



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 March 31, 2012

Issued by
AUDITOR-CONTROLLER
Internal Audit Section
August 13, 2012

**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 MARCH 31, 2012

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 March 31, 2012.

From Northern Recycling Operations & Waste Services, LLC, we obtained the "Scale Transaction Report", "Void Ticket Report", "Cash Report", deposit slips 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 Aging" report, "Accounts Receivable Client Transaction" report, "Cash Receipts Audit Trail" report, station lists, copies of any applicable journal entries, a listing of manual rate adjustments, payments, refunds, and billings for each month in the quarter.

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.

From Napa-Vallejo Waste Management Authority, we obtained the activity for the Vallejo Garbage Lemon Street Haul.

II. ACCOUNTS RECEIVABLE

A. Procedure: We summarized the accounts receivable activity for the quarter ended March 31, 2012 and adjusted the report by the exceptions noted below, and by the "Other Adjustments" in Exhibit A-1 on page 11 ("Accounts Receivable Activity Summary").

Results A: See Exhibit A-1, Exhibit A-3 and Procedure II.E on pages 11, 13, and 4 respectively.

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.

Exception B1: During the quarter ended March 31, 2012, one (1) February ticket (#499337) was not included in the March 2012 transmittal to the Treasurer's Office for the amount of \$605.80. The ticket was created originally under Account #67, but should have been Account #50558.

Recommendation B1: It is recommended that Northern verify that all tickets for the month have been accounted for before issuing the transmittal to the Treasurer's Office. The verification can be performed by creating a pivot table by customer name from the Scale Transaction Report and comparing the accounts receivable transaction summary balances to the invoice file prepared for the Treasurer's Office.

Northern's Response B1: A billing adjustment form was completed on May 18, 2012 to change the customer from City of Napa MDF to City of Napa, Napa Recycling.

Exception B2 (Prior Report): It was noted in the report for the quarter ended December 31, 2011, that the residual waste from the City's Material Diversion Facility were weighed but not assigned a per unit price of \$61 per ton. The Executive Director noted the error, which began on November 8, 2011, and immediately brought the error to the attention of DRTS manager on March 8, 2012. The error resulted in Account #50558 being under billed for an aggregate amount of \$62,701.29. See Table 1 for a summary of the unbilled tickets.

II. ACCOUNTS RECEIVABLE (Continued)

Table 1
Unbilled Tickets

	<u># of Tickets</u>	<u>Amount</u>
12/31 Quarter	27	\$ 10,687.20
January 2012	52	19,462.05
February 2012	44	15,379.32
March 2012	36	12,750.22
April 2012	12	4,422.50
	<u>171</u>	<u>\$ 62,701.29</u>

Central Collections issued an invoice dated March 13, 2012 to Account #50558 in the amount of \$62,707.08 for the unbilled tickets. The invoice included three (3) tickets at the wrong amount. This resulted in an overcharge to the customer of \$5.79.

Recommendation B2: It was noted by DRTS that the error occurred after changing a description in the SoftPak system. It is recommended that whenever any change is made to the SoftPak system that Northern verify that all tickets processed for the next three to four days are processing correctly. The verification can be performed by creating a pivot table by customer name from the Scale Transaction Report and recalculating the amounts of the tickets.

Northern's Response B2: Northern Recycling has developed a process to detect pricing problems that occur as a result of software updates or system price changes.

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 #2011-08, which was adopted by NVWMA Board of Directors on June 2, 2011.

Exception C: As a result of this procedure, we noted three (3) instances where the special handling charge was not billed at the correct rate. The tickets were charged at the previous rate of \$125 instead of the new rate of \$126.

II. ACCOUNTS RECEIVABLE (Continued)

Recommendation C: Whenever there is a rate change, Northern should verify that all affected rates are updated. We also recommend that Northern verify if any other tickets with a special handling fee were undercharged. Verification can be performed by filtering the Scale Transaction Report for tickets with the special handling charge and checking if the correct rate was charged.

