



A Tradition of Stewardship
A Commitment to Service

Napa-Vallejo Waste Management Authority

Accountant's Report on Applying Agreed-Upon Procedures
For the Quarter Ended June 30, 2011

Issued by
AUDITOR-CONTROLLER
Internal Audit Section
August 30, 2011

**NAPA-VALLEJO WASTE MANAGEMENT AUTHORITY
AGREED-UPON PROCEDURES
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Auditor-Controller

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ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES FOR THE QUARTER ENDED JUNE 30, 2011

Board of Directors
Napa-Vallejo Waste Management Authority
1195 Third Street, Room 101
Napa, CA 94559

We have performed the procedures enumerated below, which were agreed to by the Executive Director of the Napa-Vallejo Waste Management Authority, hereafter known as NVWMA, on behalf of the Board and Manager of the Devlin Road Transfer Station, hereafter known as DRTS. These procedures are solely to assist the designated parties with respect to the documents obtained in Step I of the Agreed-Upon Procedures as they pertain to the Revenues, Accounts Receivable and specified operations of Northern Recycling Operations & Waste Services, LLC, hereafter known as Northern. This engagement to apply agreed-upon procedures was performed in accordance with the standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the specified users of the 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. Responses to the findings identified in our report have been provided by Northern and Treasurer's Central Collection staff. We did not audit these responses and, accordingly, we express no opinion on them.

Our procedures and findings are as follows:

I. DOCUMENTATION

We obtained copies of the following documents for the quarter ended June 30, 2011.

From Northern Recycling Operations & Waste Services, LLC, we obtained the "Scale Transaction" report and "Daily Reconciliation Forms". Reports were obtained for each month of the quarter. Daily PDF copies of the deposit slip and "Daily Reconciliation Form" are posted to an on-line storage site called *Box.Net*.

I. DOCUMENTATION (Continued)

From the Treasurer's Central Collection Division, we obtained an "Accounts Receivable by Name", "Transaction Register", "Station List", copies of any applicable journal entries, a listing of manual rate adjustments, payments, refunds, and billings for each month in the quarter. The Treasurer's office utilizes the HMS system for tracking the Accounts Receivable of NVWMA.

From the Auditor-Controller's Office – Accounting Division, we obtained the "General Ledger Detail Transactions" report for each month in the quarter and one-month after.

II. DRTS SITE VISIT

A. Procedure: Normal protocol requires the selection of a sample of twenty-five (25) manual tickets and verifying the customer name, quantity, and dollar amount agreed with the information entered into Northern's Soft-Pak system. We would also verify that the manual tickets were pre-numbered, the manual ticket number was noted in the comment field, and that the signature of the driver and weigh master were recorded on the manual ticket. However, no manual tickets (i.e. hand-tags) were used during the quarter.

Results A: No exceptions were noted as a result of this procedure

B. Procedure: We tested a sample of twenty-five (25) transactions from the Scale Transaction Report and verified the customer name, quantity, and dollar amount agreed to the Soft-Pak system.

Results B: No exceptions were noted as a result of this procedure.

III. ACCOUNTS RECEIVABLE

A. Procedure: We summarized the Accounts Receivable activity for the quarter ended June 30, 2011 and adjusted the report by the exceptions noted below, and by the "Other Adjustments" in Exhibit A-1. (See Exhibit A-1 for the "Accounts Receivable Activity Summary".)

Exception A: (Updated Finding) As of March 31, 2011, Account #52748 was undercharged for two tickets (ticket #353254 and #330617) for a total of \$9.60. In June 2011, an invoice for the amount of \$130.72 was submitted to Account #52748. This invoice was to bill for various undercharged tickets, \$9.60 of the total invoice related to tickets #353254 and #330617. The rest of the invoice was for tickets that had already been adjusted in a prior quarter. This has resulted in overcharging Account #52748 by \$121.12.

Recommendation A: We recommend that Account #52748 be credited \$121.12.

Treasurer's Response A: Our office procedure is to only process adjustments upon receipt of the "Billing Adjustment Form" issued by NVWMA, as was done in this case. We will process the adjustment to credit Account # 52748 in the amount of \$121.12.

III. ACCOUNTS RECEIVABLE (Continued)

B. Procedure: Customers are billed monthly for the scale transactions from the prior month. We summarized Northern’s Scale Transaction Reports by customer and agreed the amounts to the invoices posted to the Treasurer’s Transaction Register Report.

