

**Waste Management Enterprise
Fund of the Department of
Solid Waste Management
of Miami-Dade County, Florida**

Agreed-Upon Procedures on
Full Cost Disclosure Report
September 30, 2020

**Independent Accountant's 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 Department of Solid Waste Management (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, 2020, 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*. 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 enumerated below either for the purpose for which this report has been requested or for any other purpose.

The Department's management has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of assisting users in determining whether the entity complied with the specified requirements. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

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 Assistant Controller Office. Materiality, for the purpose of this report, has been determined to be one thousand dollars and 0.50%:

1. We compared the total cost of \$176,279 from the *Full Cost Disclosure Report* (see page 2 of the full cost report attached) to the sum of operating expenses of \$104,545, plus depreciation expense of \$8,481, plus interest expense of \$614, plus disposal costs of \$62,610 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, 2020, adjusted for the following amounts obtained from management's supporting schedules – plus issuance costs of \$17, plus Hurricane Irma and COVID-19 expenses of \$12 and found them to be in agreement. No exceptions were noted.
2. We recomputed the "cost per unit serviced" to the *Full Cost Disclosure Report* (see page 2 of the full cost report attached) by dividing the respective Full Cost amount by the Units Served (number of households or commercial units, as applicable) as reported in the unaudited Statistical Tables V (Collection System – Customer Statistics) which is included in the Department's September 30, 2020 Annual Comprehensive Financial Report (ACFR). No exceptions were noted. We also recomputed the "cost per ton" to 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) as reported in the unaudited Statistical Tables IV A (Collection System – Tonnage by Type) which is included in the Department's September 30, 2020 ACFR. No 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.
4. Using 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 of the above category by their corresponding percentages (see page 4 of the full cost report attached). No exceptions were noted that exceeded the defined materiality.
5. We compared the number of units (number of households or commercial units, as applicable) and annual tons (residential or commercial, as applicable) 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 IV A and V (Collection System – Tonnage by Type and Collection System – Customer Statistics, respectively) which is included in the Department's September 30, 2020 ACFR, and found them to be in agreement. No exceptions were noted.
6. We inquired of the Department's Assistant Controller regarding the basis for allocating costs for the *Full Cost Disclosure Reports* and were informed that the methodology used is consistent with that of the prior year.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the amounts and calculations in the *Full Cost Disclosure Reports* of the Department for the fiscal year ended September 30, 2020. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Department and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

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

RSM US LLP

Miami, Florida
January 7, 2022



WASTE MANAGEMENT ENTERPRISE FUND
AN ENTERPRISE FUND OF SOLID WASTE MANAGEMENT DEPARTMENT
A DEPARTMENT OF MIAMI-DADE COUNTY, FLORIDA
WASTE COLLECTION SYSTEM
FULL COST DISCLOSURE REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

RESIDENTIAL SERVICES

		HOUSEHOLDS SERVED	FULL COST PER HOUSEHOLD
GARBAGE & TRASH CURBSIDE PROGRAM			
	COLLECTION	341,806	\$234
	DISPOSAL	341,806	\$131
TRASH & RECYCLING CENTERS (TRASH)			
	COLLECTION	341,806	\$23
	DISPOSAL	341,806	\$30
	TRC - TRANSPORTATION COST	(1) 341,806	\$17
RECYCLING PROGRAMS			
		355,528	\$35
BULKY WASTE AND ILLEGAL DUMPING ENFORCEMENT			
	(2)	341,806	\$25
LITTER CONTROL			
		341,806	\$5
RESIDENTIAL COST FOR COMBINED SERVICE AREA			
	COLLECTION		\$257
	DISPOSAL		\$161
	TRC - TRANSPORTATION COST		\$17
	RECYCLING		\$35
	BULKY WASTE AND ILLEGAL DUMPING ENFORCEMENT		\$25
	LITTER CONTROL		\$5
	TOTAL		<u>\$500</u>

COMMERCIAL SERVICES

		TOTAL TONS	FULL COST PER TON
GARBAGE & TRASH COLLECTION PROGRAM			
	GARBAGE COLLECTION	8,853	\$125
	GARBAGE DISPOSAL	8,853	\$76
	TRASH COLLECTION	4,418	\$168
	TRASH DISPOSAL	4,418	<u>\$189</u>
	TOTAL		<u>\$558</u>

THE AVERAGE WASTE DISPOSED OF ON A PER HOUSEHOLD BASIS WAS DETERMINED TO BE 2.76 TONS.

