



**Joseph M. Centorino**, Inspector General

## **FINAL AUDIT REPORT**

TO: Honorable Mayor and Members of the City Commission  
FROM: Joseph Centorino, Inspector General

DATE: November 1, 2022  
AUDIT: All County Waste, Inc. Roll-off Fee Revenues Audit  
OIG No. 22-15  
PERIOD: January 1, 2018 through December 31, 2021

This report stems from an audit performed of the roll-off permit fees charged, collected, and remitted by All County Waste, Inc. during the January 1, 2018 through December 31, 2021 audit period. The City of Miami Beach Office of the Inspector General (OIG) Sanitation Tax Auditor examined the roll-off contractor's compliance with selected provisions in the City Code, including obtaining annual business tax receipts (BTRs), filing required reports, and maintaining sufficient insurance coverage. The performance of City staff responsible for monitoring All County Waste, Inc. and processing all payments received from the contractor was also reviewed.

## **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. Contractors use these containers to collect and dispose of construction and demolition debris and/or large quantities of trash and/or bulky waste, but not garbage or commercial refuse. Bulky waste represents large items of household refuse, such as appliances, furniture, accumulations from major tree cutbacks, large crates and like articles, while commercial refuse consists of all solid waste produced by commercial establishments.

The City's licensing and permitting system, EnerGov, listed twenty-one roll-off contractors on July 20, 2022 with 2021/22 fiscal year BTRs in "active" status, one roll-off contractor in "pending" status, and one contractor in "revoke" status. The number of roll-off contractors frequently changes, either upward as new contractors abide by the City's guidelines and obtain their BTRs, or downward as contractors merge or stop conducting business in Miami Beach and do not renew their BTRs. "Pending" status means that the BTR is not yet valid or active and missing needed documentation and/or payment; while "revoke" status is when the BTR previously issued by the City was rescinded for stated reasons.

Roll-off contractors operating in Miami Beach are required to follow the terms outlined in the City Code, which include the monthly remittance of roll-off permit fees equal to the City Commission approved rate (18% from the beginning of the audit period through September 30, 2019 and 20% for the remainder of the audit period) multiplied by the total gross receipts for each contractor's City operations. City Code Section 90-221 defines gross receipts as the entire amount of fees collected by the contractor (whether wholly or partially collected) for solid waste collection and

disposal within the City, excluding any taxes, and gross receipts from servicing roll-off and portable containers.

City Code Section 90-278(4) requires that monthly reports, accompanied by payment of any owed fees, be submitted to the City's Finance Department by all authorized contractors at the end of the month after the month in which the gross receipts were generated. For example, the monthly report and any associated roll-off fees owed for February 2022 are due by March 31, 2022. Any unpaid fees that are not timely received are subject to penalties of 10% per month up to a maximum of 50%, plus interest of 1% per month from the date on which the permit fee first became delinquent until paid.

City Code Section 90-278(3) requires that each roll-off contractor provide the City Manager with a current list of the names and addresses of each account upon its initial application. Upon any application for renewal of its permit, each contractor must provide the frequency of service, the permit number and capacity of each roll-off container or dumpster for each account, and the address serviced by each roll-off container or dumpster. This list of accounts is typically furnished concurrently with the monthly report to the Finance Department. It is an essential document to verify the accuracy of the roll-off contractor's filings during the audit process.

When the roll-off contractor has annual gross receipts reported to the City over \$200,000, it is required to deliver to the City's Finance Department a statement of annual gross receipts generated from accounts within the City for the preceding fiscal year, prepared by an independent Certified Public Accountant (C.P.A.). These statements of annual gross receipts are to be furnished within sixty days following the close of the roll-off contractor's fiscal year pursuant to City Code Section 90-278(4). All County Waste, Inc. did not exceed this annual threshold during the audit period, and, therefore, did not have to submit this statement.