Results B: No exceptions were noted as a result of this procedure.

Status of Prior Reports: In June 2011 and July 2011, billing adjustment forms were issued by Northern and processed by Central Collections for prior quarters from Northern to Central Collections to adjust the following accounts:

**Table 1
Prior Quarter Adjustments**

<u>Account</u>	<u>Amount</u>	<u>Month(s) of Exception</u>	<u>Month of Adjustment</u>	<u>Reason for Adjustment</u>
54051	\$ 173.40	March 2010	June 2011	Adjusted twice
50558	\$ 1,742.42	June 2010	June 2011	Adjusted twice
52748, 54051, & 50558	\$ (559.80)	August 2010 - March 2011	June 2011	Over-Billing due to minimum rate not applied
54053	\$ 433.20	September 2010	June 2011	Adjusted twice
50719	\$ 359.68	September 2010	July 2011	Billed Twice

C. Procedure: We selected five (5) Accounts Receivable customers on the “Scale Transaction Report” and determined if:

1. Tonnage was charged at the appropriate rate.
2. The minimum vehicle charge was applied.
3. Tare amounts were included on the “Scale Transaction Report” for each ticket.
4. The “Scale Transaction Report” contained undocumented negative amounts.
5. Any unusual items identified in the “Scale Transaction Report”.

The appropriate rate and minimum vehicle charge are based on the current fees in Resolution #09-08, which was adopted by NVWMA Board of Directors. As a result of this procedure we noted the following exceptions:

Exception C: Upon reviewing the scale transactions, we noted there were inconsistencies in applying the minimum charge to franchise haulers. In accordance with Resolution # 09-08, a \$31.00 minimum charge should be applied for all customers.

For the quarter ended June 30, 2011, we noted fourteen (14) tickets where the minimum vehicle charge was not applied to a franchise hauler. This resulted in the Accounts Receivable balance being understated by an aggregate amount of \$140.60 as of June 30, 2011.

The following is a summary of the undercharged amounts by account, month, and totals for the quarter ended June 30, 2011:

III. ACCOUNTS RECEIVABLE (Continued)

**Table 2
Undercharged Tickets**

<u>Account</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>Quarter</u>
50558	\$ -	\$ 20.60	\$ 68.60	\$ 89.20
54051	3.40	-	48.00	51.40
	<u>\$ 3.40</u>	<u>\$ 20.60</u>	<u>\$ 116.60</u>	<u>\$ 140.60</u>
# of Tickets				
Franchise	<u>1</u>	<u>2</u>	<u>11</u>	<u>14</u>

Status of Prior Reports: In the Accountant's Report for the quarter ended March 31, 2011, we noted instances where the minimum charge was not applied to franchise customers, which resulted in a total of 40 tickets from three (3) accounts being undercharged by an aggregate amount of \$284.76. In June 2011, one (1) of three (3) accounts was adjusted.

The following is a summary of the undercharged amounts by account, month and totals for the quarters ended March 31, 2011 and June 30, 2011.

**Table 3
Previously Reported Undercharged Tickets**

<u>Account</u>	<u>January</u>	<u>February</u>	<u>March</u>	<u>As of March 31, 2011</u>	<u>As of June 30, 2011</u>
50558	\$ 30.40	\$ -	\$ -	\$ 30.40	\$ 30.40
54051	-	57.80	45.40	103.20	103.20
	<u>\$ 30.40</u>	<u>\$ 57.80</u>	<u>\$ 45.40</u>	<u>\$ 133.60</u>	<u>\$ 133.60</u>

Additionally, we noted there were inconsistencies in applying the rate to non-franchise haulers. In accordance with Resolution # 09-08, non-franchise customer vehicles six (6) tons and over were to be charged by the ton at a rate of \$62.00.

For the quarter ended March 31, 2011, three (3) tickets were noted where the vehicle charge for six (6) tons and over was incorrectly charged to non-franchise haulers. This resulted in the Accounts Receivable balance being overstated by an aggregate amount of \$73.30 as of March 31, 2011. As of August 30, 2011, the related accounts have not been credited for the overbilling.