(1) SINCE FISCAL YEAR 2018, THESE COSTS WERE TRANSFERRED TO THE DISPOSAL FUND. THE DEPARTMENT HAS DEEMED THAT THESE COSTS RELATE TO THE TRASH & RECYCLING CENTERS (TRCs) REGARDLESS OF THE FUND WHERE THESE COSTS RESIDE. THEREFORE, THESE COSTS HAVE BEEN ALLOCATED TO THE HOUSEHOLD UNIT COST IN THIS PRESENTATION.

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

Waste Management Enterprise Fund
An Enterprise Fund of Solid Waste Management Department
A Department of Miami-Dade County, Florida
Waste Collection System
Full Cost Disclosure Report
09/30/2020

	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	\$61,140,758	341,806	\$179	880,350	\$69
TRASH COLLECTION	\$18,902,627	341,806	\$55	880,350	\$21
COLLECTION TOTAL	<u>\$80,043,385</u>		<u>\$234</u>		<u>\$90</u>
GARBAGE DISPOSAL	\$36,822,448	341,806	\$108	880,350	\$42
TRASH DISPOSAL	\$7,994,100	341,806	\$23	880,350	\$9
DISPOSAL TOTAL	<u>\$44,816,548</u>		<u>\$131</u>		<u>\$51</u>
TRASH AND RECYCLING CENTERS (TRASH)					
COLLECTION	\$8,011,591	341,806	\$23	880,350	\$9
DISPOSAL	\$10,248,363	341,806	\$30	880,350	\$12
TRC TOTAL	<u>\$18,259,954</u>				
RECYCLING PROGRAMS	\$12,409,075	355,528	\$35	64,077	\$194
BULKY WASTE AND ILLEGAL DUMPING ENFORCEMENT	\$8,549,189	341,806	\$25	880,350	\$10
LITTER CONTROL	\$1,781,405	341,806	\$5	880,350	\$2
ILLEGAL DUMPING AND LITTER CONTROL TOTAL	<u>\$10,330,594</u>				
RESIDENTIAL COSTS FOR COMBINED SERVICE AREA					
COLLECTION	\$88,054,976	341,806	\$257	880,350	\$99
DISPOSAL	\$55,064,911	341,806	\$161	880,350	\$63
RECYCLING	\$12,409,075	355,528	\$35	64,077	\$194
BULKY WASTE AND ILLEGAL DUMPING ENFORCEMENT	\$8,549,189	341,806	\$25	880,350	\$10
LITTER CONTROL	\$1,781,405	341,806	\$5	880,350	\$2
TOTAL	<u>\$165,859,556</u>		<u>\$483</u>		<u>\$368</u>
COMMERCIAL GARBAGE AND TRASH COLLECTION PROGRAM					
GARBAGE COLLECTION	\$1,105,460			8,853	\$125
GARBAGE DISPOSAL	\$676,534			8,853	\$76
TRASH COLLECTION	\$743,206			4,418	\$168
TRASH DISPOSAL	\$834,236			4,418	\$189
COMMERCIAL TOTAL	<u>\$3,359,436</u>				<u>\$558</u>
OTHER PROGRAMS					
FEMA	\$7,060,172				
TOTAL COSTS	<u>\$176,279,164</u>				

* The Cost Per Unit Served and Cost Per Ton figures presented are rounded.