Northern's Response C: When the pricing was changed in the system for non contract customers it resulted in the Special Handling Fee price not updating properly in the system. This resulted in 48 scale tickets being under charged by \$1.00 each for a total of \$48.00. A billing adjustment form has been submitted to bill for the \$48.00. Northern Recycling has developed procedures to review and confirm that all price changes are correct for all charge codes and customers.

D. Procedure: For each month in the quarter ended March 31, 2012, we prepared a summary of the fees, interest, and adjustments (for fees and interest) and determined the balance for each account type.

Results D: No findings were noted as a result of this procedure. The aggregate amount of fees and interest has been removed from the accounts receivable balances to determine the amount owed by customers to Napa-Vallejo Waste Management Authority. See Exhibit A-1 on page 11.

E. Procedure: For the quarter ended March 31, 2012, we analyzed the accuracy of the Accounts Receivable Aging Report.

Exception E: We discovered in the prior quarter that the "A/R Aging Report" did not recognize credit balances, payments received but not yet applied to invoices, adjustments or refunds issued in prior months, and reversal of payment errors. Central Collections has been working closely with CAMS to get the Aging Report to reflect all balances correctly. However, the "A/R Aging Report" still is not reflecting all balances. The report is also time sensitive and cannot be run again once activity is posted to the system.

As a result of the missing information, the "A/R Aging Report" could not be used to determine the ending balances of NVWMA customer accounts. The account balances were determined by utilizing the prior quarter information and applying the current account receivable activity from the "A/R Client Transaction Report".

A comparison was performed between the calculated balances for each month and the "A/R Aging Report". A total of 35 accounts out of a total of 194 accounts with invoice activity in March were affected by the reporting errors. As of March 31, 2012, only 4 accounts were affected by the reporting errors. January, February, and March varied by \$106,572.44, \$(30.40) and \$(440.94), respectively.

II. ACCOUNTS RECEIVABLE (Continued)

Exception E (Continued): The January “A/R Aging Report” was created on February 9, 2012, which skewed the aging data. Discussion with the Treasurer revealed that the report was run on the correct date, but used the incorrect date parameters. This was subsequently caught by Central Collection staff and the report was recreated. However, due to the “A/R Aging Report” being time sensitive, the report did not reflect only the January transactions. The Auditor-Controller’s Office manually adjusted the balances to remove any February items on the report, but the balances still reflected some of the payments and adjustments posted in February. A detailed analysis is located on Exhibit A-3 page 13 (“CAMS Reporting Errors”).

Recommendation E: It is recommended that Central Collections and CAMS continue to work together to produce an “A/R Aging Report” to include all the necessary components that are instrumental in obtaining an accurate ending balance for the NVWMA customer accounts. Also, Central Collections should set up a reminder to run the “A/R Aging Report” at the end of the month. As soon as the report is ran Central Collections should verify that the report was ran correctly.

Treasurer’s Response E: Central Collections will continue to work with CAMS to make sure reports include all necessary components required to obtain an accurate ending balance for NVWMA. Central Collections will also continue to verify reports for accuracy. The A/R Aging Report is time sensitive and cannot be regenerated once new activity is added. The January 2012 A/R Aging Report ran with the month-end reports however the date selection was prior year. We have procedures in place to avoid this from happening in the future.

F. Procedure: 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 on page 12 for an aggregate amount of \$8,015.02, excluding fees and interest, which is a decrease of \$172.97 compared to the prior quarter balance of \$8,187.99. 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 F: See Exhibit A-2 for a detailed listing of the “Accounts Receivable Activity Over 90 Days”.

Treasurer’s Response F: See Exhibit A-2 for Treasurer’s Collection Measures.

III. REVENUE

A. 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 March 31, 2012. We have summarized our comparison and findings in Exhibit C on page 15 (“Summary of Cash (Shortage) Overage”). As a result of this procedure we noted the following exception.