The following is a summary of the overbilled amounts by account, month, and totals for the quarters ended March 31, 2011 and June 30, 2011:

**Table 4
Previously Reported Overbilled Tickets**

<u>Account</u>	<u>January</u>	<u>February</u>	<u>March</u>	<u>As of March 31, 2011</u>	<u>As of June 30, 2011</u>
56519	\$ 23.62	\$ -	\$ -	\$ 23.62	\$ 23.62
57268	-	30.40	-	30.40	30.40
56658	-	19.28	-	19.28	19.28
	<u>\$ 23.62</u>	<u>\$ 49.68</u>	<u>\$ -</u>	<u>\$ 73.30</u>	<u>\$ 73.30</u>

III. ACCOUNTS RECEIVABLE (Continued)

Recommendation C: It is recommended that Northern verify that the Soft-Pak system is programmed to charge all customers at the correct rates.

Northern's Response C: Regarding the Franchise customers' tickets that were charged less than the minimum amount of \$31.00. This issue had been discussed with NVWMA staff in the past on several occasions. Staff has addressed the issue and provided new contract language that supports a per ton charge for member jurisdictions and their franchise haulers. This change went into effective July 1, 2011.

Each time a rate change takes place we examine tickets of all franchise customers to ensure that they are being charge the correct rate. We also examine self haul customer tickets and billed account customers for accuracy. Anytime a ticket is found that does not have the correct rate we notify our software provider to correct the problem. The three above customers will have their accounts credited the \$73.30

Procedure: For each month in the quarter ended June 30, 2011, we prepared a summary of the fees, interest, and adjustments (for fees and interests) and determined the balance for each account type.

Results D: No findings were noted as a result of this procedure.

E. Procedure: For the quarter ended June 30, 2011, we obtained information from Central Collections regarding the status of accounts 90 days and over past due. All accounts over 90 days and their status have been presented in Exhibit A-2 for an aggregate amount of \$7,053.97, excluding fees and interest, which is an increase from the prior quarter balance of \$6,578.14. The Treasurer's Central Collection Division may request Board approval to write-off the uncollectible accounts twice a year, historically in December and June.

Results E: See Exhibit A-2 for "Accounts Receivable Activity over 90 Days".

IV. REVENUE

A. Procedure: We recalculated the charges on the "Scale Transaction Report" for 200 randomly selected cash transactions from each of the monthly reports for the quarter ended June 30, 2011.

Results A: No findings were noted as a result of this procedure.

B. Procedure: Using the "Scale Transaction Reports," we summarized the total cash, check, credit card payments for each day and calculated the monthly total. We completed a comparison of the payments per the Scale Transaction Report to the payments per the deposit information for the quarter ended June 30, 2011 and year-to-date. We have summarized our comparison and findings in Exhibit C. (See Exhibit C for the "Summary of Cash (Shortage) Overage".) As a result of this procedure we noted the following exceptions:

IV. REVENUE (Continued)

Exception B: (Updated Finding) Sixteen (16) exceptions, resulting in a net cash shortage of \$89.76 inclusive of bank adjustments, were noted for the quarter. Exceptions have been presented in Exhibit C, "Summary of Cash (Shortage) Overage". Of the sixteen (16) exceptions, we noted four (4) instances (25%) where cash variances were not detected by the end of day cash reconciliation completed by DRTS staff. The year-to-date cash shortage is \$145.

Recommendation B: All Cash Shortages/Overages are to be indicated on the Daily Reconciliation Forms by Northern's scale house staff.

Northern's Response B: We will continue to stress that the scale house staff note on their daily reconciliation any reason for an overage or shortage. We have also given the scale house staff explicit instructions on how to perform the end of day close, reconciliation and deposit. With the scale house staff, double checking each others deposit and reconciliation should minimize or eliminate any errors. The four instances referenced where as follows:

4/10/11, overage of .04 cents,	unknown overage not noted
6/20/11, overage of .80 cents,	unknown overage not noted
6/25/11 shortage of \$1.00,	unknown cc shortage not noted
6/26/11 shortage of \$20.00,	unknown cc shortage not noted

C. Procedure: (Updated Finding) We completed a comparison of the General Ledger activity to the deposit slip information submitted by DRTS for the quarter ended June 30, 2011 and summarized our comparison in Exhibit B. (See Exhibit B for the "Analysis of General Ledger Activity".) We also verified the timeliness of transmitting the deposit information and recording the revenue in the proper account. We noted that the transmission of deposit information and the recording of revenue were performed in a timely manner. As a result of this procedure we noted the following exception:

Exception C: As noted in Exhibit B, two (2) bank adjustments were posted to the General Ledger resulting in a net increase of \$40.00 in revenue.

