

**Waste Management Enterprise
Fund of the Public Works and Waste
Management Department
of Miami-Dade County, Florida**

Agreed-Upon Procedures on
Full Cost Disclosure Report
September 30, 2015



RSM US LLP

Independent Accountants' Report on Applying Agreed-Upon Procedures

The Honorable Mayor and Chairperson
and Members of the Board of County Commissioners
Miami-Dade County, Florida

We have performed the procedures enumerated below, which were agreed to by management of the Waste Management Enterprise Fund of the Public Works and Waste Management Department (the Department) of Miami-Dade County, Florida, solely to assist management of the Department and the Florida Department of Environmental Protection in evaluating the Department's financial reporting requirements pursuant to Chapter 62-708, *Florida Administrative Code* for the year ended September 30, 2015 as reported in the accompanying *Full Cost Disclosure Reports*. The Department's management is responsible for the preparation and accuracy of the *Full Cost Disclosure Reports*. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The agreed-upon procedures that we performed and our findings, if any, are summarized as follows (dollars are in thousands). We obtained all financial information and related schedules from the Department's Controller Office. Materiality, for the purpose of this report, has been determined to be \$600 and 0.50%:

1. We compared the total cost of \$152,599 from the Full Cost Disclosure Report (see page 2 of the full cost report attached) to the sum of operating expenses of \$92,191, plus depreciation expense of \$6,938, plus interest expense of \$116, obtained from the Waste Collection System unaudited management prepared Schedule of Revenues, Expenses, and Changes in Fund Net Position (see page 6 of the full cost report attached) for the year ended September 30, 2015, adjusted for the following amounts obtained from management's supporting schedules – plus disposal costs of \$53,467, less amortization of debt related cost of \$113 and found them to be in agreement. No exceptions were noted.
2. We recomputed the "cost per unit serviced" on the *Full Cost Disclosure Report* (see page 2 of the full cost report attached) by dividing the respective Full Cost amount by the Units Serviced (numbers of households or commercial units, as applicable). No exceptions were noted. We also recomputed the "cost per ton" on the *Full Cost Disclosure Report* (see page 2 of the full cost report attached) by dividing the respective Full Cost amount by the Tons (residential or commercial, as applicable). No material exceptions were noted.
3. We compared the respective amounts in the "Allocation of Support Costs" columns from the *Full Cost Summary With Allocations* report (see page 3 of the full cost report attached), to the corresponding amounts listed in the *Basis of Allocations for Full Cost Report* (see page 4 of the full cost report attached) and found them to be in agreement. No exceptions noted.

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4. On the *Basis of Allocations for Full Cost Report* (see page 4 of the full cost report attached), we recomputed the allocation amounts and related percentages listed for Garbage, Trash, Interest Expense, Depreciation, and Department wide, by multiplying the respective amounts in each category by their corresponding percentages (see page 4 of the full cost report attached). No material exceptions were noted.
5. We compared the number of units and annual tons which management obtained from the Department's information systems as reported in the *Workload Measures Report* (see page 5 of the full cost report attached), to unaudited Statistical Tables IVA and V which is included in the Department's September 30, 2015 Comprehensive Annual Financial Report, and found them to be in agreement. No exceptions were noted.
6. We inquired of the Department's Controller regarding the basis of allocation for the *Full Cost Disclosure Reports* and were informed that the methodology used is consistent with that of the prior year.

We were not engaged to and did not conduct an audit, the objective of which would be the expression of an opinion regarding the amounts and calculations in the *Full Cost Disclosure Reports* of the Department for the fiscal year ended September 30, 2015. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Florida Department of Environmental Protection and management of the Miami-Dade County Public Works and Waste Management Department, and is not intended to be and should not be used by anyone other than these specified parties.

