



MIAMIBEACH

BUDGET AND PERFORMANCE IMPROVEMENT
Internal Audit Division

INTERNAL AUDIT REPORT

TO: Jimmy L. Morales, City Manager
VIA: Kathie G. Brooks, Assistant City Manager
FROM: James J. Sutter, Internal Auditor

DATE: April 19, 2013
AUDIT: State Beachfront Management Agreement (#3595) Operational Review
PERIOD: October 1, 2011 through September 30, 2012

This report is the result of a regularly scheduled audit of the operational controls surrounding the City's managing of the State Beachfront Management Agreement No. 750-0006 dated February 3, 1982 (later reassigned No. 3595 by the State's Department of Natural Resources) and the corresponding amendment whose terms were extended to February 7, 2032. A separate audit report focusing on our financial review was issued to the State of Florida in accordance with the agreement.

INTRODUCTION

State Beachfront Management Agreement No. 3595 requires the City of Miami Beach to remit 25% ("sand tax") of any and all monies collected from private concessionaires or other private concerns for the use of State beachfront property to the Florida Department of Environmental Protection. Also, in accordance with state statutes, the City collects 7% sales tax along with the beachfront rental revenue, and remits same to the State's Department of Revenue.

There are four categories of beachfront property users:

- Operators of beachfront concessions seaward of Lummus Park, Ocean Terrace, North Shore Open Space Park, Pier Park, 21st Street and 46th Street (Boucher Brothers, Penrods Brothers and Tim Wilcox, Inc.) who pay for the use of the beachfront as per their respective contractual agreements with the City.
- Miami Beach hoteliers and condominium associations, which pay beach upland fees to the City annually based on the number of units, at the same time that they pay their business tax receipt fees.
- Members of the public who run organized, usually one time only events on the beach, such as weddings, volleyball tournaments and corporate affairs. These are called special events, and payments are remitted to the City's Tourism and Cultural Development Department.
- Productions requiring to park essential vehicles on the beach or sand areas of Miami Beach may purchase vehicle beach access passes from the City's Tourism and Cultural Development Department. The cost of the pass is typically \$150 per vehicle per day (other discounts may apply depending on the date purchased) unless the vehicles do not move from a specified location for that permitted use, but the first one per day is free.

The following table lists the rounded total amount of sand tax paid by the City to the State of Florida for the use of their beachfront property during the past three fiscal years:

Internal Audit Report
 State Beachfront Management Agreement Operational Review (#3595)
 For the Fiscal Year Ending September 30, 2012
 April 19, 2013

Category	FY 2009/10	FY 2010/11	FY 2011/12	Total
Beachfront Concessions	\$184,372	\$192,293	\$232,344	\$609,009
Hoteliers and Condo Associations	\$64,177	\$42,059	\$78,604	\$184,840
Special Events	\$32,273	\$53,288	\$36,586	\$122,147
Vehicle Beach Access Passes *	\$0	\$0	\$36,488	\$36,488
Subtotal	\$280,822	\$287,640	\$384,022	\$952,484
Adjustments **	(\$249)	\$0	\$0	(\$249)
Total	\$280,574	\$287,640	\$384,022	\$952,236

* As a result of a previous internal audit, the City's Legal Department opined that sand tax should be paid to the State of Florida on all received vehicle beach access pass fees.

** The adjustments represent the Finance Department's corrections of previous sand tax payments made on beach concession fees, inaccurate calculations, prior audit results, etc. and are listed separately as it affects different customers within the designated categories.

OVERALL OPINION

Miscellaneous Cash Receipts and Payment Vouchers were generally accurately calculated and separated into the appropriate general ledger accounts. Furthermore, this data along with upland fee revenues was properly entered into the City's Financial System and the Special Events Fee Log. Despite these positive findings, the following shortcomings were noted and are in need of improvement:

- The City inadvertently overpaid the State of Florida by \$169.01 due to incorrect general ledger distributions of special event and vehicle beach access pass payments. Also, ten of the eighty reviewed upland fee payments were not remitted to the State of Florida in the appropriate quarterly check.
- The City currently does not have an adequate process by which to confirm the actual number of units for hotels, condominiums, etc. which affects such calculations as upland fees, smoke detector fees, etc.
- Incorrect upland fee billings are identified whereby the City did not collect monies that it was entitled to receive.
- City Bills are created for special event which impacts the sand tax general ledger account even though the promoter may not pay the balance for months which creates difficulties in trying to determine when to include these monies in the next State of Florida quarterly remittance.
- The City did not receive \$6,990 due as the Eden System inaccurately billed nine hotels/condominiums for their 2012/13 fiscal year beach concession fees for food and equipment.

PURPOSE

The purpose of this audit is to determine whether the City complied with State Beachfront Management Agreement No. 3595 by accurately calculating, timely remitting and properly recording sand tax monies to the Florida Department of Environmental Protection equal to 25%

Internal Audit Report
State Beachfront Management Agreement Operational Review (#3595)
For the Fiscal Year Ending September 30, 2012
April 19, 2013

of any and all revenues collected from private concerns for the use of State beachfront property. Also, the beachfront licenses (food, equipment, water sports and sundries) billed to hotels/condos are examined to ensure that they were correctly calculated.