Lastly, City Code Section 90-196 details the required insurance coverage to be maintained by qualified licensed roll-off contractors, and 90-193 addresses the need to obtain permits for all accounts serviced in the City.

## **OVERALL OPINION**

According to the website <https://www.bbb.org/us/fl/davie/profile/waste-management/all-county-waste-inc-0633-90601636>, All County Waste, Inc. has maintained an A+ Better Business Rating and Accreditation during its approximately four years in business. The contractor was cooperative with the OIG Sanitation Tax Auditor and provided the documentation needed to adequately perform this audit.

The following deficiencies, separated by the deficient party(ies), were identified during the audit process:

### Findings pertaining solely to All County Waste, Inc.

1. All County Waste, Inc. did not report gross receipts totaling \$34,374.21 to the City during the audit period, which resulted in unpaid roll-off permit fees due of \$9,054.23 (including penalties and interest). In addition, the contractor owes the City \$2,829.60 in associated audit costs pursuant to City Code Section 90-278(6).
2. Records provided by All County Waste, Inc. confirmed the performance of roll-off services at twelve Miami Beach locations during the audit period without the required permits

contrary to City Code Section 90-193, 90-276, and 90-278(6)(a-c), with no Notices of Violation issued.

3. All County Waste, Inc. did not timely obtain its 2019/20 fiscal year BTR related to roll-offs for which it was not issued a Notice of Violation by the Code Compliance Department.

#### Findings pertaining solely to the City

4. All County Waste, Inc. was assigned four different contact numbers in the City's EnerGov system, thereby complicating the search process to determine whether any outstanding balances exist.

#### Findings pertaining to both All County Waste, Inc., and the City

5. All County Waste, Inc. did not timely remit its monthly roll-off permit fees, and the Finance Department did not charge the contractor \$146.45 during the audit period due in penalties and interest pursuant to City Code Sections 90-278(6)(a-c).
6. The roll-off contractor did not timely submit its lists of accounts to the City Manager pursuant to City Code Section 90-278(3), and no evidence was provided by City staff indicating any were requested.

### **PURPOSE**

The purpose of this audit was to determine whether tested roll-off contractor filings were complete and accurate; whether corresponding remittances were correctly calculated using the City Commission approved roll-off permit fee rate; whether filings and monies were timely received and correctly recorded by the City; and whether the contractor was compliant with other designated City Code sections.

### **SCOPE**

1. Determine whether the roll-off contractor maintained sufficient records to verify whether its tested permit fee billings were correct; and whether its corresponding Miami Beach gross receipts were accurately computed based on the monthly fees submitted to the City.
2. Determine whether the roll-off contractor timely submitted tested monthly reports of gross receipts and remitted full payment of fees due to the City. If not, determine whether the appropriate penalty and interest charges were assessed pursuant to City Code Section 90-278(6)(a-c).
3. Determine whether the roll-off contractor timely obtained its required annual BTRs during the audit period.
4. Determine whether the roll-off contractor complied with reporting requirements listed in City Code Section 90-278.
5. Determine whether the roll-off contractor maintained the required insurance coverage pursuant to City Code Section 90-196.
6. Determine whether tested monthly roll-off fee payments remitted were accurately recorded in the City's Financial System.

### **FINDINGS AND RESULTS/RECOMMENDATIONS**

The findings below are separated by those pertaining solely to the roll-off contractor, those pertaining solely to the City, and any pertaining to both the roll-off contractor and the City.

