

Metro Transportation Engineering & Construction Cooperative

Fiscal 2024-2025 Budget

Amendment 3

Background

The Metro Transportation Engineering & Construction Cooperative (MTECC) was established in 2022 by Interlocal Agreement “ILA” between the founding member municipal members of City of Hollywood, City of Plantation and the City of Pompano Beach under Section 163.01, Florida Statutes in cooperation with the Broward Metropolitan Planning Organization under Section 339.175, Florida Statutes. The founding municipal members appoint a MTECC Board Member from their elected officials that form the MTECC Board. The MTECC Board provides policy direction for the operation of MTECC. MTECC shall be a separate legal entity, pursuant to Section 163.01(7), Florida Statutes. This Agreement was filed and recorded on May 31, 2022, with the Clerk of Court for Broward County, Florida in accordance with Section 163.01(11), Florida Statutes.

MTECC as an organization was created to facilitate the planning, design and construction of transportation related projects throughout the County. Under the ILA, additional municipalities in Broward County may join the MTECC through Interlocal Agreement with MTECC. A municipality must be a member of MTECC for MTECC to provide the planning, design, and construction of transportation related projects in the municipality.

From time-to-time Federal funds become available through the Florida Department of Transportation and the Federal Transit Administration to fund projects that are on municipal roads and other transportation facilities (transitways, sidewalks, bikeways, etc.). Projects funded through Federal funding must comply with Federal laws, regulations and standards which in most cases vary from other projects implemented by municipalities. MTECC was primarily established to specialize in delivering projects that must meet Federal requirements to be efficient in delivering these projects for the member municipality. This prevents the various municipalities from the expense of meeting the Federal requirements on what may be a Federal funded project once or twice every three to five years.

Budget/Fund Structure

General Fund

General funds are for the general operations of a government entity. The MTECC General Fund supports the administrative operations of MTECC including contributions provided by MTECC municipality members under the ILA and the costs to support the following:

- MTECC Board activities and support.
- Executive Director for administrative activities.
- Board Attorney for administrative activities.
- Finance and Accounting for MTECC activities.
- Procurement support activities.

- Contract Management activities.
- Board public relations and involvement activities.
- Other administrative support activities.

Capital Project Fund

In the initial budget there are no revenues or projects in the MTECC Capital Projects Fund. Projects were added in fiscal year 2023-24 and the Capital Projects Fund for MTECC was created and began operations. The MTECC Capital Projects Fund accounts for projects when the MTECC Board receives a request from a MTECC member city and agrees to support the delivery of the project. The project must have funding associated with the project. Projects in the Capital Projects Fund by their nature may cover multiple years depending on the size and complexity of the project.

Project Accounting

The MTECC accounting system has been established to provide separate accounting for each MTECC project. This will include the project budget, revenues, expenditures, cash balances and project closeout.

Budget Process

The Proposed Budget is provided to develop the proposed budget in the late Spring of each year with the proposed budget presented to the MTECC Board in June or July of each year to be adopted in September of each year for the subsequent fiscal year October 1 to September 30.

Adopting the Budget

MTECC must adopt a balanced budget. A balanced budget as defined in Florida Statutes 166.241(2) is where the amount available from taxation and other sources, including amounts carried over from prior fiscal years, must equal the total appropriations for expenditures and reserves.

MTECC does not have any taxing authority and relies upon contributions from municipal members and grants for capital projects from partners such as FDOT and the Federal Transit Administration. MTECC will hold a public hearing on the tentative budget that is published for public review at least 5 days before the hearing. The budget becomes effective on October 1. The legal level of adoption is at the Fund Level for the MTECC General Fund and at the project level for the Capital Projects Fund.

Amending the Adopted Budget

State law allows changes to the adopted budget at any time throughout the fiscal year and up to 60 days after the fiscal year end (Florida Statutes 166.241(4)). These changes include budget amendments, which increase or decrease the total budget of a fund. Any budget amendments move funds from Budgeted Reserve in the MTECC General Fund or at a project level for a capital project in the Capital Projects Fund require MTECC Board approval.

Budget Monitoring

The budget is monitored monthly by the Executive Director to track variances between the actual and budgeted amounts, to identify trends and to estimate end-of-year results. Monthly financial reports are distributed to the MTECC Board members and all MTECC municipal members, Broward MPO, and for each project to the funding partner for the project. The Executive Director shall monitor the MTECC

General Fund and each project in the Capital Projects Fund to evaluate the adequacy of funds year to date and through the end of the year. The Executive Director shall propose budget amendments to increase or decrease revenues and/or appropriated expenditures to maintain a balanced budget during each fiscal year for the MTECC General Fund and each project in the Capital Projects Fund.

