



Memorandum

Memo No: 17/18-08

Date: May 25, 2018

To: Honorable Mayor and Commissioners

From: John Herbst, CPA, CGFO, CGMA
City Auditor

Re: Solid Waste Hauler Franchise Fee Audit Report

From time to time, the City Auditor's Office will outsource audits to firms that have specialized expertise in a specific subject matter. In coordination with Melissa Doyle, the City's Program Manager for Solid Waste and Recycling, the CPA firm of Morgenstern Phifer & Messina, P.A. was engaged to conduct audits of a number of waste haulers on our behalf.

A copy of their report is attached hereto. Based on the audit, it was determined that four of the haulers had exceptions discovered during the examination, while the remaining eleven were in compliance. In three of those with exceptions, the differences between the amounts due and amounts paid were de minimis in nature. The other hauler with an exception was unable to provide the documentation supporting the exclusion of recycled material from the franchise fee calculation.

We will continue to evaluate other opportunities for future revenue audits.

cc: Lee R. Feldman, City Manager
Alain Boileau, Acting City Attorney
Jeff Modarelli, City Clerk
Stanley Hawthorne, Assistant City Manager
Christopher Lagerbloom, Assistant City Manager