SCOPE

1. Confirm that State Management Agreement #3595 is valid and its terms complied with.
2. Confirm that updated City policies and procedures exist, are known and followed by personnel.
3. Confirm that the supporting documentation maintained is organized, sufficient and complete.
4. Confirm that tested sand tax transactions are complete, accurately calculated and properly recorded in the City's Financial System.
5. Confirm that the Finance Department's quarterly sand tax payments are properly calculated and are timely remitted to the State of Florida.
6. Confirm that the correct number and amounts for beachfront licenses were billed to the applicable hotels and condominiums.

PROCESS DESCRIPTION

The City's Finance Department mailed its business tax receipts in August 2011 requesting payment for the 2011/12 fiscal year. In addition to other annual charges, any hotel/condominium that collects money from equipment rentals and/or food/beverage sales occurring on the beach should be billed upland fees at a rate of \$19 per unit per City Ordinance No. 2003-3420.

A maximum charge of \$10,000 per upland property is applicable for each concession location, plus any applicable taxes. Therefore, hotels and condos such as the Loews, Fontainebleau, Eden Roc and Decoplage with more than 526 units ($527 \times \$19 > \$10,000$) would only be charged the maximum of \$10,000 in upland fees during the 2011/12 fiscal year.

In addition, hotels and condominiums subject to upland fees and beachfront concessionaires will also owe some combination of beach concession fees for food, equipment, water sports or sundries. The cost of each relevant beachfront license for the 2012/13 fiscal year was \$699 and is billed through the City's annual business tax receipt process.

Payment in full is due by October 1st or the customer may be subject to Code Compliance citations and penalties. All payments received are to be processed by the City's Central Cashier and distributed to the corresponding general ledger accounts pre-programmed into the Eden System's Cashiering Module.

In addition, beach concessionaires (Boucher Brothers, Penrods Brothers and Tim Wilcox, Inc.) remit payments based on their respective agreements with the City. For example, Penrods Brothers and Tim Wilcox, Inc. remit monthly payments whereas the Boucher Brothers pay an upfront minimum guarantee with a true-up at year end whereby any calculated overages are due by December 31st.

The Finance Department receives these payments and enters the pertinent information in the Eden System to distribute the monies among the applicable general ledger accounts. Once completed, the payment is submitted to the City's Central Cashier for processing (similar to the business tax receipt payment process mentioned earlier).

Lastly, the Tourism & Cultural Development Department is responsible for approving and monitoring special events occurring in the City as well as the issuance of vehicle beach access passes. The special event promoter has to meet specified criteria and remit various fees to stage the event based on a number of factors. Examples may include but are not limited to the submittal of site plans and insurance; the existence of off-duty police and/or fire personnel; the payment of application fees, permit fees, security deposits; etc. Meanwhile, vehicle beach access passes can typically be obtained at a daily fee of \$150 per vehicle for those special events promoters needing to park essential vehicles on the City's beach or sand areas assuming all required criteria are satisfied.

The Tourism & Cultural Development Department usually creates City Bills to invoice the customer for any amounts due. At this time, these outstanding monies due are distributed among the applicable general ledger accounts (sand tax, sales tax, etc.). Any corresponding monies subsequently received are applied against this City Bill in the Eden System's Accounts Receivable Module.

The primary exception is for film companies' requested vehicle beach access passes since the actual amount owed is often unknown until the day of the event. Therefore, Tourism & Cultural Development Department staff instead prepares pre-numbered Miscellaneous Cash Receipt forms or MCRs to process any monies received. The MCRs provide such pertinent information as the payer's name, address, reason for paying and total paid; the general ledger account number distribution for these monies; as well as the preparer's relevant information. This form accompanied by the payment is then brought to the Central Cashier for processing and validation.

FINDINGS, RECOMMENDATIONS AND MANAGEMENT RESPONSES

1. Finding: *The State of Florida was Inadvertently Overpaid by \$169.01 in Sand Tax During the 2011/12 Fiscal Year*
All sand tax payments received during the 2011/12 fiscal year were tested to confirm that the City's four quarterly payments to the State of Florida were correct. In doing so, it was found that ten of the eighty upland fee payments received were not remitted timely to the State of Florida as they were incorrectly included in the City's next quarterly remittance. For example, all ten payments were received in June 2012 and therefore

Internal Audit Report
State Beachfront Management Agreement Operational Review (#3595)
For the Fiscal Year Ending September 30, 2012
April 19, 2013

should have been included in the quarterly payment due by July 20, 2012 but instead they were included in the quarter ending September 30, 2012.

Finally, testing found that the following seven exceptions, which are separated by overpayments and underpayments, resulted in the City remitting a total of \$169.01 more in sand tax to the State of Florida than owed:

Overpayments (totals \$512.62)

- Two vehicle beach access fee payments received from First Shot Productions and Select Services erroneously charged 75% to sand tax rather than 25%. Consequently, the State was overpaid by a total of \$450.00 (\$300.00 and \$150.00 respectively).
- Sales tax was inadvertently omitted from the U.S. Road Sports & Entertainment's March 2012 special event payment which caused the sand tax account to be overstated by \$62.62.

Underpayments (totals \$343.61)

- Barton G's payment for their Boston Consulting special event was incorrectly distributed among the applicable general ledger accounts resulting in the State of Florida's payment being understated by \$221.38. Similarly, the State did not receive \$69.45 for Logistic Management Corporation's payment of invoice number 25963.
- Il Villaggio located at 1455 Ocean Drive was incorrectly charged \$18 per unit for their 2011/12 fiscal year payment in the Eden System as the entry was overridden by management. Instead, the condominium should have been billed \$19.00 per unit (127 listed units) which resulted in the City's payment being short by \$31.75.
- MDGLCC Foundation, Inc.'s payment of invoice number 26072 incorrectly calculated the sand tax on the non-beach portion; therefore, the State was underpaid by \$21.03.

