

**BROWNELL & DUFFEY**  
*Certified Public Accountants*

1901 Camino Vida Roble, Suite #110  
Carlsbad, CA 92008  
Phone (760) 929-2227  
Fax (760) 602-0954

7676 Hazard Center Drive  
San Diego, Ca 92108  
Phone (619) 258-3999  
Fax (619) 482-2423

**Independent Accountants' Report on  
Applying Agreed-Upon Procedures**

March 2, 2010

Kathleen Bradbury  
Finance Director  
Town of Yountville  
Yountville, CA 94599

We have performed the procedures enumerated below which were agreed to by the Town of Yountville with respect to **transient occupancy tax** revenue payments received by the Town of Yountville for 2006, 2007 and 2008 as set forth in the accompanying schedule. Our review was made solely to assist you in evaluating the reasonableness of those payments received, and our report is not intended for any other purpose. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these 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. For the operators listed on the accompanying schedule, we performed the following procedures:

- a. Hotel guest payments were totaled and verified to daily occupancy records on randomly selected days. Daily occupancy records were totaled and agreed to monthly revenue amounts on a test basis. Occupancy records were compared to bank statements when appropriate.
- b. Monthly occupancy revenue totals were added and traced to transient occupancy tax returns.
- c. Transient occupancy tax returns were tested for math accuracy and a reasonableness test was performed for total taxes received.
- d. Total room revenue for the year was traced to the operator's general ledger, financial statements, and federal income tax returns when available.

Kathleen Bradbury, Finance Director  
Town of Yountville  
March 2, 2010

- e. Non-taxable exempt transient occupancy was reviewed for compliance with Town code
- f. Operator's revenue sources, per operator's financial statements, were considered for applicability as to inclusion in taxable room revenue.

The agreed upon materiality limit for a reportable finding is under-reported tax of \$100.00 or more. Because the above procedures do not constitute an audit made in accordance with generally accepted auditing standards, we do not express an opinion on the transient occupancy tax revenue for 2006, 2007 and 2008. Had we performed additional procedures or had we performed an audit of the financial statements of the various operators in accordance with generally accepted auditing standards, matters might have come to our attention that would have been reported to you. This report relates only to the accounts and items specified above and does not extend to any financial statements of the Town of Yountville.

This report is intended solely for the use of the Town of Yountville and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes.

  
Brownell & Duffey

Kathleen Bradbury, Finance Director  
Town of Yountville  
March 2, 2010

TOWN OF YOUNTVILLE  
TRANSIENT OCCUPANCY TAX REVENUE  
RESULTS OF APPLYING AGREED UPON PROCEDURES

The procedures were performed for the following operators for 2006, 2007 and 2008:

Bordeaux House  
Maison Fleurie  
Napa Valley Railway Inn  
Villagio Inn & Spa  
Yountville Inn

Lavender Inn  
Napa Valley Lodge  
Petite Logis  
Vintage Inn