III. REVENUE (Continued)

Exception A: (Updated Finding) Eight (8) exceptions, resulting in a net cash shortage of \$55.23 inclusive of bank adjustments, were noted for the quarter ended March 31, 2012. Exceptions have been presented in Exhibit C, "Summary of Cash (Shortage) Overage". Of the eight (8) exceptions, we noted one (1) instance (13%) where a cash variance was not indicated on the end of day cash reconciliation completed by DRTS staff. The year-to-date cash shortage is \$50.18.

Recommendation A: All cash shortages/overages are to be indicated on the Daily Reconciliation Forms by Northern's scale house staff. Indicating the shortage/overages would give evidence that the daily deposit was properly reconciled. This would also assist management in identifying if additional training is necessary.

Northern's Response A: Northern Recycling has instructed all scale house staff to report any cash shortage or overage on the daily reconciliation for that specific staff member. Northern also performed a review of the end of day reconciliation process with a representative from the Auditor Controllers office and the scale house staff.

B. Procedure: We completed a comparison of the General Ledger activity to the deposit slip information submitted by DRTS for the quarter ended March 31, 2012 and summarized our comparison in Exhibit B on page 14 ("Analysis of General Ledger Activity"). We also verified the timeliness of transmitting the deposit information and recording the revenue in the proper account. As a result of this procedure we noted the following exceptions:

Exception B1: During the quarter ended March 31, 2012, deposit slips, Visa/MC summary tags and "Daily Reconciliation" forms were not posted to the on-line storage system of *Box.net* in a timely manner for five (5) different transactions for an aggregate value of \$6,729.45. Deposit slips and "Daily Reconciliation" forms should be posted within 1 day and Visa/MC should be posted within 2 days. When analyzing the information, weekends and holidays were taken into consideration.

Exception B2: As noted in Exhibit B, one (1) bank adjustment was posted to the General Ledger resulting in a net decrease of \$100.00 in revenue. The bank adjustment was for a counterfeit \$100 bill.

Recommendation B1 and B2: We recommend that scale house staff be cross-trained, so when the employee who normally posts information to *Box.net* is not available, then another employee can perform their job responsibilities. To prevent counterfeit bills from being accepted, the scale house staff should check all large bills (bills greater than \$20) for forgery by viewing the watermark and using a counterfeit detection pen.

Northern's Response B1 and B2: Northern Recycling has cross trained additional staff to help post Daily Reconciliation forms to Box Net in case the office manager is out for vacation or illness. In a review of the two instances reported our records show that the deposit made on February 23, 2012 was posted on box.net on February 28, 2012. Northern has instructed all scale house staff to perform a visual inspection and use a counterfeit detection pen on all bills larger than \$20.00

III. REVENUE (Continued)

Exception B3: As noted in Exhibit B, there were three (3) deposits that were misposted to the General Ledger in the amount of \$22,663.53. These were identified by Central Collections and corrected in a timely manner.

Recommendation B3: We recommend that Central Collections continue to check that the deposits are posted correctly to the general ledger.

Treasury's Response B3: Central Collections will work with Treasury staff to implement procedures for the verification of general ledger account numbers prior to posting the deposits.

IV. INTERNAL CONTROLS

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 March 31, 2012.

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

B. Procedure: We examined the Scale Transaction Reports for the quarter ended March 31, 2012 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. 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 B: We noted nine (9) tickets with the same "Time In" and "Time Out" entries for an aggregate amount of \$762.70. There were six (6) tickets with the same time entry for a cash customer and three (3) tickets for non-franchise accounts receivable customers. The three (3) non-franchise accounts receivable tickets were for accounts #58500 and #52748. The tickets did not pertain to Collection Contractors and did not have an explanation provided to determine if the tickets were replacement tickets or if tare weights were used in violation of the terms of the contract.