**Findings Pertaining Solely to All County Waste, Inc.**

**1. *Unreported Roll-off Permit Fees Totaling \$9,054.23 (Including Penalties and Interest) And \$2,829.60 In Audit Costs Are Due To The City.***

City Code Section 90-221 defines gross receipts as "the entire amount of the fees collected by the contractor (whether wholly or partially collected) for solid waste collection and disposal within the city and including, without limitation, but excluding any taxes, and gross receipts from servicing roll-off and portable containers." City Code Section 90-278(4) states, "Each contractor shall deliver to the city's finance department a true and correct monthly report of gross receipts generated during the previous month (from accounts within the city) on or before the last day of each month. This monthly report shall include the customer names, service addresses, account numbers, and the actual amount collected from each customer. Payments of any fees required in this section shall be made monthly to the finance department, on or before the last day of each month, for gross receipts of the previous month." In addition, City Code Section 90-278(6)(a-c) summarized states that late contractor remittances are subject to penalties of ten percent per month with a maximum of fifty percent and interest at the highest legal rate of interest permitted by law (12% per annum was charged) from the date on which the permit fee first became delinquent until paid.

During an unannounced June 1, 2021 field review, the OIG Sanitation Tax Auditor found that All County Waste, Inc. placed a roll-off container at 1035 West Avenue in Miami Beach. It was determined that the contractor had not obtained the required BTR to provide roll-off services; had not acquired the required roll-off permit from the Sanitation Division; and had not filed any Roll-Off Permit Fee returns or submitted any corresponding monies due to the Finance Department. The Code Compliance Department was promptly notified to issue any warranted Notices of Violation (NOVs), and the contractor was selected for audit by the OIG.

In response, the contractor obtained its 2020/21 fiscal year BTR and began filing Roll-Off Permit Fee returns. As shown in the table below, it remitted \$17,652.03 to the City's Finance Department (\$11,463.94 during the audit period + \$6,188.09 outside the audit period), monies which most likely would not have been remitted otherwise. The City is expected to receive additional monies going forward as the contractor provides roll-off services in Miami Beach.

January 1, 2018, through December 31, 2021 (audit period)

Month	Roll-Off Permit Fees Paid	Pay Date
July 2021	\$992.96	09/28/21
July 2021 *	\$110.33	09/28/21
August 2021	\$2,305.99	10/01/21
August 2021*	\$256.22	10/01/21
September 2021	\$1,499.72	10/27/21
October 2021	\$1,329.67	11/18/21
November 2021	\$1,986.22	12/20/21
December 2021	\$2,982.83	01/25/22
<b>Total</b>	<b>\$11,463.94</b>	

\* All County Waste, Inc. filed two separate Roll-Off Permit Fee Returns with the City's Finance Department for July and August 2021.

January 1, 2022 through May 31, 2022 (outside the audit period)

Month	Roll-Off Permit Fees Paid	Pay Date
January 2022	\$573.16	02/16/22
February 2022	\$1,662.22	03/23/22
March 2022	\$528.81	04/12/22
April 2022	\$1,867.43	05/24/22
May 2022	\$1,556.47	06/27/22
<b>Total</b>	<b>\$6,188.09</b>	

The accuracy and completeness of the reported figures were not determined for the months outside the audit period, as each month will be included in the next audit performed of the roll-off contractor.

Contractors were not required by the City Code during the audit period to file monthly Roll-Off Permit Fee Returns when no monies were due to the City. Therefore, the Finance Department would not have been aware that any monthly reports/payments due were not filed, as City staff would have assumed that the contractor did not perform any related Miami Beach roll-off transactions for the unreported months. This shortcoming was resolved through the ratification of City Resolution No. 2021-4456, effective December 18, 2021, which requires the submittal of monthly reports regardless of whether any work was performed within the City during that period, and levies a \$50 late filing fee for each month that the return is delinquent, among other revisions.

After several months, the contractor provided the records requested by the OIG Sanitation Tax Auditor on March 10, 2022 to conduct the audit. The examined records were reconstructed to determine the calculated monthly Miami Beach taxable amounts, which were then compared to the remitted roll-off permit fee payments, with any identified differences sent to the contractor. Any differences sufficiently explained were removed from the corresponding assessment calculations.

In sum, it was concluded that there were 76 unreported taxable Miami Beach roll-off transactions. As a result, it was calculated that \$9,054.23 in roll-off permit fees are due to the City (including penalties and interest), as shown by period in the table below. A review of the furnished invoices found that All County Waste, Inc. did not charge and collect roll-off permit fees from its customers for these transactions.

