



# MIAMIBEACH

BUDGET AND PERFORMANCE IMPROVEMENT  
Internal Audit Division

## INTERNAL AUDIT REPORT

To: Jorge M. Gonzalez, City Manager  
Via: Kathie G. Brooks, Budget and Performance Improvement Director  
From: James J. Sutter, Internal Auditor

Date: January 6, 2012  
Audit: Waste Pro of Florida, Inc. (Waste Pro)  
Period: June 2010 to September 2011

This report is the result of a scheduled audit of the Roll-Off Fee Returns for Waste Pro of Florida, Inc. (Waste Pro).

### INTRODUCTION

A Roll-off is defined as a container with a minimum capacity of ten cubic yards designed to be transported by a motorized vehicle. They are typically used for the purpose of removing construction debris, which include rock, metal and other materials used in connection with a construction project or for the removal of large quantities of trash and bulky waste.

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Approximately thirty companies currently possess business tax receipt demonstrating that they operate Roll-offs within the City's boundaries. They are required to abide by the terms outlined in the City Code. This includes the remittance of franchise fees calculated by using the applicable percentage of Miami Beach gross receipts. Reports are to be submitted to the City's Finance Department by the end of the subsequent month. Effective October 2008 the Roll-off franchise fee was increased from 16% to 18%.

Waste Pro has been operating in the City of Miami Beach since June 2010. Their line of business is the rental of Roll-offs.

A review of the company's invoices showed that franchise fees were charged and collected throughout the audit period. Waste Pro's records showed that franchise fees were remitted timely to the City of Miami Beach. In addition, we reviewed and noted no discrepancies on confirmations with Waste Pro's customers who paid for Roll-off services. The following gross receipts were reported and fees paid during the audit period:

	2010 Jun-Dec.	2011 Jan-Sept.	TOTAL
Audited Receipts	\$1,493.20	\$6,131.82	\$7,625.02
Roll-off Fees Paid (18%)	\$268.78	\$1,103.75	\$1,372.53

## **OVERALL OPINION**

Waste Pro has complied with the provisions of the City Code's during the audit period. As a result, gross receipts were properly reported and franchise fees were paid to the City. Therefore no additional fees are owed.

## **PURPOSE**

The purpose of this audit is to determine whether all Roll-off waste contractor billings were correct, and whether all City revenues were correctly calculated, received timely and accurately recorded by the City, and the contractor was in compliance with designated sections of the City Code and related Ordinances.

## **SCOPE**

1. Review waste contractor's books and records to confirm that their billings were correct; their gross receipts were correctly calculated and support the monthly franchise fee submitted to the City.
2. Confirm that the private waste contractor timely sent the City the required reports in adherence with the terms listed in the City Code.
3. Confirm that the private waste contractor is timely sending the required Monthly Report of Gross Receipts along with their remittance to the City.
4. Confirm that the private waste contractor timely obtained their required annual business tax receipt.
5. Confirm that the private waste contractor timely submitted their annual Certified Public Accountant (CPA) Statements of Gross Receipts to the City (If applicable).
6. Confirm that the private waste contractor has obtained the required insurance in adherence with Section 90-196 of the City Code.
7. Confirm that all monthly Roll-off Fee Returns were timely and correctly recorded in the City's Financial System.

## **EXIT CONFERENCE**

Audit findings were e-mailed on December 9, 2011 to Waste Pro of Florida. We confirmed their agreement to our findings on January 4, 2012.

Internal Audit Report  
Waste Pro of Florida, Inc.  
January 6, 2012

JJS: CD  
Audit performed by Carmin Dufour

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cc: Duncan Ballantyne, Assistant City Manager  
Fred Beckmann, Public Works Director  
Alberto Zamora, Sanitation Director  
Patricia Walker, Chief Financial Officer  
Steve Cade, Division Manager for Waste Pro of Florida  
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