It should be noted that the contract between Northern and NVWMA currently provides for the storing of tare weights for Collection Contractors' vehicles. On June 1, 2011, the Executive Director authorized DRTS to utilize tare weights of vehicles of public entities. As such, Northern shall be responsible for the contractual duty of ensuring the accuracy of the vehicle tare weights (i.e. re-weighing of vehicles no less than two (2) times per year).

IV. INTERNAL CONTROLS (Continued)

Recommendation B: 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.

Northern's Response B: Northern Recycling has reviewed the tickets in question and noted that of the 9 tickets with the same time in and out 4 of the tickets had notes as to the reason the other 5 tickets did not have any notes as to why the ticket resulted in a same time in and out. Scale house staff was reminded to note all reasons for same time in and out tickets on the daily reconciliation as well as on the ticket.

C. Procedure: We verified if Northern accounted for all tickets issued in the quarter ended March 31, 2012. 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. 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.

Results C: No exceptions were identified as a result of this procedure.

Status of Prior Reports: In the quarter ended December 31, 2011, this procedure identified two (2) tickets for an aggregate amount of \$588.90 that were not billed to Account #50763. DRTS submitted a billing adjustment form on February 24, 2012 to correct the shortage.

D. Procedure: We reviewed negative amounts from the Scale Transaction Reports for the quarter ended March 31, 2012. 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.

The following table includes a summary of negative tickets by transaction type, month, and totals for the quarter ended March 31, 2012 and also includes totals for the prior quarter ended December 31, 2011, for comparison.

IV. INTERNAL CONTROLS (Continued)

Table 2
Tickets with Negative Amounts

	<u>January</u>	<u>February</u>	<u>March</u>	<u>Quarter Ending 3/31/12</u>	<u>Quarter Ending 12/31/11</u>
Cash Tickets	3	4	9	16	16
A/R Tickets	8	11	10	29	145
Total Tickets	<u>11</u>	<u>15</u>	<u>19</u>	<u>45</u>	<u>161</u>
Cash Amount	\$ (251)	\$ (1,165)	\$ (1,541)	\$ (2,957)	\$ (3,864)
A/R Amount	<u>(2,081)</u>	<u>(2,139)</u>	<u>(3,845)</u>	<u>(8,065)</u>	<u>(41,628)</u>
Total Amount	<u>\$ (2,332)</u>	<u>\$ (3,304)</u>	<u>\$ (5,386)</u>	<u>\$ (11,022)</u>	<u>\$ (45,492)</u>

As a result of this procedure we noted the following exceptions:

Exception D: Based on the results in Table 2, 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 for ten (10) tickets out of the forty-five (45) tickets with negative quantities. The aggregate monetary effect of the ten (10) tickets was \$2,631.39.

Recommendation D: 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 D: The ten tickets in question were changed by the office manager because the original tickets did not have the proper material code. The office manager did not upload the daily reconciliation form with the note to provide back up.

V. SITE VISIT

A. Procedure: We reviewed the number of hand tags issued and the nature of system outages to determine if a site visit was necessary to do a manual review of hand tags and tickets. We noted that 13 hand tags were issued in the quarter ended March 31, 2012. It was determined that there was a low risk related to hand tags and system related issues.

Results A: Based on the above procedure a site visit was not performed.

