

RESOLUTION R1112-02

RESOLUTION ADOPTING MEASURES TO CORRECT LEGAL DEFICIENCIES DISCLOSED IN THE CITY AUDIT REPORT ENDING FISCAL YEAR JUNE 30, 2010

WHEREAS: In accordance with Oregon Revised Statutes, the City of Gold Beach prepares annual year-end financial statements that reflect the financial position of governmental and business-type activities each year; and

WHEREAS: In accordance with Oregon Revised Statutes, the City of Gold Beach contracts with an independent firm to have these financial statements audited each year; and

WHEREAS: The City of Gold Beach has contracted with Boldt, Carlisle & Smith, LLC to audit the City's annual year-end financial statements; and

WHEREAS: In the City of Gold Beach Annual Financial Report for the Year Ended June 30, 2010, the auditors identified four items in the City's financial statements they believe are not in substantial compliance with certain provisions of Oregon Revised Statutes and Oregon Administrative Rules; and

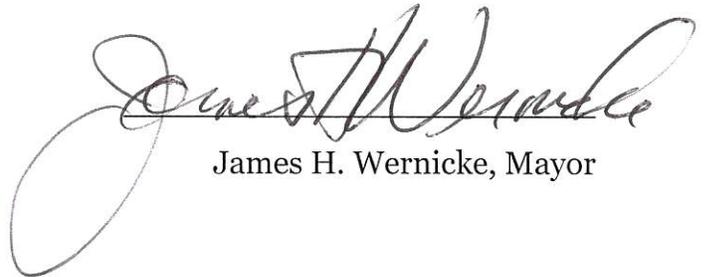
WHEREAS: ORS 297.466 requires that the city council adopt planned corrective measures with regard to the violations noted in the auditor comments.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Gold Beach, Oregon does hereby adopt the plan attached as Exhibit A for correcting legal deficiencies disclosed in the city audit report ending Fiscal Year June 30, 2010.

PASSED BY THE CITY COUNCIL OF THE CITY OF GOLD BEACH, COUNTY OF CURRY, STATE OF OREGON, and EFFECTIVE THIS 11TH DAY OF JULY, 2011.



Jodi Fritts, City Recorder



James H. Wernicke, Mayor

EXHIBIT A

CITY OF GOLD BEACH PLAN TO CORRECT LEGAL DEFICIENCIES IDENTIFIED IN THE CITY OF GOLD BEACH ANNUAL FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2010

<u>Deficiency</u>	<u>Corrective Action</u>	<u>Estimated Time of Completion</u>
Investment maturity dates in violation of ORS 294.135	All Certificates of Deposit (CDs) with maturity dates greater than 18 months have either been cashed out with proceeds moved to the City's checking or money market accounts or reinvested in CDs with maturity dates less than 18 months.	Complete as of July 1, 2011
Not providing the Oregon State Treasurer with bank depository information as required by OAR 170-040-0050	Bank depository information has been provided to the Oregon State Treasurer in accordance with OAR 170-40-0050	<p>Current bank depository information has been provided to the Oregon State Treasurer.</p> <p>City financial policy is being drafted directing staff to notify the Oregon State Treasurer whenever changes are made with bank depository information. This policy is expected to be adopted by City Council by December 31, 2011.</p>
2010-11 budgeted transfers not in balance in violation of OAR 162-010-260	At the direction of the Oregon Department of Revenue, a supplemental budget was passed (Resolution R1011-40) to correct the transfer imbalance noted in the FY 2010-2011 Gold Beach City budget. New fund accounting software (Caselle) recently implemented by the City includes budgeting modules to facilitate the budget development process and identify when transfer imbalances are present while the budget is being created.	<p>Resolution R1011-40 was passed by the City Council of the City of Gold Beach on June 13, 2011.</p> <p>The budgeting modules in the new fund accounting software are active as of July 1, 2011 and will be used for developing the FY 2011-2012 budget and subsequent budgets.</p>
Over expended appropriations in violation of Local Budget Law (ORS 294.435)	New fund accounting software (Caselle) is being implemented by the City that provides more timely and accurate monthly financial activity reports to aid with ongoing expense monitoring	<p>Conversion to the new fund accounting software is complete as of July 1, 2011.</p> <p>City financial policy is being drafted requiring monthly monitoring of fund expense activity by the City Administrator and department directors with monthly expense reports provided to City Council for review</p>