



Agenda Date: 10/10/2006
Agenda Placement: 6M

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors
FROM: Pamela Kindig - Auditor-Controller
Auditor - Controller
REPORT BY: Karen Querin, Audit Manager, 253-4588
SUBJECT: Audit Report for Uniform Transient Occupancy Tax Audit of Calistoga Ranch

RECOMMENDATION

Auditor-Controller requests the Board accept, and instruct the Clerk of the Board to file, the Audit Report for the Uniform Transient Occupancy Tax Audit of Calistoga Ranch for the Period of May 1, 2004 to September 30, 2005.

EXECUTIVE SUMMARY

The Internal Audit Section of the Napa County Auditor-Controller's Office has audited the financial statements of the Uniform Transient Occupancy Tax Audit of Calistoga Ranch for the Period of May 1, 2004 to September 30, 2005. Acceptance of said audit report is requested.

FISCAL IMPACT

Is there a Fiscal Impact? No

ENVIRONMENTAL IMPACT

The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

Transient Occupancy Tax Audit

Staff conducted the audit of the Uniform Transient Occupancy Tax Audit of Calistoga Ranch for the Period of May 1, 2004 to September 30, 2005 in accordance with auditing standards generally accepted in the United States of America and as stipulated in the engagement letter.

Results of the Audit: An audit report may contain findings in any of the following three categories:

1. Material Noncompliance
2. Material Internal Control Weakness (Reportable Conditions)
3. Immaterial Internal Control Weakness

The findings noted during the respective audit have been summarized below:

Uniform Transient Occupancy Tax Audit of Calistoga Ranch

Category 1: Material Noncompliance - No Findings

Category 2: Material Internal Control Weakness (Reportable Conditions) - No Findings

Category 3: Immaterial Internal Control Weakness - Two (2) Findings

The audit resulted in a potential tax refund owed to Calistoga Ranch in the amount of \$5,095.

Please see the attached Management Comments for a detail description of the findings, recommendations and management responses.

SUPPORTING DOCUMENTS

A . Calistoga Ranch Management Comments

CEO Recommendation: Approve

Reviewed By: Maiko Klieman