Operating Budget Policies

Budgetary basis refers to the reporting of revenues and expenditures or expenses in the financial statements as they are recognized in the accounts. The basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. All Governmental Funds are accounted for using the modified accrual basis of accounting except that encumbrances are treated as the equivalent of expenditures, as opposed to a reservation of fund balance. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the fiscal period. Expenditures are generally recognized, under the modified accrual basis of accounting, when the related fund liability is incurred. Debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due, using the current financial resources measurement focus of accounting. At year-end, open encumbrance balances lapse.

The Annual Comprehensive Financial Reporting presents the status of the MTECC's finances on a basis consistent with Generally Accepted Accounting Principles (GAAP) (that is, the Governmental Funds use the modified accrual basis of accounting) In order to provide a meaningful comparison of actual results with the budget, the Annual Comprehensive Financial Reporting presents MTECC's operations on a GAAP basis and also shows fund expenditures and revenues on a budget basis for the Special Revenue and Capital Projects Funds. MTECC is required to prepare a balanced budget in which current revenues will be sufficient to support current expenditures.

MTECC General Fund Financial Reserve Policies

In general, MTECC should maintain adequate fund balances or reserves to handle unexpected decreases in revenues plus a reasonable level for extraordinary unbudgeted expenditures. For measurement purposes, the minimum target fund balance in the MTECC General Fund is the equivalent of 90 days of average expenditure for the MTECC General Fund and should be computed annually and remain unappropriated. On an annual basis, projections of reserve requirements and a plan for the use of additions for the current year shall be made in accordance with relevant MTECC policies.

Capital Projects Fund Project Level Financial Reserve Policies

The Executive Director will analyze each project grant amount and establish a reserve amount for each project in coordination with the project team experts, funding partner and municipal member where the project is located. This reserve shall be maintained at the project level of the Capital Projects Fund and used for unexpected expenditures on the project. This reserve shall be monitored monthly and updated as needed to ensure there is adequate funding for each project.

Capital Improvement Policies

MTECC shall coordinate the development of the MTECC Capital Improvement Plan with the development of the MTECC General Fund Budget and in coordination with funding partners such as the Broward MPO, FDOT, Federal Transit Administration and MTECC municipal members. MTECC shall have a five-year capital improvement plan that identifies specific projects and project phases by year within

the five-year period. Each year, a new year will be added to the five-year capital improvement plan. Future operating expenditures and revenues associated with new capital improvement will be projected and included in the Five-Year Capital Improvement Plan.

MTECC shall capture the expenditures for capital improvement projects by project and at the completion of the project transfer the project value to the municipal member that by agreement will own the project for long-term operations and maintenance.

Revenue Policies

MTECC depends on funding partners to provide grants for the MTECC operations and capital projects being implemented by MTECC. MTECC will include revenues as required by the ILA in the MTECC General Budget and any other grants that may be made by MTECC municipal members for MTECC operations. MTECC Capital Projects Funds revenues shall be developed based on executed grant agreements from project funding partners. Legally restricted revenues will be used for the specific purpose dictated by the issuer. To ensure compliance with revenue, reserve and budget policies, MTECC staff shall analyze and prepare reports annually to monitor, project and estimate revenues and expenditures, on an annual basis and forward for the next fiscal year.

Expenditure Policies

Expenditures are a rough measure of MTECC's service output. While many expenditures can be easily controlled, unanticipated service demands may strain our ability to maintain a balanced budget. To ensure the proper control of expenditures and provide for a quick and effective response to adverse financial situations, expenditures and purchase commitments will be made in a form and process that is legal, appropriate, funded, authorized and sufficiently documented. Also, expenditures and purchase commitments will be recorded in an accurate and timely fashion.

Budget In Brief

Adopted budget amounts for fiscal year 2023-2024 includes:

Revenues. The revenues will involve an assessment to the MTECC member cities (assumes cities of Coconut Creek, Deerfield Beach, Hallandale Beach, Hollywood, Pembroke Pines, Plantation, and Pompano Beach) of \$25,000 per City. Any new MTECC members will be assessed a \$50,000 initial year fee for joining MTECC should additional cities join MTECC during fiscal year 2024-25.

Expenditures. The budget expenditures for general administrative activities in fiscal year 2024-25 include the following major categories.

General Administrative

- Board Expense – these include Board preparation, meeting minutes and related support.
- MTECC Legal Counsel – general support for Board meetings and administrative activities
- MTECC Executive Director – general support for Board meetings and administrative management and oversight of MTECC activities
- Program Management Consultant –
 - general support for Board meetings and technical support for administrative activities,
 - web development and support,
 - media relations and public involvement support for general MTECC activities
- Finance and Accounting – supports finance and accounting activities for MTECC.

