

Vendor ID	Check #	Pulled	Vendor	Check Date	Amount
ACE*100	41126		Ace Pole Company, Inc.	5/22/2008	\$12,740.06
ADVA118	40873		Advanced Printing Solutions LLC	4/25/2008	\$348.00
AIRP100	39940		Airport Auto Salvage II	1/4/2008	\$975.00
ALLP100	39939		ALLPHASES	1/4/2008	\$525.00
BETT100	39381		Better Business Forms	10/26/2007	\$3,101.35
ART*100	40463		Art Reflections	3/6/2008	\$196.00
AT*T101	40066		AT&T	1/17/2008	\$2,052.93
BEAU101	39834		Hosea Beauchamp	12/20/2007	\$110.00
BELL123	41523		Bell, Roper & Kohlmeyer, P.A.	7/17/2008	\$9,253.57
BETT101	39901		Better Barricades, Inc.	12/27/2007	\$121.79
BLAC102	41455		Black & Veatch Corporation	7/10/2008	\$32,713.75
BOB*102	39833		Bob Kovacs Wells Pumps Sprinklers,	12/20/2007	\$636.00
BRIG103	39992		BrightHouse Networks	1/11/2008	\$1,262.95
CARG100V	41065		Cargill Power Markets, LLC	5/15/2008	\$506,808.00
CARM101	41187		Carmeuse Lime&Stone Luttrell Operat	5/29/2008	\$3,344.01
CENT116	40073		Central Blueprinting & Repro	1/17/2008	\$56.00
CHUR101	40241		J. H. Churchwell Company	2/8/2008	\$346.45
CHUR101	40370		J. H. Churchwell Company	2/21/2008	\$218.75
CHUR101	40423		J. H. Churchwell Company	2/28/2008	\$277.55
CINT100	39838		Cintas Corporation	12/20/2007	\$87.20
COGN100	40134		Cognos Global Customer Service	1/25/2008	\$3,000.00
COLO104	40001		Colonial Supplemental Insurance	1/11/2008	\$8,145.65
COUN101	39767		County of Volusia	12/13/2007	\$19,169.09
DYER100	39840		Dyer, Riddle, Mills & Precourt	12/20/2007	\$1,822.50
EAST109	39643		East Coast Fire Protection	11/30/2007	\$325.79
FARR101	40013		Jeff Farr	1/11/2008	\$85.19
FLOR136	40081		Florida Department of Revenue	1/17/2008	\$77,285.66
FLOR136	41544		Florida Department of Revenue	7/17/2008	\$109,672.66
FLOR137	41004		Florida Dept. of Revenue	5/8/2008	\$59,473.49
FLOR163	41338		Florida Municipal Power Agency	6/19/2008	\$850.00
FLOR206	39443		Florida Department of Education	10/31/2007	\$135.26
FLOR215	41390		Florida East Coast Railway, LLC	6/26/2008	\$36,627.65
FMPA100V	41076		FMPA St.Lucie O&M	5/15/2008	\$393,834.68
FP*L100	41668		Florida Power & Light	7/31/2008	\$7,771.18
G*G*100	39937		G.G. Griffa, Inc	1/4/2008	\$42,619.50
GART100	40680		Jennifer Garthwaite	3/27/2008	\$450.00
GELZ100	40147		William Gelzon	1/25/2008	\$82.00
GENE109	39852		General Chemical	12/20/2007	\$1,134.05
GRES100	40197		Gresco / Capstone Util Supply	1/31/2008	\$13,808.80
HAND101	40777		Handyman Connection	4/10/2008	\$860.00
HAYT100	39260		Hayt, Hayt & Landau	10/5/2007	\$50.00
HAYT100	40962		Hayt, Hayt & Landau	5/2/2008	\$50.00
HD**101	40264		HD Supply Waterworks	2/8/2008	\$5,738.40
HD**101	41550		HD Supply Waterworks	7/17/2008	\$611.25
HERD101	40493		Jennifer Herdel	3/6/2008	\$6,607.50
IBEW100	40499		IBEW Local 2088	3/6/2008	\$1,770.52
IBEW100	40733		IBEW Local 2088	4/3/2008	\$1,992.60
ICMA100	41202		ICMA	5/29/2008	\$27,441.97
INTE106	39723		Integrated Business Group	12/6/2007	\$198.71
ITRO100	39724		Itron, Inc.	12/6/2007	\$1,356.60
JACK103	41616		Jack M. Cole	7/24/2008	\$200.00
UNIT105	39364		United States Treasury	10/18/2007	\$349.87
LA*Q102	40551		LaQuinta Inn Lakeland East	3/11/2008	\$2,975.00
LEBL100	39665		David LeBlanc	1/130/2007	\$450.00
MEAD100	40157		MeadWestvaco	1/25/2008	\$324.00