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 13, 2012

Exhibit A-1

**Napa-Vallejo Waste Management Authority
Accounts Receivable Activity Summary
As of March 31, 2012**

Accounts Receivable	<u>Month Ended</u> <u>January 31, 2012</u>	<u>Month Ended</u> <u>February 29, 2012</u>	<u>Month Ended</u> <u>March 31, 2012</u>
Beginning AR Balance			
501	\$ 154,738.97 *	a \$ 113,310.35	c \$ 156,734.97
501C	2,836.84	b 2,873.89	d 2,790.69
	<u>157,575.81</u>	<u>aa 116,184.24</u>	<u>bb 159,525.66</u>
Add:			
Invoices and new assignments			
501	669,773.76	678,028.83	632,618.32
501C	37.05	-	-
	<u>669,810.81</u>	<u>678,028.83</u>	<u>632,618.32</u>
Customer Refunds or			
Short/Over	-	302.20	-
Adjustments for 501	(335.50)	-	3,686.86
Adjustments for 501C	-	-	(239.64)
Less:			
Total Collections per			
Station List (incl. Fees & Int.)	(710,866.88)	(635,075.22)	(681,542.07)
Fees Paid for 501	-	40.61	-
Fees Paid for 501C	-	45.00	45.00
Net Collections	<u>(710,866.88)</u>	<u>(634,989.61)</u>	<u>(681,497.07)</u>
Calculated A/R Balance - all accts	<u>\$ 116,184.24</u> aa	<u>\$ 159,525.66</u> bb	<u>\$ 114,094.13</u>
Ending A/R per HMS:			
501	\$ (23,312.50) a	\$ 112,148.07 c	\$ 112,216.96 e
501C	3,938.89 b	3,810.69 d	3,354.00 f
	<u>(19,373.61)</u>	<u>115,958.76</u>	<u>115,570.96</u>
Adjustments needed on HMS:			
HMS Fees, Int. & Penalties, and Other Adj.:			
Net 501	(767.52) a	(911.27) c	(798.80) c
Net 501C	<u>(1,065.00) b</u>	<u>(1,020.00) d</u>	<u>(840.00) f</u>
Other Adjustments 500/501C:			
Acct. 52748 Valley Recyl. -Tickets billed in error	(121.12)	-	-
Acct. 50558 (City of Napa) Jan 2011 bill	30.40	-	-
Acct. 56519 (Sonoma Garbage) Jan 2011 bill	(23.62)	-	-
Acct. 54051 (NCRWS) Feb 2011 bill	57.80	-	-
Acct. 57268 (Bluewater Environ) Feb 2011 bill	(30.40)	-	-
Acct. 56658 (Santa Rosa Recy) Feb 2011 bill	(19.28)	-	-
Acct. 54051 (NCRWS) Mar 2011 bill	45.40	-	-
Acct. 54051 (NCRWS) Apr 2011 bill	3.40	-	-
Acct. 50558 (City of Napa) May 2011 bill	20.60	-	-
Acct. 50558 (City of Napa) June 2011 Bill	68.60	-	-
Acct. 54051 (NCRWS) June 2011 bill	48.00	-	-
Acct 50558 - (NCRWS) MDF Residual	30,149.25	45,528.57	-
Acct 50763 (Recology Vallejo) Jan 2012 bill	588.90	-	-
CAMS Reporting Errors	106,572.44	(30.40)	(440.94)
Acct 50558 (NCRWS) Mar 2012 Bill	-	-	605.80
Acct 56914 March 2012 Payment	-	-	(0.10)
Acct 51936 (FRG Waste) Mar 2012 Bill	-	-	3.00
Acct 50558 (NCRWS) Correction Error	-	-	(5.79)
	<u>137,390.37</u> a	<u>45,498.17</u> c	<u>161.97</u> e
Adjusted HMS Balance - All Accts	<u>116,184.24</u>	<u>159,525.66</u>	<u>114,094.13</u>
Difference	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
* Restated			
		501	c \$ 111,580.13
		501C	f 2,514.00
		Total	<u>\$ 114,094.13</u>

Exhibit A-2

**Napa-Vallejo Waste Management Authority
Accounts Receivable Activity Over 90 Days
Per Central Collections
As of March 31, 2012**