Exhibit A located on pages 12 through 14 of this audit report compares the amount of sand tax due for each applicable beachfront property user with the corresponding amounts actually paid to the State of Florida.

Recommendation(s):

The City's Finance Department was notified of the seven identified errors listed above in the bullet points and is in the process of correcting the misstated general ledger accounts via journal entry. Also, the City's next quarterly sand tax payment due by April 20, 2013 should be reduced by the aforementioned \$169.01 (\$512.62 - \$343.61) overage.

Management Response (Finance):

The Finance Department has received notification of the aforementioned errors listed and will subsequently post the necessary journal entries to adjust the general ledger. Also, the next quarterly sand tax payment remitted to the Department of Environmental Protection (DEP) will be reduced by the overpayment in the amount \$169.01.

2. Finding: *Difficulties in Verifying the Number of Upland Units to be Billed Continues to be Unresolved*

City Ordinance No. 2003-3420 states that beach upland fees are to be based on the number of units but no definition could be found thereby making it more difficult to calculate and to explain to property owners. Inquiries found that units are distinguished by the number of fire separation walls which may or may not equal the number of rooms in the building. Another definition heard was that it represents the number of rooms excluding bathrooms and kitchens which might be difficult to calculate if true.

Although business tax receipts have limited the upland fees to a maximum of \$10,000 per property since their inception, it has and will continue to affect more hotels and condominiums as the per unit price increases by 5% every two years per Ordinance No. 2003-3420. For example, the \$10,000 maximum initially affected properties with more than 666 units when the per unit price was \$15 in 2003 but it has now decreased to 526 units as the per unit price has increased to \$19 for the 2012/13 fiscal year and is scheduled to increase again to \$20 next fiscal year.

A beachfront concession agreement is to be prepared each fiscal year by the Office of Real Estate, Housing and Community Development as it defines such important terms as the permitted beach concessions, the amount of upland fees due, etc. Their stated standard practice is to prepare this necessary signed agreement only upon the entity's purchase of the property or upon notification of a material change as its annual preparation, mailing and receipt is a time consuming task.

Internal Audit's review of the Office of Real Estate, Housing and Community Development files found that the oldest beachfront concession agreements were prepared and signed during the 2001/02 fiscal year for eighteen different properties including the Shelborne Hotel, 1500 Ocean Drive Condominium Association, etc. Some of these properties have been sold since and others were noted to contain some outdated information (no longer non-commercial entities and are not exempt, incorrect upland fee amounts, etc.).

It is important to accurately determine the number of units annually as it affects such business tax receipt calculations as their upland fees, hotels (smoke detector) fees, etc. Currently, the City primarily depends upon the honesty of the property owner in completing their annual business tax receipt documentation so concerns exist about the accuracy of the billed number of units.

The Office of Real Estate, Housing and Community Development's Field Monitor was tasked with researching the number of units to confirm the upland fee calculations during last year's audit. In doing so, numerous differences were found between the counts in the City's Eden System and those calculated by the City's GIS Manager, by the City's Building Department per certificates of occupancy and certificates of completion, Dade County Property Records, and the City's Permits Plus System from completed building re-certifications. With uncertainty as to which unit figures are correct, few changes were made in the amounts billed as continued reliance exists on the established process.

Recommendation(s):

The City Administration should consider presenting the City Commission with a specific definition of units for upland fees, increasing the \$10,000 upland fee cap per property, etc. to help reduce confusion and to facilitate enforcement. Once determined, the City Administration and applicable departments should determine the optimal means to determine the number of units in City buildings annually so that the corresponding fees can be accurately and consistently calculated for all properties.

Although the signed beachfront concession agreement is a valuable document detailing the current agreed upon beach upland and beachfront concession fees, etc.; much of the same information can be obtained through the business tax receipt process. Consequently, one option to consider is to have the Finance Department incorporate an updated beach concession agreement annually into the business tax receipt process. Another is to have the Office of Real Estate, Housing & Community Development monitor the properties for any changes in ownership, units, beachfront licenses, etc. and then prepare new beach concession agreements for only those identified properties as their files should continue updated and accurate information.

Management Response (Office of Real Estate, Housing & Community Development):

RHCD is in the process of reviewing and comparing the Hotel Inventory List (prepared by the Greater Miami Convention and Visitors Bureau) and the Hurricane Preparedness Hotel Directory and will provide Finance with a list containing the number of units per hotel. Finance will reconcile RHCD's list with the number of units contained on the BTR applications. Finance will send Code to address any discrepancies and provide an actual count of the units if necessary.

The Administration will continue to review options for increasing the \$10,000 upland fee cap. One such option is to increase the \$10,000 cap by 5% every two years, at the same time the per unit fee is increased by 5%. Increasing the cap will require discussion with the hotel industry.