Recommendation C: We recommend that scale house staff perform a self-review of the deposit slips they prepare by double-checking with a calculator or adding machine the amounts listed on the slip then subtracting the total previously calculated. The amount should net to zero. Then another employee (reviewer) should verify the amount of the cash to the amount listed on the deposit slips while in the presence of the employee preparing the deposit slip. If the cash agrees with the amount on the deposit slip, then the reviewer should initial next to the cash amount prior to sealing the deposit in the armor car carrier bag.

Northern's Response C: We have instructed the scale house staff to follow the recommendation procedure outlined above to ensure that their deposit and end of day reconciliation is correct. The \$40.00 overage for quarter ending 6/30/11 was a result of an overage of \$20.00 on 4/21/11 and a \$20.00 overage on 5/8/11. Both deposits were made by the same employee and she has been given an additional instruction to prevent further issues.

V. INTERNAL CONTROLS

A. Procedure: We examined the Scale Transaction Reports for the quarter ended June 30, 2011 and noted transactions with the same “Time In” and “Time Out.” Tickets have the same “Time In” and “Time Out” when staff manually input the tickets. Manual tickets may be required if the system is down. However, we noted that no manual tickets were used during the quarter. We excluded tickets for non-weighed items (e.g. auto batteries, tires, etc.), tickets for Collection Contractor’s vehicles with tare weights coded into the system in accordance with the Northern contract, and tickets where the comment indicated that the ticket was entered manually to correct a previous ticket. As a result of this procedure we noted the following exception:

Exception A: (Updated Finding) We noted one-hundred (100) tickets with the same “Time In” and “Time Out” entries. There were ten (10) tickets with the same time entries for cash customers and ninety (90) tickets for the remaining non-franchise Accounts Receivable customers. Eighty-nine (89) of the one-hundred (100) tickets were to accounts #50559, #50685, #50764, and #50765, public agencies. These accounts are not Collection Contractors, but DRTS stores tare weights for these customers. The contract between Northern and NVWMA currently only provides for the storing of tare weights for Collection Contractors’ vehicles.

Recommendation A: We recommend that reasons for manual input of tickets continue to be noted in the comment field within Soft-Pak. In addition to noting the reasons within Soft-Pak, the reasons for manual entry should also be noted on the Daily Reconciliation Forms when reason for manual entry is not apparent.

It should be noted that on June 1, 2011, the Executive Director authorized DRTS to utilize tare weights of vehicles of public entities, which includes the four (4) accounts noted in Internal Controls-Exception A. As such, Northern shall be responsible for the contractual duty of ensuring the accuracy of the vehicle tare weights (i.e. re-taring of vehicles no less than two (2) times per year).

Northern’s Response A: We have instructed scale house staff to follow the above recommendation and always note reasons for manual tickets in the comment field as well as note the ticket number and reason on the daily reconciliation. NROWS will continue to re-tare all vehicles that we have stored tare weights as well as the approved non-franchise public agency vehicles that are approved by the authority.

B. Procedure: We verified if Northern accounted for all tickets issued in the quarter ended June 30, 2011. We also tested the sequence of the tickets issued.

We understand that gaps in the ticket numbers within a month will appear when corrections for billing purposes are made after month end by posting replacement tickets. The system posts the replacement tickets with the date of the original ticket, but uses the next available ticket number at the time the correction is made, creating the appearance of gaps in sequence.

V. INTERNAL CONTROLS (Continued)

Gaps in sequential numbering may also occur when manual tickets, which are issued when the system goes down, are entered into the Soft-Pak system. Manual tickets must be dated in the system based on the date the load was delivered to ensure accurate reporting of daily vehicle counts and tonnage.

As a result of this procedure we noted the following:

Exception B1: For the quarter ended June 30, 2011, it was noted that there were one-hundred-eighty (180) tickets that did not show up on the Scale Transaction Reports for the quarter ended June 30, 2011. One-hundred-seventy-nine (179) tickets were issued in July 2011. This was due to tickets being backdated from July 2011 to June 2010. For the remaining ticket, ticket #421335, there was no apparent reason why it was excluded from the Scale Transaction Reports.

Exception B2: We noted four (4) tickets on the Scale Transaction Reports were back-dated. Of the four tickets, three (3) tickets were replacements for voided transactions. For the fourth ticket, the scale house staff entered the wrong date on the ticket and did not catch the error.