<u>Account Number</u>	<u>Principal</u>	<u>Fees/ Interest</u>	<u>Total</u>	<u>Collection Measures*</u>
Account 501 - General A/R				
52160	\$ (5.00)	\$ -	\$ (5.00)	Refund processed 5/31/12
55366	32.00	-	32.00	Paid 5/30/12
57778	83.19	-	83.19	Client researching to submit pymt
54927	586.70	-	586.70	Partial pymt for \$275.75 on 4/13/12
52445	169.00	-	169.00	Paid 4/24/12
50549	325.65	-	325.65	Paid 4/5/12
60110	71.98	-	71.98	Paid 4/30/12
58593	148.85	-	148.85	Paid 4/6/12
50569	32.00	-	32.00	Paid 4/26/12
54638	1,809.56	235.33	2,044.89	Request for write off for 6/12
50585	0.40	-	0.40	Paid 5/14/12
60299	35.75	-	35.75	Paid 5/18/12
54051	548.80	-	548.80	Continue collection procedures
50688	174.36	48.84	223.20	Continue collection procedures
50689	0.05	-	0.05	Continue collection procedures
55260	1,428.73	297.87	1,726.60	Judgement-continue collection procedures
54756	(31.00)	-	(31.00)	Continue to hold per client request
Subtotal - 501 - General A/R	<u>5,411.02</u>	<u>582.04</u>	<u>5,993.06</u>	
Account 501C - NSF A/R				
60113	77.00	-	77.00	Continue collection procedures
58533	31.00	45.00	76.00	Request for write off for 6/12
55442	728.48	55.00	783.48	Judgement-continue collection
58290	62.00	90.00	152.00	Request for write off for 6/12
57142	633.44	45.00	678.44	Judgement-continue collection
58336	322.56	90.00	412.56	Request for write off for 6/12
55396	136.00	155.00	291.00	Judgement-continue collection
58400	294.04	135.00	429.04	Request for write off for 6/12
58481	31.00	45.00	76.00	Request for write off for 6/12
58014	87.68	45.00	132.68	Request for write off for 6/12
60097	169.80	-	169.80	Request for write off for 6/12
57965	31.00	45.00	76.00	Rec'd new mailing address-continue collection
Subtotal - 501C - NSF A/R	<u>2,604.00</u>	<u>750.00</u>	<u>3,354.00</u>	
Total A/R	<u>\$ 8,015.02</u>	<u>\$ 1,332.04</u>	<u>\$ 9,347.06</u>	

*Collection measures provided by Central Collections.

Exhibit A-3

**Napa-Vallejo Waste Management Authority
CAMS Reporting Errors
As of March 31, 2012**

Client No.	Calculated Balance as of 1/31/12	Aging Balance 1/31/12	Difference as of 1/31/12	Notes	Difference as of 2/29/12	Notes	Difference as of 3/31/12	Notes
52160	(37.00)	-	\$ (37.00)	1	\$ -		\$ -	
57964	245.05	-	245.05	1	-		-	
52215	(3.05)	-	(3.05)	1	-		-	
50520	538.20	-	538.20	1	-		-	
54926	228.80	-	228.80	1	-		-	
57268	-	-	-		(30.40)	2	(30.40)	2
50560	(115.85)	-	(115.85)	1	-		-	
50583	(9.00)	-	(9.00)	1	-		-	
50601	(32.50)	-	(32.50)	1	-		-	
56917	101.40	-	101.40	1	-		-	
50645	(220.35)	-	(220.35)	1	-		-	
50656	40.30	-	40.30	1	-		-	
53863	448.65	(99.95)	548.60	1	-		-	
54054	160.75	-	160.75	1	-		-	
57900	(56.00)	-	(56.00)	1	-		-	
50682	(105.00)	(347.00)	242.00	1	-		-	
54051	45,446.63	548.80	44,897.83	1	-		-	
50685	5,867.55	-	5,867.55	1	-		-	
50692	(65.50)	-	(65.50)	1	-		-	
50702	89.05	-	89.05	1	-		-	
55769	617.50	-	617.50	1	-		-	
54053	28.06	(44,500.11)	44,528.17	1	-		-	
50763	(318.46)	-	(318.46)	1	-		(470.10)	2
50724	(58.70)	-	(58.70)	1	-		-	
56658	3,479.45	-	3,479.45	1	-		-	
50731	(32.00)	(315.20)	283.20	1	-		-	
50741	(106.24)	-	(106.24)	1	-		-	
58573	175.35	-	175.35	1	-		-	
55285	83.20	-	83.20	1	-		-	
50754	508.34	508.26	0.08	1	-		0.04	3
50765	4,069.65	-	4,069.65	1	-		-	
52628	159.90	-	159.90	1	-		-	
56991	-	-	-	1	-		59.52	2
50557	577.75	(686.15)	1,263.90	1	-		-	
50595	72.80	34.64	38.16	1	-		-	
53991	(32.00)	-	(32.00)	1	-		-	
54756	(31.00)	-	(31.00)	1	-		-	
	<u>\$ 61,715.73</u>	<u>\$ (44,856.71)</u>	<u>\$106,572.44</u>		<u>\$ (30.40)</u>		<u>\$ (440.94)</u>	