3. Finding: *Incorrect, Unbilled or Lengthy Unpaid Upland and any Associated Beach Concession Fees*

The Eden System's Licensing Module calculates the amount due for an entity's business tax receipt for the fiscal year based on the data received and entered. Consequently, if the entered data is inaccurate and goes undetected (ex. the number of units), then the corresponding entity will be billed incorrectly. Testing conducted on hotels/condos discovered the following upland and associated beach concession fees' billing errors or unpaid amounts whereby the City is not receiving the listed monies due (excluding interest and penalties):

- The Royal Palm Hotel located at 1545 Collins Avenue was billed and has not paid the past three fiscal years business tax receipts totaling \$57,439.44 which among other categories includes \$23,352 in upland fees. Further review of the Eden System's Licensing Module found that these business tax receipts have been cancelled and apparently no new ones have been billed. Yet, the entity

Internal Audit Report
State Beachfront Management Agreement Operational Review (#3595)
For the Fiscal Year Ending September 30, 2012
April 19, 2013

continues to operate and has not been cited by the City's Code Compliance Division accordingly.

- The Ritz Plaza Hotel located at 1701 Collins Avenue was not billed upland fees (135 units x \$19 per unit = \$2,565) for the 2012/13 fiscal year.
- The Deauville Beach Resort located at 6701 Collins Avenue was not billed \$9,720 in upland fees (540 units x \$18) on their 2010/11 fiscal year business tax receipt. Consequently, the hotelier was manually billed a total of \$19,980.00 for the 2010/11 (\$9,720) and 2011/12 (\$10,065) fiscal years to correct the aforementioned oversight. However, business tax receipts have limited the upland fees to a maximum of \$10,000 per property since their inception so the Deauville Beach Resort was overbilled by \$65 during the 2011/12 fiscal year.
- The Continuum located at 100 South Pointe Drive is currently being billed for 340 upland units or \$5,960 on their annual business tax receipt. However, the City's Field Monitor has determined after review of their folios that they actually have 520 units (\$9,880 in upland fees) and are therefore being under billed by \$3,920.00 (\$9,880 - \$5,960) for the 2012/13 fiscal year. Prior fiscal year business tax receipts would also be affected and would need to be recalculated.
- Tourism & Cultural Development personnel annually perform a reconciliation of the received security deposits and the special event fee log which tracks the billing and receipt of monies. As a result, they requested that a journal entry be completed via email on February 7, 2012 to defer and reclass monies between general ledger accounts as listed in the attachment. Internal Audit discovered that this journal entry was not completed as the sand tax general ledger account was not adjusted by the needed \$150 but no one noticed that the adjustment had not been done. Therefore, a second email request was made for the journal entry on January 29, 2013 where it was to be done shortly thereafter by the Finance Department.
- The reviewed general ledger sand tax entries were typically not very descriptive to facilitate the review and reconciliation process. For example, the Eden System's reviewed description fields typically stated "LI receipt posting", "A/R invoice posting" or the Miscellaneous Cash Receipt number rather than providing the more informative customers' names.

These amounts are not included in finding #1 because the State of Florida properly received 25% of all upland fees collected by the City in accordance with State Beachfront Management Agreement No. 3595. As additional upland fee monies are paid or refunded/credited to the hotels and condominiums identified above, the City's sand tax payments to the State of Florida will be adjusted accordingly.

Recommendation(s):

The corresponding hotel and condominium owners identified above should be sent updated business tax receipt invoices explaining the reasons for the difference with a time frame upon which payment is due. Any credits should either be applied against any outstanding amounts or carried forward to offset any amounts owed for future business tax receipts. Also, the Finance Department should closer scrutinize the upland fee billing process to determine the root causes of the listed breakdowns to help prevent future inaccuracies from occurring.

Internal Audit Report
State Beachfront Management Agreement Operational Review (#3595)
For the Fiscal Year Ending September 30, 2012
April 19, 2013

Going forward, the department/division requesting the completion of journal entries should always confirm that they were done. If not, additional emails should be sent with the appropriate parties copied.

Lastly, the Central Cashier's Office should enter the more informative customer's name in the description field during posting to facilitate subsequent identifications and reconciliations.

Management Response (Finance):

The Finance Department will follow up with the hotel and condominium owners mentioned, and in the future, further review the annual business tax receipts to ensure that inaccuracies are addressed. Revisions to the business tax receipts, however, cannot be changed at the moment (i.e., the number of units) since there is a process that must be followed. Prior to correcting any potential discrepancies, the City's regulatory departments will be notified for follow-up. Once the follow-up process is completed, and any inaccuracies confirmed, the customer's business tax receipt will be updated.

The Cashier's Office utilizes general posting descriptions such as those previously mentioned since they are done in batches rather than by individual licensee. However, the Finance Department will explore utilizing alternative descriptions in the general ledger postings to facilitate the identification/reconciliation process.

Management Response (Office of Real Estate, Housing & Community Development):

RHCD is in the process of reviewing and comparing the Hotel Inventory List (prepared by the Greater Miami Convention and Visitors Bureau) and the Hurricane Preparedness Hotel Directory and will provide Finance with a list containing the number of units per hotel. Finance will reconcile RHCD's list with the number of units contained on the BTR applications. Finance will send Code to address any discrepancies and provide an actual count of the units if necessary.

4. Finding: *Special Event Sand Tax Calculation Difficulties Originating from Timing Differences in Payments Received versus the Creation of City Bills*

Tourism & Cultural Development Department's staff creates City Bills in the Eden System's Accounts Receivable Module to better monitor any balances owed by the special events promoters. One noted drawback was that the sand tax (601-7000-229068) and 7% sales tax (601-7000-229032) general ledger accounts are credited at this time which usually means that the corresponding monies are owed to the State of Florida in the next reporting cycle. However, it may be months until the special events promoters actually remit the owed monies (if ever).