Recommendation B1 & B2: Upon inquiry with Northern regarding the missing ticket, we noted that Northern could not identify a reason for the exceptions and that Northern has contacted Soft-Pak for an explanation of why this exception occurred. It was previously recommended that a log be maintained to monitor all Soft-Pak issues and to note any unique occurrences. Northern started utilizing a log in July 2011. We recommend that Northern continues to use the log for all Soft-Pak issues. It is also recommended that corrections for tickets are entered prior to month end.

Northern's Response B1 & B2: We have asked our software provider Soft-Pak to look into all of the issues that have been noted. Soft-Pak did not have an answer as to the reason for the missing ticket and was suggesting that it might not have been properly recorded in the system and transaction report do to a power outage and the ticket somehow being lost as a result. Possible IBM hardware issue. We will continue to keep a Soft-Pak issue log and will keep asking Soft-Pak for explanations to unexplained issue.

C. Procedure: We reviewed negative amounts from the Scale Transaction Reports for the quarter ended June 30, 2011. We understand from our inquiries that negative quantities may be input manually to void or adjust ticket charges as necessary, for example where the origin, vehicle, customer or other information is input in error. The reasons for the negative amounts appear on a monthly Void Report. As a result of this procedure we noted the following exception:

V. INTERNAL CONTROLS (Continued)

The following table includes a summary of negative tickets by transaction type, month, and totals for the quarters ended June 30, 2011 and also includes totals for the prior quarters ended September 30, 2010, December 31, 2010, and March 31, 2011, for comparison.

**Table 5
Tickets with Negative Amounts**

	<u>April</u>	<u>May</u>	<u>June</u>	<u>Quarter Ending 6/30/11</u>	<u>Quarter Ending 3/31/11</u>	<u>Quarter Ending 12/31/10</u>	<u>Quarter Ending 9/30/10</u>
Cash Tickets	3	5	4	12	12	16	15
A/R Tickets	9	6	18	33	62	58	32
Total Tickets	<u>12</u>	<u>11</u>	<u>22</u>	<u>45</u>	<u>74</u>	<u>74</u>	<u>47</u>
Cash Amount	\$ (186)	\$ (374)	\$ (437)	\$ (997)	\$ (1,230)	\$ (1,895)	\$ (1,103)
A/R Amount	<u>(2,664)</u>	<u>(1,936)</u>	<u>(5,186)</u>	<u>(9,786)</u>	<u>(19,613)</u>	<u>(16,407)</u>	<u>(9,027)</u>
Total Amount	<u>\$ (2,850)</u>	<u>\$ (2,310)</u>	<u>\$ (5,623)</u>	<u>\$ (10,783)</u>	<u>\$ (20,843)</u>	<u>\$ (18,302)</u>	<u>\$ (10,130)</u>

Exception C: (Updated Finding) Based on the results in Table 5, we reviewed the applicable manual end of day reconciliation forms for all tickets with negative quantities. Reasons for the negative amounts were not noted on the end of day reconciliation forms in five (5) instances out of the forty-five (45) tickets with negative quantities.

Recommendation C: We recommend that scale house staff continue to note reasons for any negative amounts in the end of day reconciliation form. The reasons should include the original ticket number and the replacement ticket number. The implementation of the monthly void reports has been useful for review purposes, as the comment field (described in the void report as “Notes”) provides a description for each ticket with a negative quantity.

Northern’s Response C: The following are the five tickets in question:

1. Original ticket# 416155, replacement ticket #416166. Reason for the void-the wrong customer was input, ticket voided and correct customer charged
2. Original ticket# 417883, replacement ticket# 418005. Reason for the void- the wrong customer was input, ticket was voided and correct customer charged.
3. Original ticket# 421230, replacement ticket# 421649, Reason for the void-the wrong truck # was used, ticket was voided and the correct truck number was used to create and close the new ticket.
4. Original ticket# 432679, replacement ticket 432680, Reason for the void-the wrong customer was charged, ticket was voided and the correct customer was charged on the new ticket.
5. Original ticket# 434740, replacement ticket 434741. Reason for the void- the account was charged the under 6 ton rate; the load was over 6 tons. The ticket was voided and a new ticket was created and the customer was charged the over 6 ton rate.