RSM US LLP

Miami, Florida
October 3, 2016



WASTE MANAGEMENT ENTERPRISE FUND
AN ENTERPRISE FUND OF PUBLIC WORKS AND WASTE MANAGEMENT DEPARTMENT
A DEPARTMENT OF MIAMI-DADE COUNTY, FLORIDA
WASTE COLLECTION SYSTEM
FULL COST DISCLOSURE REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015

RESIDENTIAL SERVICES

		HOUSEHOLDS SERVED	FULL COST PER HOUSEHOLD
GARBAGE & TRASH CURBSIDE PROGRAM			
COLLECTION		328,549	\$199
DISPOSAL		328,549	\$128
TRASH & RECYCLING CENTERS (TRASH)			
COLLECTION		328,549	\$29
DISPOSAL		328,549	\$29
TRC - TRANSPORTATION COST	(1)	328,549	\$19
RECYCLING PROGRAMS			
		354,019	\$30
ILLEGAL DUMPING			
	(2)	328,549	\$16
LITTER CONTROL			
	(3)	328,549	\$4
RESIDENTIAL COST FOR COMBINED SERVICE AREA			
COLLECTION			\$228
DISPOSAL			\$157
TRC - TRANSPORTATION COST			\$19
RECYCLING			\$30
ILLEGAL DUMPING			\$16
LITTER CONTROL			\$4
TOTAL			\$454

COMMERCIAL SERVICES

		TOTAL TONS	FULL COST PER TON
GARBAGE & TRASH COLLECTION PROGRAM			
GARBAGE COLLECTION		7,119	\$120
GARBAGE DISPOSAL		7,119	\$164
TRASH COLLECTION		4,119	\$61
TRASH DISPOSAL		4,119	\$76
TOTAL			\$421

NO OTHER PROGRAMS (3)

THE AVERAGE WASTE DISPOSED OF ON A PER HOUSEHOLD BASIS WAS DETERMINED TO BE 2.35 TONS.

(1) SINCE FISCAL YEAR 2010, THESE COSTS RESIDE IN THE COLLECTION FUND

(2) THIS PRESENTATION REFLECTS ALL ILLEGAL DUMPING COSTS RESIDING IN THE COLLECTION FUND.

(3) SPECIFIC USER FEES TO COVER THE LITTER PROGRAM HAD NOT RESUMED AS OF FISCAL YEAR 2015. THEREFORE, THE DEPARTMENT DEEMS IT APPROPRIATE TO ALLOCATE THESE COSTS TO THE HOUSEHOLDS.

Waste Management Enterprise Fund
 An Enterprise Fund of Public Works and Waste Management Department
 A Department of Miami-Dade County, Florida
 Waste Collection System
 Full Cost Disclosure Report
 09/30/2015

	Full Cost (Final)	Units Served (# households or commercial units as applicable)	Cost Per Unit Served*	Tons (Residential or Commercial as applicable)	Cost Per Ton*
GARBAGE AND TRASH CURBSIDE PROGRAM					
GARBAGE COLLECTION	\$50,594,985	328,549	\$154	715,843	\$71
TRASH COLLECTION	\$14,722,823	328,549	\$45	715,843	\$21
COLLECTION TOTAL	<u>\$65,317,808</u>		<u>\$199</u>		<u>\$92</u>
GARBAGE DISPOSAL	\$34,427,701	328,549	\$105	715,843	\$48
TRASH DISPOSAL	\$7,731,179	328,549	\$23	715,843	\$11
DISPOSAL TOTAL	<u>\$42,158,880</u>		<u>\$128</u>		<u>\$59</u>
TRASH AND RECYCLING CENTERS (TRASH)					
COLLECTION	\$15,620,425	328,549	\$48 (1)	715,843	\$22
DISPOSAL	\$9,586,624	328,549	\$29	715,843	\$13
TRC TOTAL	<u>\$25,207,049</u>				
RECYCLING PROGRAMS					
	\$10,700,385	354,019	\$30	61,496	\$174
ILLEGAL DUMPING	\$5,378,940	328,549	\$16	715,843	\$8
LITTER CONTROL	\$1,251,080	328,549	\$4	715,843	\$2
ILLEGAL DUMPING AND LITTER CONTROL TOTAL	<u>\$6,630,020</u>				
RESIDENTIAL COSTS FOR COMBINED SERVICE AREA					
COLLECTION	\$80,938,233	328,549	\$247 (2)	715,843	\$114
DISPOSAL	\$51,745,504	328,549	\$157	715,843	\$72
RECYCLING	\$10,700,385	354,019	\$30	61,496	\$174
ILLEGAL DUMPING	\$5,378,940	328,549	\$16	715,843	\$8
LITTER CONTROL	\$1,251,080	328,549	\$4	715,843	\$2
TOTAL	<u>\$150,014,142</u>		<u>\$454</u>		<u>\$370</u>
COMMERCIAL GARBAGE AND TRASH COLLECTION PROGRAM					
GARBAGE COLLECTION	\$854,093			7,119	\$120
GARBAGE DISPOSAL	\$1,167,857			7,119	\$164
TRASH COLLECTION	\$250,449			4,119	\$61
TRASH DISPOSAL	\$311,918			4,119	\$76
COMMERCIAL TOTAL	<u>\$2,584,317</u>				<u>\$421</u>
TOTAL COSTS	<u>\$152,598,459</u>				

* Cost Per Unit and Cost Per Ton presented on a \$ rounded basis.