To compensate, a Financial Analyst I has been tasked with monitoring the accounts receivable aging schedule to determine when these monies were actually received since the sand tax account would not be impacted (the debit would be to a cash account while the credit would be to an accounts receivable account). If the special event is subsequently cancelled, then the initial entries made when the City Bill is created are

reversed.

Upon receipt of any monies, the Financial Analyst I would then have to remember to include these monies in the next sand tax payment to the State of Florida. Although no discrepancies were noted with these City Bill payments, this is a time consuming process that complicates the reconciliation process and that could easily lead to future mistakes.

Recommendation(s):

Although the City would have to remit monies to the State of Florida before they are received from the special events promoters, the Finance Department should consider always paying based upon the entries to general ledger account number 601-7000-229068. Any cancelled special events would have sand tax reversed through the Eden accounts receivable system. This practice should help save staff time and reduce the likelihood of mistakes but does rely upon the accuracy and timeliness of the pertinent general ledger entries.

Management Response (Finance):

Although sand and sales tax liabilities are generated when a City Bill is posted in the respective 601-7000-229068 and 601-7000-229032 general ledger accounts, many times payment for that City Bill is not received within the same quarter where the liability was created, and in some cases, it is never received at all. If the City were to remit its quarterly payment based on the posting in the general ledger instead of the bill receipt, the City would potentially put itself at risk of paying for monies it never received.

The process by which the Financial Analyst I has been tasked with monitoring the accounts receivable aging report to determine when monies were actually received and applicable portion is remitted to the State is cumbersome. The Finance Department will explore alternative options to make the reconciliation process more efficient while ensuring timeliness and accuracy of the required payments to the State.

5. Finding: *Beach Concession Fees Were Incorrectly Charged Resulting in Nine Entities Being Under Billed by a Net Total of \$6,990 During the 2012/13 Fiscal Year*

Hotels and condominiums subject to upland fees along with beachfront concessionaires will also owe some combination of beach concession fees for each type (food, equipment, water sports or sundries). At Internal Audit's request, the Office of Real Estate, Housing and Community Development's Field Monitor reviewed the Eden System's 2012/13 fiscal year's beach concession billings and found the following deficiencies:

- Three hotels were incorrectly not billed \$699 each for needed beach concession equipment fees. Conversely, one hotel was incorrectly billed \$699 for beach concession equipment fees that were not needed.
- Eight hotels and condominiums were each incorrectly not charged \$699.00 each in beach concession food fees.

Exhibit B located on page 15 of this audit report provides a detailed listing of the affected

hotels/condominiums.

Recommendation(s):

The Finance Department's Licensing Section should adjust the \$6,990 current fiscal year business tax receipts found in Exhibit B accordingly. Also, the beach concession fees' billing process should be reviewed to determine the reasons for these differences so that they can be prevented in the future since differences are found during each audit.

Management Response (Finance):

The Finance Department will generate adjustments for the current FY 2012/13 business tax receipts noted in Exhibit B. Further review of the annual business tax receipts process will be performed to ensure that inaccuracies are addressed going forward. As previously mentioned, revisions to the business tax receipts, however, cannot be changed at the moment. Before correcting any potential discrepancies, the City's regulatory departments must be notified for follow-up. Once the follow-up process is completed, and any inaccuracies confirmed, the customer's business tax receipt will be updated accordingly.

Management Response (Office of Real Estate, Housing & Community Development):

RHCD is in the process of reviewing the beach concession fees. Once the beach concession fees for each type of permit are determined (i.e. food, equipment, water sports or sundries), the concessionaire's license will be updated with the appropriate information and the fees will be calculated accordingly.

EXIT CONFERENCE

An exit conference was held on March 22, 2013 in the Office of Budget and Performance Improvement. Participants included Assistant City Manager Max Sklar; Office Associate V Natasha Diaz-Rojas; Assistant Finance Director Georgina Echert; Revenue Manager Manny Marquez; Financial Analyst III Richard Ajami; Office of Real Estate, Housing & Community Development Director Anna Parekh; Leasing Specialist Mark Milisits; Internal Auditor James Sutter and Senior Auditor Mark Coolidge. Management responses were solicited and included above. All parties were in agreement as to the contents of this report.

JJS:MC:mc

Audit performed by Senior Auditor Mark Coolidge

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cc: Patricia Walker, Chief Financial Officer
Georgina Echert, Assistant Finance Director
Anna Parekh, Office of Real Estate, Housing & Community Development Director

Internal Audit Report
 State Beachfront Management Agreement Operational Review (#3595)
 For the Fiscal Year Ending September 30, 2012
 April 19, 2013