Period	Unreported Gross Receipts	Roll-Off Fee Rate *	Roll-Off Fees Due	Penalties **	Interest **	Total Amount Due
Jan. 2020 – Dec. 2020	\$ 20,611.15	20%	\$ 4,122.23	\$ 355.17	\$ 108.54	\$ 4,585.94
Jan. 2021 – Dec. 2021	\$ 13,763.06	20%	\$ 2,752.61	\$ 1,376.34	\$ 339.34	\$ 4,468.29
<b>Totals</b>	<b>\$ 34,374.21</b>		<b>\$ 6,874.84</b>	<b>\$ 1,731.51</b>	<b>\$ 447.88</b>	<b>\$ 9,054.23</b>

\* City Commission approved roll-off permit fees equaled 18% from the beginning of the audit period, January 1, 2018, through September 2019, and 20% from October 1, 2019 through the end of the audit period, December 31, 2021.

\*\* Penalties and interest were waived and not charged for late payments received during the period of March 1, 2020, through November 30, 2020 pursuant to City Resolution Nos. 2020-31237 and 2020-31390.

In addition, City Code Section 90-278(6) states, *"If the contractor fails to timely pay the full permit fee as set forth in subsections (1) and (2) of this section, the contractor shall pay any and all of the city's expenses for collection of such fees, including, but not limited to, court costs, audit costs and reasonable attorney fees."* As a result, it was calculated that the City is due \$2,829.60 in audit costs through July 22, 2022 related to the completion of this audit by the OIG Sanitation Tax Auditor.

Results/Recommendations:

The City's Finance Department should invoice All County Waste, Inc. \$9,054.23 for unreported roll-off fees, including penalties and interest, due to identified unreported taxable Miami Beach transactions. In addition, the Finance Department should also invoice the contractor \$2,829.60 in audit costs through July 22, 2022, pursuant to City Code Section 90-278(6). Once these invoices are received, the roll-off contractor should timely remit full payment to avoid additional disciplinary actions under the City Code. Lastly, All County Waste, Inc. should consistently and accurately file its future monthly roll-off fee returns to the City.

Finance Department Response:

The Finance – Revenue Division issued the following invoices:

- Invoice # 38757 to All County Waste, Inc. for \$9,054.23 which represents:
  - Audit findings of unpaid roll-off fees due of \$6,874.84
  - Penalties totaling \$1,731.51 on the additional fees
  - Interest of \$447.88 on the additional fees
- Invoice # 38758 to All County Waste, Inc. for \$2,829.60 for audit costs

The Revenue team confirmed payment of both invoices billed on September 8, 2022.

The Finance Department's Revenue team has implemented a monthly review (beginning with the fourth quarter of this fiscal year) of ALL roll-off vendors to ensure the following:

- That monthly reports, along with the required fees, are received by the Finance department (in accordance with City Code Section 90-278(4)) by the end of the month following the month in which the receipts were generated.
- That any vendor who does not pay fees timely is assessed (in accordance with City Code Section 90-278(6)(a-c)) as follows:
  - A penalty of 10% per month up to a maximum of 50%.
  - Interest of 1% per month from the date on which the permit fee first became delinquent to the date payment was received.
- That monthly reports are submitted (in accordance with City Resolution No. 2021-4456), even if there are \$0 fees to report, and that the vendor will be billed a \$50 late filing fee for each month that the return is delinquent.

Update: All County Waste, Inc. remitted the \$11,883.83 (\$9,054.23 + \$2,829.60) due to the City on September 8, 2022.