Footnotes:	
(1) Trash and Recycling Centers (Trash) Cost per unit serviced of \$48 is split as follows in the Full Cost Disclosure Report (P1):	
Collection	\$29
TRC Transp. Cost	\$19
	<u>\$48</u>
(2) Herein includes \$19 in transportation cost (see 1 above)	

Waste Management Enterprise Fund
An Enterprise Fund of Public Works and Waste Management Department
A Department of Miami-Dade County, Florida
Waste Collection System
Full Cost Summary With Allocations
09/30/2015

-----Allocation of Support Costs-----							
	Preliminary	Garbage Allocation	Trash Allocation	Interest Allocation	Depreciation Allocation	Dptwide Allocation	Final
GARBAGE AND TRASH CURBSIDE PROGRAM							
GARBAGE COLLECTION	\$38,840,391	\$991,286	\$0	\$1,744	\$4,179,395	\$6,582,169	\$50,594,985
GARBAGE DISPOSAL	\$34,427,701	\$0	\$0	\$0	\$0	\$0	\$34,427,701
TRASH COLLECTION	\$11,108,894	\$0	\$612,853	\$444	\$1,063,618	\$1,937,014	\$14,722,823
TRASH DISPOSAL	\$7,731,179	\$0	\$0	\$0	\$0	\$0	\$7,731,179
TRASH AND RECYCLING CENTERS (TRASH)							
COLLECTION	\$11,786,167 (a)	\$0	\$650,217	\$471	\$1,128,463	\$2,055,107	\$15,620,425
DISPOSAL	\$9,586,624	\$0	\$0	\$0	\$0	\$0	\$9,586,624
RECYCLING PROGRAMS							
	\$9,182,912	\$0	\$0	\$0	\$0	\$1,517,473	\$10,700,385
ILLEGAL DUMPING							
	\$4,058,602	\$0	\$223,904	\$162	\$388,590	\$707,682	\$5,378,940
LITTER CONTROL							
	\$943,985	\$0	\$52,077	\$38	\$90,381	\$164,599	\$1,251,080
COMMERCIAL GARBAGE AND TRASH COLLECTION PROGRAM							
GARBAGE COLLECTION	\$657,410	\$14,826	\$0	\$30	\$70,740	\$111,087	\$854,093
GARBAGE DISPOSAL	\$1,167,857	\$0	\$0	\$0	\$0	\$0	\$1,167,857
TRASH COLLECTION	\$174,184	\$0	\$26,430	\$7	\$16,677	\$33,151	\$250,449
TRASH DISPOSAL	\$311,918	\$0	\$0	\$0	\$0	\$0	\$311,918
TOTAL DIRECT COSTS	<u>\$129,977,824</u>	<u>\$1,006,112</u>	<u>\$1,565,481</u>	<u>\$2,896</u>	<u>\$6,937,864</u>	<u>\$13,108,282</u>	<u>\$152,598,459</u>
ADMINISTRATIVE SUPPORT							
DEPTWIDE COSTS TO BE ALLOCATED	\$13,108,282	\$0	\$0	\$0	\$0	(\$13,108,282)	\$0
INTEREST COSTS TO BE ALLOCATED	\$2,896	\$0	\$0	(\$2,896)	\$0	\$0	\$0
DEPRECIATION TO BE ALLOCATED	\$6,937,864	\$0	\$0	\$0	(\$6,937,864)	\$0	\$0
GARBAGE ADMIN. DIVISION COSTS	\$1,006,112	(\$1,006,112)	\$0	\$0	\$0	\$0	\$0
TRASH ADMIN. DIVISION COSTS	\$1,565,481	\$0	(\$1,565,481)	\$0	\$0	\$0	\$0
CAPITAL COSTS TO BE ELIMINATED	\$16,029,742	\$0	\$0	\$0	\$0	\$0	\$16,029,742
CAPITAL COST Elimination	(\$16,029,742)	\$0	\$0	\$0	\$0	\$0	(\$16,029,742)
TOTAL COSTS	<u>\$152,598,459</u>	<u>(\$0)</u>	<u>(\$0)</u>	<u>(\$0)</u>	<u>\$0</u>	<u>(\$0)</u>	<u>\$152,598,459</u>

(a) In fiscal year 2015, includes T&R Transportation Cost.