- Insurance – overall insurance coverage for the Board and MTECC activities
- Annual Audit – required annual audit of MTECC activities.
- Other Administrative Expenses – this covers general administrative expenses that made not be addressed in other categories.

Budgeted Reserve. The Budgeted Reserve for the MTECC General Fund Budget for fiscal year 2024-25 is assumed to be \$114,310 or 34.2% of the annual expenditures of the MTECC General Fund (Amendment 1 increase the reserve to \$163,310 or 47.3% of the General Fund Appropriations.) As projects are added to the MTECC Capital Project Fund any advances from the General Fund will be reimbursed back to the General Fund.

MTECC Capital Project Fund

During Fiscal Year 2023-24, cities (Pembroke Pines (two projects), Coconut Creek and City of Fort Lauderdale) have officially requested and the MTECC Board has approved moving forward with assistance for MTECC support federal grant funded projects. The MTECC Projects Fund has been added to the annual budget with an amended amount for fiscal year 23-24. Each specific project is brought forward for MTECC Board review and approval to amend in the full project budgets funding from FDOT/City to fund items such as:

- MTECC Executive Director – items such as project scope development, meetings, negotiations, oversight, reporting, management of consultants and related project specific activities
- MTECC Legal Counsel – project level items such as draft agreements, negotiations, finalizing agreements, and availability for any project level issues.
- MPO Support – project level task orders and procurement processes
- Program Management Consultant
 - PMC Project Manager – project scope development, meetings, negotiations, oversight, management of PMC staff, reporting, etc.
 - PMC Design Consultant Manager – contract/project manager for design consultant on behalf of MTECC – scope development, manage design consultant activities for oversight, coordination, reporting, invoicing, payments, etc.
 - MTECC/City – design reviews at 30%, 60%, 90% plans and acceptance of 100% plans
 - Construction Bid Preparation – assist design consultant will the development of the plans, specifications, special provisions to prepare for construction bid.
- Design Consultant – team responsible for the implementation of the design project.
- Construction – the contractor responsible for building the project.
- CEI – team responsible for the construction engineering and inspection of the construction project.

The Proposed Budget is amended as each Project and the associated budget is added as Project Agreements and Budget Amendments are approved by the MTECC Board. This will include reimbursement to the General Fund Budget from the Capital Projects Fund.

Capital Project Fund Balances – the anticipated unused budget for each project will be carried forward to the subsequent fiscal year to continue the delivery of each project.

Budget Adjustments during Fiscal Year 2024-25

- Amendment 1 includes the City of Fort Lauderdale Project 4334282 – FORT LAUDERDALE – 17th STREET MOBILITY HUB:
 - Project activities supported by \$6,804,000 Federal grant and \$35,000 City funds in a Tri-Party Agreement between the Broward MPO, City of Fort Lauderdale and MTECC.
 - Repays the prior advance from the MTECC General Fund of \$25,000 for the project.
 - Advance from the MTECC General Fund to the Capital Projects Fund of \$25,000 to provide early deliverables to finalize the exhibits for the Tri-Party Agreement.
- Amendment 2 amends the Project Budget for two project design services:
 - Project B-23-CP-FL-0383 – Coconut Creek, to increase the Design Consultant budget by \$75,416.82 to total \$405,980.82, which will provide adequate budget authority for the fixed fee of \$313,041.74 and optional services up to \$92,939.08. The Project Contingency budget is reduced by \$75,416.82.
 - Project 4334293 – City of Pembroke Pines Mobility Hub, to increase the Design Consultant by \$181,636.00, from the Approved Budget of \$228,364.00 to \$410,000.00. The Project contingency is decreased by \$181,636.00, from the Approved Budget of \$337,053.00 to \$155,417.00.
- Amendment 3 amends the Project Budget for three projects:
 - General Fund adjustments include:
 - City of Pembroke Pines advanced funds which provides a one-time administrative fee of \$35,000 for revenues and repayment of the \$25,000 advance made from the General Fund in fiscal year 2023-34, when Project 4334293 was first initiated.
 - Capital Projects Fund adjustments include:
 - City of Fort Lauderdale Project 4334282 – 17th Street Mobility Hub:
 - Increase the Design Services budget to total \$800,000 to facilitate the completion of the negotiations of the design services consultant work order for the Project.
 - Separate and increase the budget for Program Management - Program Management – Design to total \$240,000 and Program Management – Construction to total of \$90,000.
 - These changes decrease the Project contingency to \$1,155,266.
 - Project 4334293 – City of Pembroke Pines Mobility Hub:
 - Increase the Project Budget by \$247,752 for additional FTA grant funds added through Amendment 1 to the Project Tri-Party Agreement. This increases grant revenues and increases the overall project budget.
 - Separate and increase the budget for Program Management into Program Management – Design with an increase to total \$148,914 and Program Management – Construction for a total of \$80,000.
 - These overall changes decrease the Project contingency to \$9,050.

