



April 22, 2014

City of Saskatoon – City Clerk’s Office  
 Attention: Secretary – Audit Committee  
 222-3<sup>rd</sup> Avenue North  
 Saskatoon, Saskatchewan S7K 0J5

**Audit Report – Landfill Revenue Collection System**

The 2013-2014 Corporate Audit Plan included provision to conduct a financial system audit of the Saskatoon Regional Waste Management Centre’s (Landfill) revenue collection system.

The Landfill is located off of Valley Road, south of Circle Drive South. Both waste disposal and recycling services are offered. As set out in Bylaw No. 8310 “The Waste Bylaw, 2004” fees are charged for each vehicle entering the landfill. An entry fee of \$10 is payable for each vehicle<sup>1</sup>, with additional fees also being applied based on the weight and type of waste being disposed of (e.g., general household/commercial waste, dead animals, special waste, roof shingles, etc.).

For the general public, payment terms are cash, credit card or debit card. Commercial customers can establish an account and are billed through the Sundry Accounts Receivable (SAR) system on a monthly basis. Budgeted revenue for 2013 is \$5,978,800.

**Table 1: Landfill Revenue and Key Operational Statistics 2009 - 2012**

	2009	2010	2011	2012
<b>Budgeted Revenue</b>	\$3,446,000	\$4,196,700	\$5,280,000	\$6,425,000
<b>Actual Revenue</b>	\$3,172,917	\$4,268,489	\$4,445,736	\$4,396,844
<b>Variance (Under)/Over Budget</b>	(\$273,083)	\$71,789	(\$834,264)	(\$2,028,156)
<b>Total Chargeable Tonnage</b>	62,267.9	73,789.0	66,334.4	53,296.8
<b>Paying Vehicles</b>	95,036	94,940	88,551	83,586
<b>Total Non-Chargeable Tonnage</b> (no-charge accounts, clean fill)	43,265.5	54,571.3	39,188.9	29,919.2

The objectives of the audit were to determine whether adequate controls are in place to ensure:

- complete, accurate and timely billing and collection of revenues,
- adjustments are valid and accurately processed, and
- opportunities for theft, fraud and misappropriation are minimized.

Management is currently working on implementation of the recommendations.

Respectfully submitted,

Nicole Garman, CA, CIA, CGAP  
 Garman, Weimer & Associates Ltd.  
 (306) 373-7611

<sup>1</sup> With the exception of civic Garbage Collection vehicles and clean fill loads.