V. INTERNAL CONTROLS (Continued)

Scale house staff is suppose to list reasons for voided tickets on the daily reconciliation form and put the replacement ticket number in the comment section of the voided tickets. Scale house staff has been reminded of the procedure.

VI. CONCLUSION

We were not engaged to, and did not perform an audit, the objective of which would be the expression of an opinion on specified elements, accounts, or items. 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 Board of Directors and the Executive Director of the Napa-Vallejo Waste Management Authority and the Manager of the Devlin Road Transfer Station and is not intended to be used by anyone other than these specified parties.



Karen Dotson-Querin, CPA
Internal Audit Manager
August 30, 2011

Exhibit A-1

Napa-Vallejo Waste Management Authority Accounts Receivable (A/R) Activity Summary As of June 30, 2011

	Month Ended April 30, 2011	Month Ended May 31, 2011	Month Ended June 30, 2011
Ending A/R per HMS:			
501	\$ 642,573.88 ^a	\$ 115,446.51 ^c	\$ 131,677.69 ^e
501C	4,014.04 ^b	4,090.04 ^d	4,166.04 ^f
Total A/R per HMS	646,587.92	119,536.55	135,843.73
Adjustments needed on HMS:			
HMS Fees, Int. & Penalties, and Other Adj.:			
Net 501	(580.60) ^a	(609.90) ^c	(766.26) ^e
Net 501C	(1,110.00) ^b	(1,155.00) ^d	(1,200.00) ^f
Total Adjustments per HMS	(1,690.60)	(1,764.90)	(1,966.26)
Other Adjustments 500/501B/501C:			
Acct. 54051 - 3/2/10 bill	173.40	173.40	-
Accts. 50558, 54053, 50763, 56658 - June Bill	1,742.42	1,742.42	-
Accts. 52748, 54051, 50558 -Tickets billed in error through 9/30/10	(559.80)	(559.80)	-
Acct. 52748 -Tickets billed in error	9.60	9.60	(121.12)
Acct. 54053 - 9/1/10 Bill	433.20	433.20	-
Acct. 50719 - ticket #358388	(359.68)	(359.68)	Note 1 (359.68)
Acct. 50558 - Jan 2011 bill	30.40	30.40	30.40
Acct. 56519 - Jan 2011 bill	(23.62)	(23.62)	(23.62)
Acct. 54051 - Feb 2011 bill	57.80	57.80	57.80
Acct. 57268 - Feb 2011 bill	(30.40)	(30.40)	(30.40)
Acct. 56658 - Feb 2011 bill	(19.28)	(19.28)	(19.28)
Acct. 54051 - Mar 2011 bill	45.40	45.40	45.40
Acct. 54051 - Apr 2011 bill	3.40	3.40	3.40
Acct. 50558 - May 2011 bill	-	20.60	20.60
Acct. 50558 - June 2011 Bill	-	-	68.60
Acct. 54051 - June 2011 bill	-	-	48.00
Total Other Adjustments	1,502.84 ^a	1,523.44 ^c	(279.90) ^e
Adjusted A/R			
501	Sum of ^a 643,496.12	Sum of ^c 116,360.05	Sum of ^e 130,631.53
501C	Sum of ^b 2,904.04	Sum of ^d 2,935.04	Sum of ^f 2,966.04
Total Adjusted A/R	\$ 646,400.16	\$ 119,295.09	\$ 133,597.57

Note 1: Adjustment will be made in the quarter ended September 30, 2011.

Exhibit A-2

**Napa-Vallejo Waste Management Authority
Accounts Receivable Activity Over 90 Days
Per Central Collections
As of June 30, 2011**