Waste Management Enterprise Fund
An Enterprise Fund of Solid Waste Management Department
A Department of Miami-Dade County, Florida
Waste Collection System
Full Cost Summary With Allocations
09/30/2020

	-----Allocation of Support Costs-----						
	Preliminary	Garbage Allocation	Trash Allocation	Interest Allocation	Depreciation Allocation	Dptwide Allocation	Final
GARBAGE AND TRASH CURBSIDE PROGRAM							
GARBAGE COLLECTION	\$42,092,852	\$975,453	\$0	\$362,531	\$5,011,292	\$12,698,630	\$61,140,758
GARBAGE DISPOSAL	\$36,822,448	\$0	\$0	\$0	\$0	\$0	\$36,822,448
TRASH COLLECTION	\$12,683,626	\$0	\$522,750	\$121,593	\$1,680,949	\$3,893,709	\$18,902,627
TRASH DISPOSAL	\$7,994,100	\$0	\$0	\$0	\$0	\$0	\$7,994,100
TRASH AND RECYCLING CENTERS (TRASH)							
COLLECTION	\$5,376,241 (a)	\$0	\$221,564	\$51,536	\$712,587	\$1,649,663	\$8,011,591
DISPOSAL	\$10,248,363	\$0	\$0	\$0	\$0	\$0	\$10,248,363
RECYCLING PROGRAMS	\$9,583,239	\$0	\$0	\$0	\$0	\$2,825,836	\$12,409,075
BULKY WASTE AND ILLEGAL DUMPING ENFORCEMENT	\$5,736,971	\$0	\$236,499	\$55,010	\$760,228	\$1,760,481	\$8,549,189
FEMA	\$5,453,324	\$0	\$0	\$0	\$0	\$1,606,848	\$7,060,172
LITTER CONTROL	\$1,194,540	\$0	\$49,236	\$11,453	\$158,465	\$367,711	\$1,781,405
COMMERCIAL GARBAGE AND TRASH COLLECTION PROGRAM							
GARBAGE COLLECTION	\$763,625	\$15,257	\$0	\$6,570	\$90,818	\$229,190	\$1,105,460
GARBAGE DISPOSAL	\$676,534	\$0	\$0	\$0	\$0	\$0	\$676,534
TRASH COLLECTION	\$503,652	\$0	\$14,519	\$4,840	\$66,562	\$153,633	\$743,206
TRASH DISPOSAL	\$834,236	\$0	\$0	\$0	\$0	\$0	\$834,236
TOTAL DIRECT COSTS	<u>\$139,963,751</u>	<u>\$990,710</u>	<u>\$1,044,568</u>	<u>\$613,533</u>	<u>\$8,480,901</u>	<u>\$25,185,701</u>	<u>\$176,279,164</u>
ADMINISTRATIVE SUPPORT							
DEPTWIDE COSTS TO BE ALLOCATED	\$25,185,701	\$0	\$0	\$0	\$0	(\$25,185,701)	\$0
INTEREST COSTS TO BE ALLOCATED	\$613,533	\$0	\$0	(\$613,533)	\$0	\$0	\$0
AMORTIZATION OF BOND PREMIUM TO BE ALLOCATED	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DEPRECIATION TO BE ALLOCATED	\$8,480,901	\$0	\$0	\$0	(\$8,480,901)	\$0	\$0
GARBAGE ADMIN. DIVISION COSTS	\$990,710	(\$990,710)	\$0	\$0	\$0	\$0	\$0
TRASH ADMIN. DIVISION COSTS	\$1,044,568	\$0	(\$1,044,568)	\$0	\$0	\$0	\$0
CAPITAL COSTS TO BE ELIMINATED	\$15,213,950	\$0	\$0	\$0	\$0	\$0	\$15,213,950
CAPITAL COST ELIMINATION	(\$15,213,950)	\$0	\$0	\$0	\$0	\$0	(\$15,213,950)
TOTAL COSTS	<u>\$176,279,164</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$176,279,164</u>

(a) In fiscal year 2020, T&R Transportation Cost resides in the disposal fund.