Waste Management Enterprise Fund
An Enterprise Fund of Public Works and Waste Management Department
A Department of Miami-Dade County, Florida
Waste Collection System
Basis of Allocations for Full Cost Report
09/30/2015

1. Garbage Administration Division Costs: Administrative costs totaling: **\$1,006,112** in the Garbage Division were allocated between residential and commercial garbage collection activities based on relative tonnage as follows:

	Tonnage	%	Allocation
Residential Garbage Collection	475,991	98.53%	\$991,286
Commercial Garbage Collection	7,119	1.47%	\$14,826
Total Garbage	483,110	100.00%	\$1,006,112

2. Trash Administration Division Costs: Administrative costs for Trash Division totaling **\$1,565,481** were allocated between residential and commercial trash collection activities based on relative tonnage. Within residential, the costs are allocated to illegal dumping and litter control. Lot clearing, demolition, and curbside trash are based on the relative direct cost of those activities.

Residential Tons	(a)		
Residential Tons	239,852	98.31%	
Commercial Tons	4,119	1.69%	
Total Tons	243,971	100.00%	

(a) Including Illegal Dumping and Litter Control.

3. Interest Expense that totaled **\$2,896** was allocated **61.26%** to garbage collection and **38.74%** to trash collection based on the relative tonnages. The allocation within garbage and trash was based on the current year relative direct cost.

	Direct Cost	%	Allocation
Residential Garbage Collection	\$38,840,391	98.34%	\$1,744
Commercial Garbage Collection	\$657,410	1.66%	\$30
Total Garbage Direct Cost	\$39,497,801	100.00%	\$1,774

61.26% Interest = \$1,774

	Direct Cost	%	Allocation
Residential Trash-Curbside, Other, TRC	\$27,897,648	99.38%	\$1,115
Commercial Trash Collection	\$174,184	0.62%	\$7
Total Trash Direct Cost	\$28,071,832	100.00%	\$1,122

38.74% Interest = \$1,122

4. Depreciation totaling **\$6,937,864** was allocated **61.26%** to garbage collection and **38.74%** to trash collection based on the relative tonnages. The allocation within garbage and trash was based on the current year relative direct cost.

	Direct Cost	%	Allocation
Curbside Garbage Collection	\$38,840,391	98.34%	\$4,179,395
Commercial Garbage Collection	\$657,410	1.66%	\$70,740
Total Garbage Collection Direct Cost	\$39,497,801	100.00%	\$4,250,135

61.26% Depreciation = \$4,250,135

	Direct Cost	%	Allocation
Residential Curbside Trash Collection	\$11,108,894	39.57%	\$1,063,618
Illegal Dumping	\$4,058,602	14.46%	\$388,590
Litter Control	\$943,985	3.36%	\$90,381
Residential Trash-Curbside, Other, TRC Sub-Total	\$16,111,481	57.39%	\$1,542,589

T&R Center Trash Collection	\$11,788,167	41.99%	\$1,128,463
Commercial Trash Collection	\$174,184	0.62%	\$16,677

Total Trash Collection Direct Cost

38.74% Depreciation = \$2,687,729

5. Deptwide indirect cost totaling **\$13,108,282** were allocated to the activities listed below based on the relative direct cost of each activity. For this purpose the direct cost of the garbage and trash divisions includes the allocated costs from the garbage and trash administration units as shown.

