

RESOLUTION NO 400-R

A RESOLUTION RESPONDING TO FISCAL YEAR 1979-80 AUDIT
COMMENTS AS REQUIRED BY OREGON LAW.

WHEREAS, legislation has been passed requiring a response
to audit comments and,

WHEREAS, our fiscal year 1979-80 audit does reflect some
comments,

NOW THEREFORE BE IT RESOLVED BY THE COMMON COUNCIL OF THE
CITY OF TROUTDALE that

Section 1 - Comments made by the auditing firm of Coopers
and Lybrand are according to Oregon Law and are
accepted by the City Council.

Section 2 - Remedy of adverse comments are as follows:

II. Accounting Records: The maintenance of fixed asset
records are a major concern of the City, however plans to
finance a professional appraisal of our fixed assets has
been deleted from our current General Fund budget due to
economic conditions. The City will make every effort to
begin this process early in fiscal year 1981-82.

III. Budget and Legal Compliance:

A.(2) - In an effort to reduce the General Fund deficit,
the General Fund department appropriations were reduced
during the fiscal year. The Enterprise Fund revenue
projections were also reduced due to the downturn in
housing starts. Appropriation authority was reduced
lower than actual costs. These expenditures were made
too late in the fiscal cycle to respond with a supple-
mental budget to increase the appropriation authority.
The remedy: We have received our audit adjusting entries
earlier and also the audit report. Our accounting records
are now being updated to reflect these adjustments. This
gives the City an opportunity to trend these projections
earlier, to avoid this overexpenditure at the end of the
fiscal year.

C. The City and the local banks have now reached an
agreement that when large deposits are made, the City
will contact the bank so they may increase the collatera-
lization. The City and banks were not in compliance with

ORS Chapter 295 on one occasion in fiscal year 1979-80.

PASSED BY THE COMMON COUNCIL OF THE CITY OF TROUTDALE THIS
9th day of December, 1980.

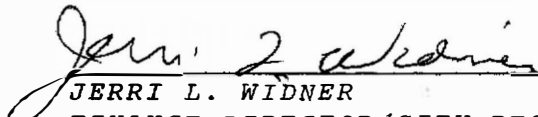
YEAS 6

NAYS 0



R.M. STURGES, MAYOR

ATTEST:



JERRI L. WIDNER
FINANCE DIRECTOR/CITY RECORDER