



**NAPA-VALLEJO WASTE  
MANAGEMENT AUTHORITY**

Agenda Date: 12/2/2021

Agenda Placement: 7D

## Napa-Vallejo Waste Management Authority Board Agenda Letter

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**TO:** Board of Directors  
**FROM:** Richard Luthy - Executive Director  
Napa-Vallejo Waste Management Authority  
**REPORT BY:** Tracy Schulze, Auditor-Controller - 299-1733  
**SUBJECT:** Fiscal Year 2020-21 Financial Audit Report

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### **RECOMMENDATION**

#### **ANNUAL FINANCIAL AUDIT**

REQUESTED ACTION: Accept the Authority's annual audited financial report from Brown Armstrong Accountancy Corporation for the fiscal year ended June 30, 2021.

### **EXECUTIVE SUMMARY**

The Executive Director and Auditor-Controller request acceptance of the Authority's annual financial report, audited by the independent CPA firm Brown Armstrong Accountancy Corporation, for the fiscal year ended June 30, 2021.

### **FISCAL & STRATEGIC PLAN IMPACT**

Is there a Fiscal Impact? No

County Strategic Plan pillar addressed:

### **ENVIRONMENTAL IMPACT**

ENVIRONMENTAL DETERMINATION: 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**

The Executive Director and Auditor-Controller recommend acceptance of the Authority's annual financial statements for fiscal year ended June 30, 2021 as audited by Brown Armstrong Accountancy Corporation. The report issued by the independent CPA firm contains an unqualified, or "clean", opinion, with no management recommendations.

Highlights of the audit (attached) include:

- | The Auditor's Opinion, found on page 2, states the financial statements present the financial position of the Authority;
- | The Management Discussion and Analysis begins on page 3 and provides financial highlights for the year, the story behind the numbers and compares the fiscal activity of the two prior years;
- | The Financial Statements are presented on pages 7-9, showing the Authority has a very strong net position of \$34.8 million, mainly consisting of capital assets of \$24.4 million and cash of \$20.1 million;
- | The Notes to the Financial Statements begin on page 10 and provide summary of accounting policies and other information helpful when looking at the financial statements;
- | On pages 14-15, you will find a breakdown of activity by Division, which is comparable to your quarterly financial reports; and
- | Lastly, on pages 16-17 is another report and opinion by the Independent Auditors expressing strong and adequate internal controls of the Agency.

Also attached to this agenda item is a letter from the Independent Auditors of required communications to the Board to express if there were any concerns or difficulties that were encountered during the audit, of which there were none.

**SUPPORTING DOCUMENTS**

- A . Audited Financial Report Fiscal Year 2020-21
- B . Required Communication to the Board

Executive Director: Approve

Reviewed By: Marie Nicholas