Waste Management Enterprise Fund
An Enterprise Fund of Solid Waste Management Department
A Department of Miami-Dade County, Florida
Waste Collection System
Basis of Allocations for Full Cost Report
09/30/2020

1. Garbage Administration Division Costs: Administrative costs totaling: **\$990,710**
in the Garbage Division were allocated between residential and commercial garbage collection activities based on relative tonnage as follows:

	Tonnage	%	Allocation
Residential Garbage Collection	567,369	98.46%	\$975,453
Commercial Garbage Collection	8,853	1.54%	\$15,257
Total Garbage	576,222	100.00%	\$990,710

3. Interest Expense that totaled (a) **\$613,533** was allocated **60.16%** to garbage collection and **39.84%** 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	\$42,092,852	98.22%	\$362,531
Commercial Garbage Collection	\$763,625	1.78%	\$6,570
Total Garbage Direct Cost	\$42,856,477	100.00%	\$369,101

60.16% Interest = **\$369,101**

	Direct Cost	%	Allocation
Residential Trash-Curbide, Other, TRC	\$24,991,378	98.02%	\$239,592
Commercial Trash Collection	\$503,652	1.98%	\$4,840
Total Trash Direct Cost	\$25,495,030	100.00%	\$244,432

39.84% Interest = **\$244,432**

4. Depreciation totaling **\$8,480,901** was allocated **60.16%** to garbage collection and **39.84%** 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	\$42,092,852	98.22%	\$5,011,292
Commercial Garbage Collection	\$763,625	1.78%	\$90,818
Total Garbage Collection Direct Cost	\$42,856,477	100.00%	\$5,102,110

60.16% Depreciation = **\$5,102,110**

	Direct Cost	%	Allocation
Residential Curbside Trash Collection	\$12,683,626	49.75%	\$1,680,949
Bulky Waste and Illegal Dumping Enforcement	\$5,736,971	22.50%	\$760,228
Litter Control	\$1,194,540	4.69%	\$158,465
Residential Trash-Curbide, Other, TRC Sub-Total	\$19,615,137	76.94%	\$2,599,642

	Direct Cost	%	Allocation
T&R Center Trash Collection	\$5,376,241	21.09%	\$712,587
Commercial Trash Collection	\$503,652	1.97%	\$66,562

Total Trash Collection Direct Cost **\$25,495,030** **100.00%** **\$3,378,791**

39.84% Depreciation = **\$3,378,791**

2. Trash Administration Division Costs: Administrative costs for Trash Division totaling **\$1,044,568** were allocated between residential and commercial trash collection activities based on relative tonnage. Within residential, the costs are allocated to Bulky Waste & Illegal Dumping Enforcement and Litter Control. Lot Clearing, Demolition, and Curbside trash are based on the relative direct cost of those activities.

Residential Tons	(a)	312,981	98.61%
Commercial Tons		4,418	1.39%
Total Tons		317,399	100.00%

(a) Including Bulky Waste & Illegal Dumping Enforcement and Litter Control.

	Direct Cost	%	Allocation
Commercial Trash Collection	not applicable		\$14,519
Residential Trash-Curbide	12,683,626	50.75%	\$522,750
Residential Trash-TR Centers	5,376,241	21.51%	\$221,564
Bulky Waste and Illegal Dumping Enforcement	5,736,971	22.96%	\$236,499
Litter Control	1,194,540	4.78%	\$49,236
Lot Clearing (excluded-considered enf.)	0	0.00%	\$0
Demolition	0	0.00%	\$0
Total Residential Direct Cost	24,991,378	100.00%	\$1,044,568