**2. *Records Provided By All County Waste, Inc. Confirmed The Performance of Roll-Off Services At Twelve Miami Beach Locations During The Audit Period Without The Required Permits Contrary To City Code Sections 90-193, 90-276, And 90-278(6)(a-c), With No Notices Of Violation Issued.***

City Code Section 90-193 states, *"The city manager shall require, and will issue, a permit for each garbage facility, recycling, hazardous and biohazardous waste, rolloff and*

*portable container, for all solid waste accounts in the city serviced by a private waste contractor. The permit for solid waste collection and disposal shall be issued by the city manager after the contractor has complied with all requirements for obtaining a business tax receipt; any and all other requirements prescribed by this chapter; and has been cleared by the city's finance department. Rolloffs, portable containers and containers for recycling or hazardous and biohazardous wastes shall be included, except that all recycling containers situated in a single location on a property shall require only one permit.”* Roll-off permits are issued to contractors by the Sanitation Division upon satisfying all the designated requirements. If contractors perform roll-off services without timely obtaining the required permit, then each address is subject to the issuance of a NOV by the Code Compliance Department.

Upon reviewing the documentation furnished by All County Waste, Inc., the OIG Sanitation Tax Auditor determined that the contractor performed roll-off services at the following twelve Miami Beach addresses without obtaining the required permits from the Sanitation Division:

- 1) 1440 West 23rd Street
- 2) 1800 Purdy Avenue
- 3) 1901 Convention Center Drive (the Miami Beach Convention Center)
- 4) 2228 Park Avenue
- 5) 2520 Shelter Avenue
- 6) 4520 Alton Road
- 7) 4625 Pinetree Drive
- 8) 4650 Alton Road
- 9) 5916 Pinetree Drive
- 10) 6001 La Gorce Drive
- 11) 6065 Pinetree Drive
- 12) 610 West 51st Terrace

As the Code Compliance Department is primarily complaint driven, no evidence was found indicating that it was notified of the unpermitted job sites. The City Attorney's Office confirmed during a May 10, 2022 phone conversation with the OIG that NOVs can be issued retroactively to contractors.

Results/Recommendations:

The Code Compliance Department should issue twelve NOVs for \$100 each to All County Waste, Inc. for its roll-off related work at the listed non-compliant addresses. Once received, the roll-off contractor should promptly remit the corresponding monies due to avoid possible additional disciplinary actions. In addition, All County Waste, Inc. should comply with the City Code and timely obtain roll-off permits for future Miami Beach addresses serviced or be subject to receiving NOVs from the Code Compliance Department. Finally, the City should ensure that all contractors hired to perform work on its properties, such as 1901 Convention Center Drive (the Miami Beach Convention Center), are fully compliant with the City Code.

Update: The Code Compliance Department issued the twelve NOVs listed above to All County Waste, Inc. dating from August 24, 2022 through September 1, 2022. To date, the contractor has paid and satisfied ten NOVs, one is being processed, and one is still outstanding.

**3. All County Waste, Inc. Did Not Timely Obtain its 2019/20 Fiscal Year BTR Related to Roll-Offs, For Which It Was Not Issued A Notice Of Violation By The Code Compliance Department.**

City Code Section 102-356 defines business tax as the fees charged for which the City grants the privilege of engaging in or managing any business, profession, or occupation within the city's jurisdiction. Furthermore, Section 102-360 states, "Each business tax receipt shall be valid for one year. Tax receipts shall be issued beginning October 1 of each year and shall expire on September 30 of the following year" and Section 102-370 explains "(a) The city shall endeavor to notify all business tax receipt holders that their business tax receipts are due for renewal. However, if the taxee does not receive a renewal notification, the taxee is responsible to renew the business tax prior to October 1 to avoid delinquent charges."