	Direct Cost	%	Allocation
Curbside Garbage Collection	\$39,831,677 (1)	50.21%	\$6,582,169
Curbside Trash Collection	\$11,721,747 (1)	14.78%	\$1,937,014
T&R Center Trash Collection	\$12,436,384 (1)	15.68%	\$2,055,107
Recycling Programs	\$9,182,912	11.58%	\$1,517,473
Illegal Dumping	\$4,282,506 (1)	5.40%	\$707,682
Litter Control	\$986,062 (1)	1.25%	\$164,599
Commercial Garbage Collection	\$672,236 (1)	0.85%	\$111,087
Commercial Trash Collection	\$200,614 (1)	0.25%	\$33,151
Lot Clearing	\$0	0.00%	\$0
Demolition	\$0	0.00%	\$0
Total	\$79,324,138	100.00%	\$13,108,282

(1) After Garbage/Trash Adm. Allocation to Residential and Commercial.

Waste Management Enterprise Fund
 An Enterprise Fund of Public Works and Waste Management Department
 A Department of Miami-Dade County, Florida
 Workload Measures
 09/30/2015

	Units	Tons Garbage	Tons Trash	Tons Recycling	Tons Total
Residential:					
Household units	324,444				
Residential dumpster units	4,030				
City of Miami Hud Units	75				
Sub-Total		475,991	236,554		712,545
Illegal Dumping:					
	-		2,708		2,708
Litter Control:					
	-		590		590
Total Residential	<u>328,549</u>	<u>475,991</u>	<u>239,852</u>	<u>-</u>	<u>715,843</u>
Commercial:					
Household/commercial units	2,975				
City of Miami Hud Units	553				
Sub-Total	<u>3,528</u>				
Commercial can units	1,061				
Commercial rollaway units	27				
Sub-Total	<u>1,088</u>				
Total Commercial	<u>4,616</u>	<u>7,119</u>	<u>4,119</u>	<u>-</u>	<u>11,238</u>
Sub-Total		<u>483,110</u>	<u>243,971</u>	<u>-</u>	<u>727,081</u>
Recycling:					
Units in collections service area	<u>324,444</u>				
Units outside service area	68				
Units inside service area w/o garbage service	<u>1,696</u>				
	1,764				
Municipal units	<u>27,811</u>				
Total Recycling	<u>354,019</u>	<u>-</u>	<u>-</u>	<u>61,496</u>	<u>61,496</u>
Total		<u>483,110</u>	<u>243,971</u>	<u>61,496</u>	<u>788,577</u>
Percentages:					
Residential:		60.36%	30.00%		
Illegal Dumping:		0.00%	0.34%		
Litter Control:		0.00%	0.07%		
Commercial:		0.90%	0.52%		
Recycling:		<u>0.00%</u>	<u>7.81%</u>		
Totals		61.26%	38.74%		

Waste Collection System

Supplemental Schedules of Revenues, Expenses and Changes in Fund Net Position

	For the Fiscal Year Ended September 30, 2015
	<i>(In thousands)</i>
Operating Revenues	
Solid waste collection services	\$ 143,446
Other operating revenues	<u>1,315</u>
Total Collection Operating Revenues	<u>144,761</u>
Operating Expenses	
Garbage collection	40,503
Trash collection	25,483
Recycling	9,183
Litter control	902
Enforcement and environmental compliance	3,728
General and administrative	<u>12,392</u>
Subtotal	<u>92,191</u>
Depreciation	<u>6,938</u>
Total Collection Operating Expenses	<u>99,129</u>
Collection Operating Income	<u>45,632</u>
Non-Operating Revenues (Expenses)	
Interest income	85
Interest expense	(116)
Other income (expense), net	<u>162</u>
Total Collection Non-Operating Revenues (Expenses), Net	<u>131</u>
Change in Net Position Before Elimination	<u>45,763</u>
Elimination*	<u>(53,467)</u>
Change in Net Position After Elimination	<u>\$ (7,704)</u>

*Impact to Net Position by the elimination of tipping fees paid to the Disposal System.

See accompanying independent auditor's report.



The undersigned, a duly authorized representative of Miami-Dade County, Florida, HEREBY CERTIFIES THAT:

The Miami-Dade County Public Works and Waste Management Department Full Cost Disclosure Report, a copy of which is attached for the fiscal year ended September 30, 2015 does not, to the best of my knowledge, contain any untrue statements or calculations nor fails to present any material facts which should be included for the purpose of properly informing the public of the full cost of solid waste management services.

IN WITNESS THEREOF, I have hereunto set my hand and seal this 3rd day of April, 2016.

A handwritten signature in blue ink, appearing to read "Edward Marquez", is written over a horizontal line.

Edward Marquez
Finance Director
Miami-Dade County