SCHEDULE OF FEES COLLECTED
 BEACHFRONT MANAGEMENT AGREEMENT
 FISCAL YEAR 11/12
 EXHIBIT A

<u>CONCESSIONAIRE</u>	<u>TOTAL FEES *</u>	<u>75% OF TOTAL</u>	<u>25% DUE STATE</u>	<u>REMITTED TO STATE</u>	<u>OWED TO STATE</u>
1 1500 Ocean Drive Condo Association	\$2,128.00	\$1,596.00	\$532.00	\$532.00	\$0.00
2 2201 Collins Fee LLC (VBAs)	\$300.00	\$225.00	\$75.00	\$75.00	\$0.00
3 2201 Collins Fee LLC (Special Events)	\$400.00	\$300.00	\$100.00	\$100.00	\$0.00
4 2201 Collins Fee LLC	\$19,824.00	\$14,868.00	\$4,956.00	\$4,956.00	\$0.00
5 Act Productions Inc.	\$7,450.00	\$5,587.50	\$1,862.50	\$1,862.50	\$0.00
6 Accord TV Properties	\$3,250.00	\$2,437.50	\$812.50	\$812.50	\$0.00
7 Alexander Hotel	\$4,370.00	\$3,277.50	\$1,092.50	\$1,092.50	\$0.00
8 Barton G	\$5,275.52	\$3,956.64	\$1,318.88	\$1,097.50	\$221.38
9 Beach Access Parking	\$57,525.00	\$43,143.75	\$14,381.25	\$14,381.25	\$0.00
10 Beach Access Special Events	\$28,200.00	\$21,150.00	\$7,050.00	\$7,050.00	\$0.00
11 Beta Epsilon/Cadillac LLC	\$4,997.00	\$3,747.75	\$1,249.25	\$1,249.25	\$0.00
12 Bobby Kapp	\$450.00	\$337.50	\$112.50	\$112.50	\$0.00
13 Broder Productions	\$1,050.00	\$787.50	\$262.50	\$262.50	\$0.00
14 Boucher Brothers	\$854,353.04	\$640,764.78	\$213,588.26	\$213,588.26	\$0.00
15 Caribbean Condominium	\$1,976.00	\$1,482.00	\$494.00	\$494.00	\$0.00
16 CBS/CSI Miami	\$150.00	\$112.50	\$37.50	\$37.50	\$0.00
17 CBS Eye	\$1,500.00	\$1,125.00	\$375.00	\$375.00	\$0.00
18 Cinemat	\$2,400.00	\$1,800.00	\$600.00	\$600.00	\$0.00
19 Competitor Group	\$23,325.00	\$17,493.75	\$5,831.25	\$5,831.25	\$0.00
20 CR Miami LLC	\$32,493.00	\$24,369.75	\$8,123.25	\$8,123.25	\$0.00
21 Crown	\$6,612.00	\$4,959.00	\$1,653.00	\$1,653.00	\$0.00
22 Crystal Beach Development	\$3,192.00	\$2,394.00	\$798.00	\$798.00	\$0.00
23 Curious Pictures	\$1,500.00	\$1,125.00	\$375.00	\$375.00	\$0.00
24 David Segui	\$450.00	\$337.50	\$112.50	\$112.50	\$0.00
25 Days Inn Oceanside	\$2,527.00	\$1,895.25	\$631.75	\$631.75	\$0.00
26 Delano Hotel	\$7,904.00	\$5,928.00	\$1,976.00	\$1,976.00	\$0.00
27 DK the Messenger	\$150.00	\$112.50	\$37.50	\$37.50	\$0.00
28 Doubletree Surfcomber Hotel	\$2,090.00	\$1,567.50	\$522.50	\$522.50	\$0.00
29 East Atlantic Gardens Condo	\$1,900.00	\$1,425.00	\$475.00	\$475.00	\$0.00
30 Eden Roc Hotel (VBAs)	\$600.00	\$450.00	\$150.00	\$150.00	\$0.00
31 Eden Roc Hotel (Special Event)	\$1,500.00	\$1,125.00	\$375.00	\$375.00	\$0.00
32 Eden Roc Hotel	\$20,000.00	\$15,000.00	\$5,000.00	\$5,000.00	\$0.00
33 Epica	\$75.00	\$56.25	\$18.75	\$18.75	\$0.00
34 Fernwood	\$525.00	\$393.75	\$131.25	\$131.25	\$0.00
35 First Shot Productions	\$1,050.00	\$787.50	\$262.50	\$562.50	(\$300.00)
36 Fontainebleau	\$20,000.00	\$15,000.00	\$5,000.00	\$5,000.00	\$0.00
37 Four Points/Sheraton	\$3,705.00	\$2,778.75	\$926.25	\$926.25	\$0.00
38 Gansevoort	\$6,346.00	\$4,759.50	\$1,586.50	\$1,586.50	\$0.00
39 Go Scout	\$950.00	\$687.50	\$262.50	\$262.50	\$0.00
40 Goryland	\$10,000.00	\$9,962.50	\$37.50	\$37.50	\$0.00
41 Grand Beach Hotel	\$8,170.00	\$6,127.50	\$2,042.50	\$2,042.50	\$0.00
42 GSVV Design LLC	\$4,370.00	\$4,295.00	\$75.00	\$75.00	\$0.00
43 Harbour Films	\$2,166.00	\$2,053.50	\$112.50	\$112.50	\$0.00
44 HG Producer	\$3,750.00	\$2,812.50	\$937.50	\$937.50	\$0.00

Internal Audit Report
State Beachfront Management Agreement Operational Review (#3595)
For the Fiscal Year Ending September 30, 2012
April 19, 2013

