320,283)
Remaining Unspent (Carry-Forward Credit) Amount	<u>\$ 77,454</u>	<u>\$ (242,829)</u>

¹ Presented for comparison with the FY 2019 financial data.

² The OCITT released \$901,927 and \$261,546 from amounts withheld on March 9, 2020 and May 4, 2021, respectively.

³ 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.

⁴ Per the December 28, 2020 Audit Report.

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

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

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

¹ Amounts are net of withholdings of \$76,553 from the Town of Miami Lakes, \$2.1 million from the City of Sweetwater, \$21,058 from the Town of Golden Beach, \$2.3 million from the City of Opa-locka, and \$3.3 million from the City of Miami, due to specific instances of noncompliance. Partial amounts were released of \$1.3 million to Sweetwater on 11/27/2019, and \$901,927 and \$261,546 to Opa-locka on 3/9/2020 and 5/4/2021 due to financial improvement.

² Pursuant to the respective Interlocal and/or Settlement Agreements, these Municipalities, which were incorporated after November 2002, are receiving a share of the County's Surtax Proceeds consistent with the other Municipal distributions.

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

**Charter County Transportation System Surtax Review
City of Opa-locka (City)
Status of Prior Audit Findings ¹**

Finding	Recommendation	Auditee Response	Current Status
Use of Surtax Proceeds for Transit Projects			
<p>The City claimed \$178,949 for <i>Circulator</i> costs, with monthly ridership averaging 3,170. The amount claimed was verified without exception and unspent Transit Proceeds were \$469,882 as of September 30, 2018.</p>	<p>The City is encouraged to reinstate the South Route that was discontinued in February 2016 or consider other alternatives to eliminate unspent amounts. The Five-Year Transportation Plan should forecast how the unspent Surtax Proceeds will be used.</p>	<p><i>We concur.</i></p>	<p>Unresolved As of September 30, 2019, Opa-locka had unspent Transit Proceeds totaling \$411,429. <i>See pages 2 and 4 of the Audit Report.</i></p>
Transportation-Related Expenditures			
<p>The City claimed \$684,066 in Transportation-related expenditures. We disallowed unsupported retirement and insurance costs totaling \$14,918, partially offset by the unclaimed 5% administrative allowance. After further adjusting claimed expenditures for the MOE, the City had unspent Transportation Surtax Proceeds of \$77,454 as of September 30, 2018.</p>	<p>Prospectively, greater diligence should be exercised in assuring that only eligible expenditures are claimed. Also, the City's Five-Year Transportation Plan should reflect how the unspent Surtax Proceeds will be used.</p>	<p><i>We concur.</i></p>	<p>Resolved Opa-locka eliminated unspent Transportation Surtax Proceeds in FY 2019. <i>See pages 2 and 5 of the Audit Report.</i></p>
Financial Reporting Deficiencies			
<p>Opa-locka did not properly record Surtax transactions. For example, Surtax Revenue was overstated by \$178,949. In the aggregate, FY 2018 Intergovernmental Revenue should have been \$548,470 rather than \$701,837 as reported in the FY 2018 audited financial statements. <i>Due to/from Other Funds</i> balances recorded in the City's Audited Financial Statements as of September 30, 2018, were misstated.</p>	<p>City personnel are encouraged to improve the accuracy and completeness of its accounting records and audited financial statements.</p> <p>Each Financial Statement account in the PTP Fund should be reviewed and adjusted to assure they are properly stated.</p>	<p><i>We are working to reconcile the Due to/from Other Funds balances and have focused on producing Audited Financial Statements that are not materially misstated in accordance with accounting principles generally accepted in the United States of America.</i></p>	<p>Unresolved Audited financial statements for FY 2019 contained similar errors. <i>See pages 5 and 6 of the Audit Report.</i></p>
Certification and Reporting Requirements			
<p>The City submitted all required Reports for FY 2018 to OCITT. However, most were submitted after the required deadline, including the Audited Financial Statements, that were not issued until May 13, 2020. Furthermore, Opa-locka did not certify the correct MOE amount.</p>	<p>Opa-locka should certify a corrected \$254,705 MOE annually, and be more diligent in ensuring OCITT reporting deadlines are met.</p>	<p><i>We concur and will certify the corrected annual MOE of \$254,705. Also, we will be diligent in ensuring OCITT reporting deadlines are met.</i></p>	<p>Partially Resolved Reporting deadlines were not met in FY 2019, but the correct MOE was certified. <i>See page 6 of the Audit Report.</i></p>

¹ See the Audit Report dated December 28, 2020, for the full text.