In addition, Section 90-192 states, "(a) No person shall engage in the business of disposal and/or collection of any kind of solid waste, or recyclable material within the city without first having been approved by the city manager, and having secured a current business tax receipt for such activity." Section 90-278(7) states, "In order to effectively provide for the collection of the permit fee by the contractor to the city, any person seeking to renew his/her annual business tax receipt pursuant to the provisions of chapter 102, article V, in addition to the requirements contained therein, shall provide to the finance director evidence of payment of all outstanding permit fees, fines and other charges as a condition to reissuance or renewal of the business license." Lastly, Section 102-377 states, "(a) Any person who shall carry on or conduct any business for which a tax receipt is required by this article without first obtaining such tax receipt shall be issued a violation for the offense which shall have a civil fine of \$1,000.00. The enhanced enforcement for this violation shall be pursuant to subsection 102-377(d) herein. (d) In addition to the above, a continued violation of subsection 102-377(a) for a period of 30 days or more without first obtaining a tax receipt, shall be punished by imprisonment not to exceed 60 days or by imposition of a fine not to exceed \$500.00 or both."

The contractor's furnished records confirm it provided roll-off services on Miami Beach during the 2019/20, 2020/21 and 2021/2022 fiscal years. Pursuant to City Code Section 90-192, it was required to obtain annual BTRs from the Finance Department Licensing Section. Review of the EnerGov system determined the following during the audit period:

<u>Fiscal Year</u>	<u>License/Roll-Off BTR #</u>	<u>Status</u>	<u>License/Roll-Off BTR Fee</u>
2019/20	Not Billed	Not Issued	Unpaid
2020/21	BTR010491-07-2021	Issued	Paid
2021/22	BTR010491-07-2021	Issued	Paid

As the Code Compliance Department is primarily complaint driven, no evidence was found indicating that it was notified, so no related NOV's were issued to the non-compliant contractor. The City Attorney's Office confirmed in a May 25, 2022 email that if a roll-off contractor performed services without a BTR in a specific fiscal year, a Notice Of Violation for operating in the City without a valid BTR can be issued retroactively by the Code Compliance Department.

Results/Recommendations:

The Licensing Section should create an invoice billing the contractor for the unpaid 2019/20 fiscal year BTR due to the City. In addition, the Code Compliance Department should issue the contractor a NOV for \$1,000 related to its failure to timely obtain the required BTR during the 2019/20 fiscal year. All County Waste, Inc. should comply with

the City Code and timely obtain its future BTRs or be subject to receiving NOV's from the Code Compliance Department.

Finance Department Response:

The Finance Department Licensing Section has billed All County Waste, Inc the unpaid 2019/2020 fiscal year BTR due to the City. As of October 5<sup>th</sup>, payment has not been received.

Update: All County Waste, Inc. was invoiced for its 2019/20 fiscal year BTR on September 30, 2022. The NOV was issued by the Code Compliance Department on October 25, 2022 and remains unresolved.

**Findings Pertaining Solely to the City**

**4. *Multiple Contact Numbers Were Issued To All County Waste, Inc. In The City's EnerGov System.***

The Tyler Technologies EnerGov system Customer Service System (CSS) portal is the web-based interface that customers use to engage with related City needs. Customers, such as All County Waste, Inc. create password-protected contact numbers through the CSS portal containing all its relevant information.

Individuals and businesses with email accounts can, and often do, create numerous contact numbers as there are insufficient internal controls to limit the number of contact numbers in the EnerGov system. Although there may be many reasons why multiple contact numbers were issued to the same individual or corporation, any obsolete or outdated numbers are not inactivated. Some examples include multiple individuals interacting separately with the City but working at the same property address; failure to remember the customer selected password; and not notifying the City of a new email account. Regardless of the reason, the number of contact numbers has grown substantially over time, thereby complicating the search process and the determination of whether undetected outstanding balances exist.

When more than one contact number is created in the EnerGov system, it can create confusion as roll-off permits, Code Compliance violations, and outstanding balances, may be entered under any of the issued contact numbers. Consequently, the reviewer must be aware of all contact numbers and review them in their totality to obtain the necessary information to accurately represent the individual or company's status.