<u>Account Number</u>	<u>Principal</u>	<u>Fees/ Interest</u>	<u>Total</u>	<u>Collection Measures</u>
Account 501 - General A/R				
54927	\$ 127.00	\$ -	\$ 127.00	Continue collection procedure
54638	1,809.56	99.58	1,909.14	Continue collection procedure
55505	735.64	86.51	822.15	Continue collection procedure
54250	103.04	49.72	152.76	Acct written off 7/19/11
50627	37.00	-	37.00	Continue collection procedure
50688	143.36	-	143.36	Continue collection procedure
55260	1,428.73	192.87	1,621.60	Continue collection procedure
54114	257.40	38.39	295.79	Acct written off 7/19/11
Subtotal - 501 - General A/R	<u>4,641.73</u>	<u>467.07</u>	<u>5,108.80</u>	
Account 501C - NSF A/R				
57966	50.56	45.00	95.56	Paid 7/19/11
57857	80.64	45.00	125.64	Acct written off 7/19/11
57918	96.64	90.00	186.64	Acct written off 7/19/11
55442	728.48	55.00	783.48	Continue collection procedure
57917	79.36	45.00	124.36	Acct written off 7/19/11
58290	62.00	90.00	152.00	Continue collection procedure
57967	150.40	45.00	195.40	Continue collection procedure
57142	633.44	45.00	678.44	Continue collection procedure
58336	124.80	45.00	169.80	Continue collection procedure
57464	31.00	45.00	76.00	Continue collection procedure
55396	136.00	155.00	291.00	Continue collection procedure
58014	87.68	45.00	132.68	Continue collection procedure
56751	62.00	90.00	152.00	Acct written off 7/19/11
57965	31.00	45.00	76.00	Continue collection procedure
57768	58.24	45.00	103.24	Continue collection procedure
Subtotal - 501C - NSF A/R	<u>2,412.24</u>	<u>930.00</u>	<u>3,342.24</u>	
Total A/R	<u>\$ 7,053.97</u>	<u>\$ 1,397.07</u>	<u>\$ 8,451.04</u>	
Total A/R as of 3/31/11	<u>\$ 6,578.14</u>	<u>\$ 1,397.07</u>	<u>\$ 7,975.21</u>	

Exhibit B

Napa-Vallejo Waste Management Authority Analysis of General Ledger Activity April 1, 2011 through June 30, 2011

	General Ledger Total	Visa / MC	Deposit Slip	HMS	Bank Adjustments	Other
APRIL	\$ 388,592.30	\$ 89,916.04	\$ 152,513.88	\$ 146,591.42	\$ -	\$ (429.04)
MAY	1,427,937.21	80,707.45	140,185.85	1,207,327.26	40.00	(323.35)
JUNE	960,915.34	96,008.34	170,566.58	694,371.42		(31.00)
QUARTER	<u>\$ 2,777,444.85</u>	<u>\$ 266,631.83</u>	<u>\$ 463,266.31</u>	<u>\$ 2,048,290.10</u>	<u>\$ 40.00</u> <small>a</small>	<u>\$ (783.39)</u> <small>a</small>

$\Sigma a =$ \$ (743.39)
b

<u>Explanation of Bank Adjustments & Other:</u>	<u>Instances</u>	<u>Amount</u>
Returned Checks - Non Sufficient Funds (NSF)	8	\$ (648.39)
Journal fees/overpayments	2	(135.00)
Bank Adjustments (Exception - See Report Section IV.C)	2	40.00
	<u>12</u>	<u>\$ (743.39)</u> <small>b</small>

Detail is available upon request from the Napa County Auditor-Controller's Office

Exhibit C

Napa-Vallejo Waste Management Authority Summary of Cash (Shortage) Overage April 1, 2011 through June 30, 2011

Description	Quarter Ended Sep. 30, 2010	Quarter Ended Dec. 31, 2010	Quarter Ended Mar. 31, 2011	Quarter Ended June 30, 2011	Year to Date
Deposit Slips	\$ 497,896.56	\$ 384,260.02	\$ 380,952.68	\$ 459,506.19	\$ 1,722,615.45
VISA Slips	237,738.78	189,742.40	212,336.42	265,619.75	905,437.35
Subtotal	735,635.34	574,002.42	593,289.10	725,125.94	2,628,052.80
Deposits Per Cash Report	735,425.42	574,008.16	593,214.96	725,255.70	2,627,904.24
Cash (Shortage) Overage	209.92	(5.74)	74.14	(129.76)	148.56
Bank Adjustments	(195.52)	40.00	20.00	40.00 a	(95.52)
Merchant charge-backs	-	(198.04)	-	-	(198.04)
Net Cash (Shortage) Overage	<u>\$ 14.40</u>	<u>\$ (163.78)</u>	<u>\$ 94.14</u>	<u>\$ (89.76) b</u>	<u>\$ (145.00)</u>

Shortage is caused by the following:

	<u>Instances</u>	<u>Total</u>
Cash shortage	4	\$ (156.88)
Cash overage	5	84.12
Credit Card not accurately accounted for	5	(57.00)
Bank Adjustments	2 a	40.00
Net Cash (Shortage) Overage	<u>16 b</u>	<u>\$ (89.76)</u>