45	Holiday Inn Miami Beach	\$4,674.00	\$3,505.50	\$1,168.50	\$1,168.50	\$0.00
46	Holmes Defender	\$1,200.00	\$900.00	\$300.00	\$300.00	\$0.00
47	Il Villaggio Condo Assn.	\$2,413.00	\$1,809.75	\$603.25	\$571.50	\$31.75
48	IMG/Action Sports (VBAs)	\$600.00	\$450.00	\$150.00	\$150.00	\$0.00
49	IMG/Action Sports	\$1,865.00	\$1,398.75	\$466.25	\$466.25	\$0.00
50	Karla Events (VBAs)	\$300.00	\$225.00	\$75.00	\$75.00	\$0.00
51	Karla Events	\$1,590.00	\$1,192.50	\$397.50	\$397.50	\$0.00
52	Katrina's/The Bath Club (Special Event)	\$1,125.00	\$843.75	\$281.25	\$281.25	\$0.00
53	Katrina's/The Bath Club	\$2,166.00	\$1,624.50	\$541.50	\$541.50	\$0.00
54	King Richard Condominium	\$1,040.02	\$780.01	\$260.00	\$260.00	\$0.00
55	Kurt Gardener Photos	\$150.00	\$112.50	\$37.50	\$37.50	\$0.00
56	Loew's Hotel	\$20,000.00	\$15,000.00	\$5,000.00	\$5,000.00	\$0.00
57	Logistics Management Group (VBAs)	\$12,450.00	\$9,337.50	\$3,112.50	\$3,112.50	\$0.00
58	Logistics Management Group	\$29,975.44	\$22,481.58	\$7,493.86	\$7,424.41	\$69.45
59	Marriott Fairfield Inn	\$3,876.00	\$2,907.00	\$969.00	\$969.00	\$0.00
60	Marseille Hotel	\$4,294.00	\$3,220.50	\$1,073.50	\$1,073.50	\$0.00
61	MDGLCC Foundation, Inc.	\$1,484.12	\$1,113.09	\$371.03	\$350.00	\$21.03
62	MESP, Inc. (VBAs)	\$900.00	\$675.00	\$225.00	\$225.00	\$0.00
63	MESP, Inc.	\$8,400.00	\$6,300.00	\$2,100.00	\$2,100.00	\$0.00
64	Miami Beach Marriott	\$4,484.00	\$3,363.00	\$1,121.00	\$1,121.00	\$0.00
65	Miami World Cinema	\$600.00	\$450.00	\$150.00	\$150.00	\$0.00
66	MM Productions	\$1,050.00	\$787.50	\$262.50	\$262.50	\$0.00
67	National Marine Manufacturers, Inc.	\$10,937.48	\$8,203.11	\$2,734.37	\$2,734.37	\$0.00
68	Nautilus Club	\$4,769.00	\$3,576.75	\$1,192.25	\$1,192.25	\$0.00
69	North Carillon Beach Condo	(\$1,734.00)	(\$1,300.50)	(\$433.50)	(\$433.50)	\$0.00
70	Palms South Beach	\$9,348.00	\$7,011.00	\$2,337.00	\$2,337.00	\$0.00
71	Penrod Brothers (VBAs)	\$1,200.00	\$900.00	\$300.00	\$300.00	\$0.00
72	Penrod Brothers (Beach Concessions)	\$35,428.32	\$26,571.24	\$8,857.08	\$8,857.08	\$0.00
73	Penrod Brothers (Special Events)	\$21,000.00	\$15,750.00	\$5,250.00	\$5,250.00	\$0.00
74	Picture Perfect	\$1,200.00	\$900.00	\$300.00	\$300.00	\$0.00
75	Polo Life LLC	\$24,675.00	\$18,506.25	\$6,168.75	\$6,168.75	\$0.00
76	Pop Miami	\$150.00	\$112.50	\$37.50	\$37.50	\$0.00
77	Pro One	\$300.00	\$225.00	\$75.00	\$75.00	\$0.00
78	Quality Inn	\$4,180.00	\$3,135.00	\$1,045.00	\$1,045.00	\$0.00
79	Radical Miami	\$900.00	\$675.00	\$225.00	\$225.00	\$0.00
80	Radisson Deauville	\$30,240.00	\$22,745.00	\$7,495.00	\$7,495.00	\$0.00
81	Richmond Hotel	\$2,033.00	\$1,524.75	\$508.25	\$508.25	\$0.00
82	Ritz Carlton	\$7,144.00	\$5,358.00	\$1,786.00	\$1,786.00	\$0.00
83	Ritz Plaza	\$4,884.00	\$3,663.00	\$1,221.00	\$1,221.00	\$0.00
84	Riutel Florida	\$5,396.00	\$4,047.00	\$1,349.00	\$1,349.00	\$0.00
85	Robot Films	\$150.00	\$112.50	\$37.50	\$37.50	\$0.00
86	Route 7	\$1,650.00	\$1,237.50	\$412.50	\$412.50	\$0.00
87	Rum Bum	\$300.00	\$225.00	\$75.00	\$75.00	\$0.00
88	Sagamore Hotel (VBAs)	\$300.00	\$225.00	\$75.00	\$75.00	\$0.00
89	Sagamore Hotel	\$3,496.00	\$2,622.00	\$874.00	\$874.00	\$0.00
90	Seagull Hotel	\$2,774.00	\$2,080.50	\$693.50	\$693.50	\$0.00
91	Select Services	\$3,825.00	\$2,868.75	\$956.25	\$1,106.25	(\$150.00)
92	Shelborne Beach Resort	\$4,826.00	\$3,619.50	\$1,206.50	\$1,206.50	\$0.00
93	Shoot Collective	\$600.00	\$450.00	\$150.00	\$150.00	\$0.00
94	Six Degrees Productions	\$300.00	\$225.00	\$75.00	\$75.00	\$0.00
95	Soho House Beach House LLC (VBAs)	\$450.00	\$337.50	\$112.50	\$112.50	\$0.00
96	Soho House Beach House LLC (Special Event)	\$650.00	\$487.50	\$162.50	\$162.50	\$0.00
97	Soho House Beach House LLC	\$950.00	\$712.50	\$237.50	\$237.50	\$0.00