BRENT MILLIKAN & COMPANY, P.A.
CERTIFIED PUBLIC ACCOUNTANTS

September 4, 2008

Laurie Klinkenberg
Director of Finance
Utilities Commission, City of New Smyrna Beach
200 Canal Street
Post Office Box 100
New Smyrna Beach, Florida 32170

Re: Cash Receipts Testing FY 2008

Dear Laurie:

We are including in our scope of interim test work the testing of cash receipts for the Commission. We have randomly selected the following five days from the period from October 1, 2007 through July 15, 2008 for testing:

Tuesday, November 6, 2007
Wednesday, January 16, 2008
Thursday, April 10, 2008
Friday, June 13, 2008
Monday, July 7, 2008

With respect to the specific data we will need to test the cash receipts transactions for the above described days, we will need you to compile the following supporting documentation to substantiate all cash receipts collected from all available sources on each of these days:

1. Original daily cash reports, including data to support all cash/check/money order receipts collected from all sources;
2. Original deposit tickets for each bank deposit that supports the deposit of funds generated by each daily cash report;
3. Original Bank Statements evidencing deposit of the individual deposits identified in Items #1 and #2 above

Important - all bank deposits made from the cash receipts of the day selected must be included in the scope for Items #1 and #2.

4. Please print-out entries prepared by Commission personnel to record each of the daily cash receipts activities identified above.

5. We will also need to test a random sample of billings through the Cogsdale System to try to capture as many different customers, i.e., residential versus commercial, as possible. This will involve making a copy of the billing and taking us through your database to see what rates are being charged for the various services and we need to verify the rates with your authorized tariffs and rate book. We expect to test at least 5 randomly selected accounts to do a thorough testing of all elements that are billed to each customer. Most likely we will have to sit down with you or someone you assign to work with us through your system so that we can print-out various screens from your Customer Service system, billings, etc. to trace the specific billing through your systems.

There is no worksheet to complete in connection with the cash receipts test work. We just need the information requested above to be available for our inspection.

We fully understand that this information will take some time to compile. If possible, please be sure that all of the individual items have been pulled prior to our on-site visit. This should help speed up the review process for all of us, particularly in the event that additional data may need to be extracted later.

As we discussed earlier, we know the UC has recently changed to a new customer service/utility billing software application. Part of our procedures will involve documenting a detailed "walk-through" under the new system; from meter reading to billing and then to collection. We understand that this system is so new that you may not have had the opportunity to document the "cradle-to-grave" procedures yourselves, but we are required to gain this understanding and document it for our files. Therefore, someone will need to take the time with us to walk through each step and provide us with screen-prints or excerpts from any manuals to document the process of signing-up a new customer all the way to collecting from the customer.

Since, the UC acts as billing agent on behalf of the City of New Smyrna Beach, Florida for garbage, stormwater, etc. we will need to document how the system handles these billing components as well. We will also need to document whether the City has done any of its own testing through your system to insure customers are being billed correctly, in light of the change in the system.

We will also need to document the computer network and application systems applicable to the new customer service and billing software as well.

Laurie Klinkenberg
Director of Finance
Utilities Commission, City of New Smyrna Beach
September 4, 2008
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If you have any questions concerning this information request, please contact me at your earliest convenience.

Sincerely,



Bradley F. Douglas, CPA
Audit Engagement Manager

Number	Extra	Date	Employee Name	Job Classification	Hours Reg	OT	UC Contrib.	UC-ICMA Contrib.	Gross Pay	FICA	FITW	Other Deductions	Amount
142180													
142237													
142345													
142359													
142393													
142454													
142528													
142580													
142917													
142934													
143049													
143062													
143091													
143130													
143156													
143177													
143214													
143391													
143408													
143421													
143440													
143461													
143466													
143498													
143727													
143750													
143753													
143832													
143918													
143927													
143930													
143948													
144048													
144105													
144110													
144126													
144159													
144169													
144179													
144266													
144570													
144571													

Number	Extra	Date	Employee Name	Job Classification	Hours	Reg	OT	Contrib.	UC-ICMA Contrib.	Gross Pay	FICA	FITW	Other Deductions	Amount
144590														
144748														
144763														
144801														
144824														
145000														
145002														
145012														
142732 *														
142869 *														
143360 *														
143986 *														
144913 *														

Additional replacements if any of above are "void"

This random sample was determined using BM&C software application *The Number -Version 4.3* and instead of printing out the worksheets we exported the random sample to Excel.

The population is based on checks written on the UC's Master Account for payroll check numbers from October 1, 2007 to July 15, 2008 as follows: 142069 to 145029. Refer to client email at _____ for identification of the population.

The total population is 2,961 checks. The sample size is 50 checks.

The sample size was determined using auditor judgment based on prior experience and error rates. 5 extras were randomly selected to replace any voided checks.

The sample of checks will be used to satisfy both compliance and substantive testing of payroll.

Refer to the separate Audit Memo for more information on the sampling used for these dual purpose tests.