The OIG Sanitation Tax Auditor determined that All County Waste, Inc. was issued four contact numbers during the period of December 31, 2019 through December 12, 2021. The table below shows the disbursement of the four issued roll-off permits among its four contact numbers in existence during the audit period. Although all four contact numbers are to be linked to the contractor's annual BTR, it was determined that only ID-000107665 as linked.

<i>Contact Numbers</i>	<i># Roll-Off Permits</i>
<i>ID-000077997</i>	0
<i>ID-000105893</i>	1
<i>ID-000107665</i>	3
<i>ID-000118478</i>	0
<b><i>Total</i></b>	<b>4</b>

Results/Recommendation(s):

Only one active contact number is recommended to be assigned to each address, whenever possible, to facilitate effective and accurate searches. Moreover, it is recommended that the City's Information Technology Department begin a database debug by deleting these multiple contact numbers and transferring any corresponding transactions to a contact number under the control of the property or business owner. The OIG understands that this is a time-consuming and labor-intensive task but believes that this issue should be addressed. The Information Technology Department should also contact Tyler Technologies Inc. to determine whether sub-contact numbers could be linked to the main contact number issued to the property or business owner. Finally, Code Compliance Department information related to violations should include a contact number linked to the customer's BTR and any pertinent permits.

**Findings Pertaining to Both All County Waste, Inc., and the City**

**5. *All County Waste, Inc. Did Not Timely Remit Its Monthly Roll-Off Permit Fees, And The Finance Department Did Not Charge The Contractor \$146.45 Due In Penalties And Interest Pursuant To City Code Sections 90-278(6)(a-c).***

City Code Section 90-278(4) states, "Each contractor shall deliver to the city's finance department a true and correct monthly report of gross receipts generated during the previous month (from accounts within the city) on or before the last day of each month. This monthly report shall include the customer names, service addresses, account numbers, and the actual amount collected from each customer. Payments of any fees required in this section shall be made monthly to the finance department, on or before the last day of each month, for gross receipts of the previous month." In addition, City Code Section 90-278(6)(a-c) summarized provides that late contractor remittances are subject to penalties of ten percent per month with a maximum of fifty percent and interest at the highest legal rate of interest permitted by law (12% per annum was charged) from the date on which the permit fee first became delinquent until paid.

Testing determined that three of the eight roll-off permit fee payments (37.50%) remitted to the City during the audit period were received after the due date specified in City Code Section 90-278(4). As shown in the table below, the late payments were remitted after the due date ranging from a low of one day for August 2021 to a high of 31 days for one of the two July 2021 payments.

Month	Due Date	Date Paid	# of Days Late
July 2021	08/31/2021	09/28/2021	28
July 2021	08/31/2021	10/01/2021	31
August 2021	09/30/2021	10/01/2021	1

Despite the tardiness of these payments, the roll-off contractor was not charged any related late charges during the audit period. As a result, the OIG Sanitation Tax Auditor calculated that the contractor owes a total of \$146.45 in late charges as shown in the following table.

Month	Amount Paid	Penalties	Interest	Amount Due
July 2021	\$992.96	\$99.30	\$9.27	\$108.57
July 2021	\$110.33	\$11.03	\$1.14	\$12.17
August 2021	\$256.22	\$25.62	\$0.09	\$25.71
<b>Total</b>	<b>\$1,359.51</b>	<b>\$135.95</b>	<b>\$10.50</b>	<b>\$146.45</b>

Results/Recommendation(s):

The City's Finance Department should create an invoice for \$146.45 (during the audit period) charging All County Waste, Inc. for penalties and interest associated with its late payments. Meanwhile, the contractor should timely remit its future roll-off permit fee payments to the City prior to the stated due dates to avoid having late charges levied. If not, the contractor should be invoiced accordingly by the Finance Department pursuant to City Code. It would be beneficial if the late charge calculations could be programmed into the City's enterprise resource planning system, to facilitate automatic generation of the invoices.