General Fund Budget Item	Approved Fiscal Year 2024-25	Amend 3	Amended Fiscal Year 2024-25
Revenues			
Founding Member Contributions			
City of Hollywood	\$25,000		\$25,000
City of Plantation	\$25,000		\$25,000
City of Pompano Beach	\$25,000		\$25,000
Non-Founding Member Contributions			
City of Deerfield Beach	\$25,000		\$25,000
City of Hallandale Beach	\$25,000		\$25,000
City of Pembroke Pines	\$25,000	\$35,000	\$60,000
City of Fort Lauderdale	\$60,000		\$60,000
City of Coconut Creek	\$25,000		\$25,000
Total Member Contributions	\$235,000	\$35,000	\$270,000
Interest Earnings	\$3,000		\$3,000
Total Revenues	\$238,000	\$35,000	\$273,000
Carry Over Prior Year	\$245,310		\$245,310
Total Available	\$483,310	\$35,000	\$518,310
Appropriations/Expenditures			
Board Expenses	\$0		\$0
Board Attorney	\$58,000		\$58,000
Executive Director	\$72,000		\$72,000
Program Management Consultant	\$60,000		\$60,000
Finance/Accounting	\$71,000		\$71,000
Insurance	\$10,000		\$10,000
Annual Audit	\$12,000		\$12,000
Procurement	\$18,000		\$18,000
Public Relations/Involvement	\$5,000		\$5,000
Technology	\$10,000		\$10,000
Other Administrative Expenses	\$20,000		\$20,000
Total Appropriations	\$345,000		\$345,000
Advance to MTECC Projects Fund	\$0		\$0
Repayment of Advances	\$25,000	\$25,000	\$50,000
Budgeted Reserve	\$163,310	\$60,000	\$223,310

Capital Projects Fund Budget Item	Approved Fiscal Year 2024-25 (Includes carryover)	Amend 3	Revised Fiscal Year 2024-24 (includes carryover)
Revenues			
Project Grants			
Federal Grants	\$12,675,000	\$247,752	\$12,922,752
City Grants	\$520,000		\$520,000
City Reimbursements	\$50,000		\$50,000
Total Grants	\$13,245,000	\$247,752	\$13,492,752
Advances from MTECC General Fund	\$50,000		\$50,000
Total Revenues	\$13,295,000	\$247,752	\$13,542,752
Total Available	\$13,295,000	\$247,752	\$13,542,752
Appropriations			
Project 449690-1 – Pembroke Pines			
Program Management Consultant - Design	\$25,000		\$25,000
Design Consultant			
Contingency			
Project Total	\$25,000		\$25,000
Project 4334292 – Pembroke Pines			
Program Management Consultant Design	\$152,243	-\$3,329	\$148,914
Design Consultant	\$410,000		\$410,000
Right of Way			
Program Management Consultant Construction		\$80,000	\$80,000
Construction	\$1,903,036	\$247,752	\$2,150,788
CEI	\$190,304	\$69,696	\$260,000
Contingency (note includes Ped overpass – to be finalized in design stage)	\$155,417	-\$146,367	\$9,050
Project Total	\$2,811,000	\$247,752	\$3,058,752

Project B-23-CP-FL-0383 – Coconut Creek			
Program Management Consultant Design	\$275,470		\$275,470
Design Consultant	\$405,981		\$405,981
Program Management Consultant Construction			
CEI	\$275,470		\$275,470
Construction	\$2,399,720		\$2,399,720
Contingency	\$153,359		\$153,359
Project Total	\$3,510,000		\$3,510,000
Project 4334282, City of Fort Lauderdale			
Program Management Consultant Design	\$327,899	-\$87,899	\$240,000
Design Consultant	\$491,849	\$308,151	\$800,000
Program Management Consultant Construction		\$90,000	\$90,000
CEI	\$327,899	\$92,101	\$420,000
Construction	\$4,098,734		\$4,098,734
Contingency	\$1,557,619	-\$402,353	\$1,155,266
Project Total	\$6,804,000		\$6,804,000
Total Appropriations/Expenditures	\$13,150,000	\$247,752	\$13,397,752
Transfers to MTECC General Fund	\$145,000		\$145,000
Budgeted Reserve	\$0.00	\$0.00	\$0.00