Internal Audit Report
State Beachfront Management Agreement Operational Review (#3595)
For the Fiscal Year Ending September 30, 2012
April 19, 2013

98	South Beach Tow	\$825.00	\$618.75	\$206.25	\$206.25	\$0.00
99	South Carillon Beach Condo	(\$1,462.00)	(\$1,096.50)	(\$365.50)	(\$365.50)	\$0.00
100	South of Fifth Condo Association	\$1,064.00	\$798.00	\$266.00	\$266.00	\$0.00
101	Spike Productions	\$300.00	\$225.00	\$75.00	\$75.00	\$0.00
102	Starz	\$1,050.00	\$787.50	\$262.50	\$262.50	\$0.00
103	Stonehenge	\$1,500.00	\$1,125.00	\$375.00	\$375.00	\$0.00
104	The Bentley Beach	\$4,142.00	\$3,106.50	\$1,035.50	\$1,035.50	\$0.00
105	The Michael Alan Group	\$560.76	\$420.57	\$140.19	\$140.19	\$0.00
106	The National Hotel	\$6,080.00	\$4,560.00	\$1,520.00	\$1,520.00	\$0.00
107	The Raleigh Hotel	\$8,436.00	\$6,327.00	\$2,109.00	\$2,109.00	\$0.00
108	The Production Factory	\$150.00	\$112.50	\$37.50	\$37.50	\$0.00
109	The Savoy on South Beach	\$1,273.00	\$954.75	\$318.25	\$318.25	\$0.00
110	The Setai Resort and Condo	\$10,146.00	\$7,609.50	\$2,536.50	\$2,536.50	\$0.00
111	The Shore Club Hotel/Philips	\$12,350.00	\$9,262.50	\$3,087.50	\$3,087.50	\$0.00
112	Tim Wilcox, Inc.	\$39,594.92	\$29,696.19	\$9,898.73	\$9,898.73	\$0.00
113	TVM Productions	\$6,000.00	\$4,500.00	\$1,500.00	\$1,500.00	\$0.00
114	Univision	\$225.00	\$168.75	\$56.25	\$56.25	\$0.00
115	US Road Sports & Entertainment (VBAs)	\$1,500.00	\$1,125.00	\$375.00	\$375.00	\$0.00
116	US Road Sports & Entertainment	\$3,578.52	\$2,683.89	\$894.63	\$957.25	(\$62.62)
117	Vendome Place Condominium	\$1,539.00	\$1,154.25	\$384.75	\$384.75	\$0.00
118	Westgate Resort	\$1,748.00	\$1,311.00	\$437.00	\$437.00	\$0.00
119	Winter Music Conference (VBAs)	\$300.00	\$225.00	\$75.00	\$75.00	\$0.00
120	Winter Music Conference	\$2,400.00	\$1,800.00	\$600.00	\$600.00	\$0.00
	Total	\$1,551,207.14	\$1,167,354.35	\$383,852.78	\$384,021.79	(\$169.01)

*Excludes sales tax

Internal Audit Report
 State Beachfront Management Agreement Operational Review (#3595)
 For the Fiscal Year Ending September 30, 2012
 April 19, 2013

SCHEDULE OF BEACHFRONT CONCESSION FEES
 BEACHFRONT MANAGEMENT AGREEMENT
 FISCAL YEAR 11/12
 EXHIBIT B

PERMIT NUMBER	CONCESSIONAIRE	CMB ADDRESS	BEACHFRONT CONCESSION EQUIPMENT	BEACHFRONT CONCESSION FOOD	TOTAL FEES OWED
			*	*	
RL 02002000	Royal Palm	1545 Collins Ave	\$699.00	\$699.00	\$1,398.00
RL 00000574	Ritz Plaza	1701 Collins Ave	\$699.00	\$699.00	\$1,398.00
RL 96226348	Gansevoort (The Perry)	2301 Collins Ave	\$699.00	\$699.00	\$1,398.00
RL 01000790	Sokolov Ltd (Marriott Fairfield Inn)	4101 Collins Ave		\$699.00	\$699.00
RL 03000189	King Richard Condominium	4141 Collins Ave		\$699.00	\$699.00
RL 03000188	Vendome Place Condo	4301 Collins Ave		\$699.00	\$699.00
RL 06001715	Eden Roc	4525 Collins Ave	(\$699.00)		(\$699.00)
RL 07003785	Crystal Beach Development	6985 Collins Ave		\$699.00	\$699.00
RL 10002001	South of Fifth Condo Association	121 Ocean Dr		\$699.00	\$699.00
TOTAL			\$1,398.00	\$5,592.00	\$6,990.00

* ANY POSITIVE AMOUNTS LISTED ABOVE INDICATE THAT THE CITY UNDERBILLED THE ENTITY, WHILE
 ANY NEGATIVE AMOUNTS MEAN THAT THE ENTITY WAS OVERBILLED AND IS DUE A REFUND