Notes

- (1) Aging report was ran on 2/9/12 and a payment/adj was made in February
- (2) Credit balances without invoice to apply to
- (3) Payments without invoices to apply to

Exhibit B

**Napa-Vallejo Waste Management Authority
Analysis of General Ledger Activity
January 1, 2012 through March 31, 2012**

	General Ledger Total	Components				
		Visa / MC	Deposit Slip	HMS	Bank Adjustments	Other
JANUARY	\$ 936,308.78	\$ 98,891.90	126,587.05	\$ 709,886.45	\$ -	\$ 943.38
FEBRUARY	834,877.73	83,272.67	137,936.55	610,626.56	-	3,041.95
MARCH	<u>911,584.56</u>	<u>78,061.75</u>	<u>126,965.75</u>	<u>687,477.38</u>	<u>(100.00)</u>	<u>19,179.68</u>
QUARTER	<u>\$ 2,682,771.07</u>	<u>\$ 260,226.32</u>	<u>\$ 391,489.35</u>	<u>\$ 2,007,990.39</u>	<u>\$ (100.00)</u>	<u>\$23,165.01</u>

Σ a = \$ 23,065.01
b

<u>Explanation of Bank Adjustments & Other:</u>	<u>Instances</u>	<u>Amount</u>
Returned Checks - Non Sufficient Funds (NSF)	4	\$ (171.60)
Journal fees/overpayments	6	(302.20)
Bank Adjustments	1	(100.00)
Uncollectibles	1	975.28
Correction of Mispasted Deposits	3	22,663.53
	<u>15</u>	<u>\$23,065.01</u>

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
July 1, 2011 through March 31, 2012**

<u>Description</u>	<u>Quarter Ended Sep. 30, 2011</u>	<u>Quarter Ended Dec. 31, 2011</u>	<u>Quarter Ended Mar. 31, 2012</u>	<u>Year to Date</u>
Deposit Slips	\$ 496,542.94	\$ 419,077.10	\$ 393,261.95	\$ 1,308,881.99
VISA Slips	272,751.79	234,639.20	262,207.92	769,598.91
Subtotal	769,294.73	653,716.30	655,469.87	2,078,480.90
Deposits Per Cash Report	769,294.58	653,731.40	655,425.10	2,078,451.08
Cash (Shortage) Overage	0.15	(15.10)	44.77	29.82
Bank Adjustments	40.00	(20.00)	(100.00) a	(80.00)
Net Cash (Shortage) Overage	<u>\$ 40.15</u>	<u>\$ (35.10)</u>	<u>\$ (55.23) b</u>	<u>\$ (50.18)</u>

Shortage is caused by the following:

	<u>Instances</u>	<u>Total</u>
Cash shortage	2	\$ (32.50)
Cash overage	5	77.27
Bank Adjustments	<u>1</u>	<u>a (100.00)</u>
Net Cash (Shortage) Overage	<u>8</u>	<u>b \$ (55.23)</u>