



Clerk of the Circuit Court
Board of County Commissioners
Marion County

Internal Audit Division

David R. Ellspermann
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Wallace K. Watford
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MEMORANDUM

TO: Allen F. Ellison, Solid Waste Director

FROM: David R. Ellspermann, Clerk of the Circuit Court

DATE: June 4, 2001

RE: REVIEW OF CUSTOMER ACCOUNT RECEIVABLE BALANCE

Pursuant to your request, the Internal Auditor, Wallace Watford, has completed a special review to determine the correct balance due from **Superior Waste Services of Florida, Inc.** on its customer account receivable. This request was prompted by the customer's contention that the balance due has been overstated since mid-1999.

Our review consisted of meetings with your staff to discuss the issues, examination of billing documentation and customer invoices, examination of customer payments deposited by County and review of analyses prepared by Superior Waste Services. We prepared a consolidated analysis of related accounts beginning in October 1996. We also had two meetings with Superior Waste personnel to discuss the issues.

We acknowledge that there have been difficulties created by the acquisition history of this account, which was detailed in our previous report no. 2000-06. In 1998, Superior Waste Services of Florida, Inc. acquired United Sanitation and Kenneth H. Mead, dba Superior Disposal. United Sanitation and Superior Disposal had separate customer accounts which were consolidated into one billing account in 1999. As you are aware, the Board of County Commissioners had not formally approved the resulting single franchise until 2000.

Based on the Internal Auditor's review, **we have concluded that** the customer account balance as produced by the Solid Waste customer billing system should be adjusted. The account first should be reduced by \$16,435.65, then the present accumulated late payment charges of \$1,665.36 should be adjusted to reflect the actual amounts of delinquent payments. The Finance Director, John Garri, concurs and recommends that the account be adjusted. The principal reasons for the adjustment were certain customer payments and customer residential credits that had not been correctly applied to the two related accounts (United and Superior) through October 1999.

We appreciate the opportunity to conduct this special review and trust these results meet your needs and expectations.

c: James L. Lowry, County Administrator
Janet Y. Tutt, Assistant County Administrator
Edwin L. Smith, Assistant County Administrator
John W. Garri, Finance Director