5. Deptwide indirect cost totaling **\$25,185,701** 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	\$43,068,305 (1)	50.42%	\$12,698,630
Curbside Trash Collection	\$13,206,376 (1)	15.46%	\$3,893,709
T&R Center Trash Collection	\$5,597,805 (1)	6.55%	\$1,649,663
Recycling Programs	\$9,583,239 (1)	11.22%	\$2,825,836
Bulky Waste and Illegal Dumping Enforcement	\$5,973,470 (1)	6.99%	\$1,760,481
FEMA	\$5,453,324 (1)	6.38%	\$1,606,848
Litter Control	\$1,243,776 (1)	1.46%	\$367,711
Commercial Garbage Collection	\$778,882 (1)	0.91%	\$229,190
Commercial Trash Collection	\$518,171 (1)	0.61%	\$153,633
Lot Clearing	\$0	0.00%	\$0
Demolition	\$0	0.00%	\$0
Total	\$85,423,348	100.00%	\$25,185,701

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

**Waste Management Enterprise Fund
An Enterprise Fund of Solid Waste Management Department
A Department of Miami-Dade County, Florida
Workload Measures
09/30/2020**

	Units	Tons Garbage	Tons Trash	Tons Recycling	Tons Total
Residential:					
Household units	337,065				
Residential dumpster units	4,666				
City of Miami Hud Units	75				
Sub-Total		567,369	308,922		876,291
Illegal Dumping:	-		3,807		3,807
Litter Control:	-		252		252
Total Residential	<u>341,806</u>	<u>567,369</u>	<u>312,981</u>	<u>-</u>	<u>880,350</u>
Commercial:					
Household/commercial units	3,004				
City of Miami Hud Units	1,108				
Sub-Total	<u>4,112</u>				
Commercial can units	553				
Commercial rollaway units	25				
Sub-Total	<u>578</u>				
Total Commercial	<u>4,690</u>	<u>8,853</u>	<u>4,418</u>	<u>-</u>	<u>13,271</u>
Sub-Total		<u>576,222</u>	<u>317,399</u>	<u>-</u>	<u>893,621</u>
Recycling:					
Units in collections service area	<u>337,065</u>				
Units outside service area	52				
Units inside service area w/o garbage service	<u>1,975</u>				
	<u>2,027</u>				
Municipal units	<u>16,436</u>				
Total Recycling	<u>355,528</u>	-	-	<u>64,077</u>	<u>64,077</u>
Total		<u>576,222</u>	<u>317,399</u> *	<u>64,077</u>	<u>957,698</u>
Percentages:					
Residential:		59.24%	32.26%		
Illegal Dumping:		0.00%	0.40%		
Litter Control:		0.00%	0.03%		
Commercial:		0.92%	0.46%		
Recycling:		<u>0.00%</u>	<u>6.69%</u>		
Totals		60.16%	39.84%		

* Excludes hurricane tonnage.

Waste Collection System

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

	For the Fiscal Year Ended September 30, 2020
	(In thousands)
Operating Revenues	
Solid waste collection services	\$ 166,081
Other operating revenues	721
Total Collection Operating Revenues	166,802
Operating Expenses	
Garbage collection	43,847
Trash collection	21,856
Recycling	9,583
Litter control	1,175
Enforcement and environmental compliance	4,173
General and administrative	23,911
Subtotal	104,545
Depreciation	8,481
Total Collection Operating Expenses	113,026
Collection Operating Income	53,776
Non-Operating Revenues (Expenses)	
Interest income	639
Interest expense	(614)
Other income (expense), net:	
Hurricane related grant revenue	31
COVID-19 Prevention	5,438
Interfund Transfer	1,187
Other	131
Total Collection Non-Operating Expense, Net	6,812
Change in Net Position Before Elimination	60,588
Elimination*	(62,610)
Change in Net Position After Elimination	\$ (2,022)

* Impact to Net Position by the elimination of tipping fees (in Garbage Collection, Trash Collection and Litter Control expenses above) 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 Solid Waste Management Department Full Cost Disclosure Report, a copy of which is attached for the fiscal year ended September 30, 2020 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 7 day of Jan., 2022.

DocuSigned by:

Edward Marquez

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Edward Marquez
Chief Financial Officer
Miami-Dade County