

RESOLUTION NO. 481-R

A RESOLUTION RESPONDING TO FISCAL YEAR 1981-82 AUDIT COMMENTS AS REQUIRED BY OREGON LAW

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

WHEREAS, the fiscal year 1981-82 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 & 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 is a major concern of the City; funds for a fixed asset appraisal and to establish a fixed asset record system are provided in the 1982-83 budget. The City anticipates that the appraisal will be completed and the record system in place by the end of this fiscal year.

III. Budget and Legal Compliance:

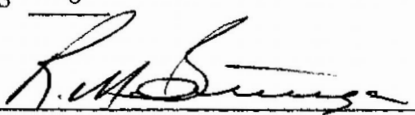
A. Funds were expended in excess of related appropriation categories in General Fund, State Tax Street Fund, Arterial Street Lighting Fund and the Enterprise Fund. The overexpenditures were created by the year end accruals which were underestimated. During fiscal year 1981-82 the City was in the process of converting its accounting and budget records to a computerized system while maintaining a parallel manual system. The computerized budget and financial reporting system, which is now in place, permits us to review budget comparisons and projections closely and to monitor appropriation balances on a timely basis in order to avoid overexpenditures at the end of the fiscal year.

C. The City has consolidated its checking accounts. The Oregon Bank, Troutdale Branch, has been designated as the depository. The City and the Oregon Bank are working together to assure that adequate collateral is maintained by the bank. Both the City and the Bank are reviewing the adequacy of collateral on a timely basis. The City is also reviewing the collateral certificate each time an investment transaction occurs to assure that adequate collateral is provided. The City and banks were not in compliance with ORS Chapter 295 on three occasions in fiscal year 1981-82.

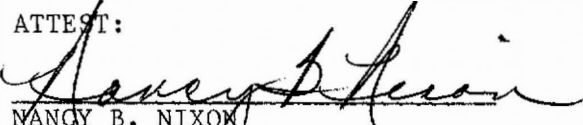
ADOPTED BY THE COMMON COUNCIL OF THE CITY OF TROUTDALE THIS 14th DAY OF December, 1982.

YEAS 5

NAYS 0


R. M. STURGES, MAYOR
DATE SIGNED: 12-16-82

ATTEST:


NANCY B. NIXON
FINANCE DIRECTOR/CITY RECORDER