Finance Department Response:

The Finance – Revenue Division issued Invoice #38759 to All County Waste, Inc. for \$146.45 and received payment on September 8, 2022.

**6. All County Waste, Inc. Did Not Timely Submit Its Lists Of Accounts To The City Manager Pursuant To City Code Section 90-278(3), And No Evidence Was Provided From City Staff Indicating That Any Were Requested.**

City Code Section 90-278(3) states, *"Each contractor shall provide the city manager with a current list of the names and addresses of each account, upon initial application, and upon any application for renewal, of its permit, the frequency of service, and the permit number and capacity of each roll-off container or dumpster as per account and the address serviced by each roll-off container or dumpster. No property owner may share an account with another property owner."*

All County Waste, Inc. did not timely furnish its lists of accounts to the City Manager during the audit period, nor was evidence provided indicating that any were requested by the City. Upon request, the roll-off contractor provided the lists of accounts to the OIG Sanitation Tax Auditor. These listings are essential in verifying the accuracy of the roll-off contractor's filings during the audit process, as its customer data is subsequently reconciled with the supporting documentation provided.

Furthermore, the list of accounts furnished was used to prepare and mail positive confirmation letters to identify All County Waste, Inc.'s customers, requesting a listing of all Miami Beach roll-off transactions with the roll-off contractor during the specified period. The OIG Sanitation Tax Auditor's corresponding reconciliation of all completed and returned confirmation letters with the furnished list of accounts did not reveal any material differences.

Results/Recommendation(s):

All County Waste, Inc. should comply with City Code Section 90-278(3) by timely submitting its future lists of accounts to the City Manager. The OIG recommends that the City Code be revised to establish a due date for the submittal of these lists of accounts and to allow the charging of interest and/or penalties to non-compliant contractors.

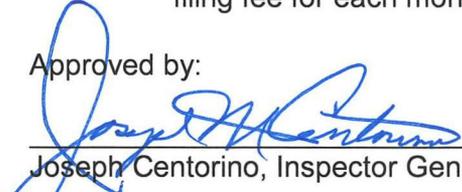
Finance Department Response:

The Finance Department's Revenue team has implemented a monthly review (beginning with the fourth quarter of this fiscal year) of ALL roll-off vendors to ensure the following:

- That monthly reports, along with the required fees, are received by the Finance department (in accordance with City Code Section 90-278(4)) by the end of the month following the month in which the receipts were generated.

- That any vendor who does not pay fees timely is assessed (in accordance with City Code Section 90-278(6)(a-c) as follows:
  - A penalty of 10% per month up to a maximum of 50%.
  - Interest of 1% per month from the date on which the permit fee first became delinquent to the date payment was received.
- That monthly reports are submitted (in accordance with City Resolution No. 2021-4456), even if there are \$0 fees to report, and that the vendor will be billed a \$50 late filing fee for each month that the return is delinquent.

Approved by:

  
 Joseph Centorino, Inspector General

11/01/2022  
 Date

Reviewed by:

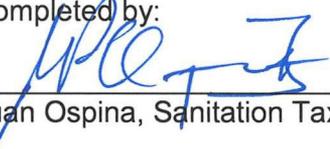
  
 Mark D. Coolidge, CPA, CIA, CIGA  
 Chief Auditor

11-01-2022  
 Date

  
 Norman Blaiotta, CIA, CFE, CIGA  
 Deputy Chief Auditor

11/01/2022  
 Date

Completed by:

  
 Juan Ospina, Sanitation Tax Auditor

11/01/2022  
 Date

cc: Alina T. Hudak, City Manager  
 Eric Carpenter, Deputy City Manager  
 Joe Gomez, Public Works Department Director  
 Bradford Kaine, Sanitation Division Director  
 John Woodruff, Chief Financial Officer  
 Hernan D. Cardeno, Esq., Code Compliance Department Director  
 Frank Quintana, Chief Information Officer  
 James Banner, Manager, All County Waste, Inc.