

RESOLUTION NO. 797

A RESOLUTION ADDRESSING THE CONCERNS OF THE FISCAL YEAR 1989-1990 AUDIT

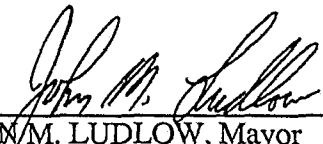
WHEREAS, the city staff has prepared a report on the above captioned subject which is attached hereto as Exhibit "A"; and

WHEREAS, the City Council has duly considered the subject and the recommendation(s) contained in the staff report; and

WHEREAS, interested parties, if any, have had an opportunity to be heard on the subject.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Wilsonville does hereby adopt the staff report attached hereto as Exhibit "A", with the recommendation(s) contained therein and further instructs that action appropriate to the recommendation(s) be taken.

ADOPTED by the City Council of the City of Wilsonville at a regular meeting thereof this 19th day of November, 1990, and filed with the Wilsonville City Recorder this same date.



JOHN M. LUDLOW, Mayor

ATTEST:



PAMELA J. MUNSTERMAN, City Recorder Pro-Tem

SUMMARY of Votes:

Mayor Ludlow	<u>Aye</u>
Councilor Dant	<u>Aye</u>
Councilor Chandler	<u>Aye</u>
Councilor Clarke	<u>Aye</u>
Councilor Edwards	<u>Aye</u>



City of
WILSONVILLE
in OREGON

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MEMORANDUM

FINANCE DEPT

EXHIBIT "A"

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: RAY SHORTEN, FINANCE DIRECTOR

DATE: NOVEMBER 14, 1990

RE: AUDITOR CONCERNS ON THE
FY 1989-90 AUDIT

Included in this City Council packet is a copy of the annual audit report as prepared by Gregor Professional Corporation, for the fiscal year ending June 30, 1990. A management letter, found on page 79 notes several conditions regarding the audit. The purpose of this memorandum is to address each condition and present to you an action to rectify the concern.

Finding #1 - Calculation of Interest on Special Assessment Payments

The computer program used to calculate assessments and record assessment payments is now functioning correctly to insure that all interest owed will be billed and collected as suggested.

Finding #2 - Public Transportation Payroll and Self Employment Tax Collection

Billings are currently being tied to the City's business license program and the Metro business license listing. To create a system that would better insure that all tax payers are identified and billed would require additional time and personnel. I feel that the additional revenues generated would not justify the additional costs associated with the implementation of a more in-depth system.

EXHIBIT "A"
CB-R-470-90

Finding #3 - Hotel/Motel Tax Collection

Like the finding above, this condition will also require additional manpower, as well as further cooperation with Washington County. Currently all those hotel/motel facilities located in Washington County, submit their taxes to the County and then after taking a percentage of the taxes collected, the County forwards the remainder to us. This differs from those motels within Clackamas County, which forward their payments directly to the City. Detailed information provided by Washington County regarding the taxes collected has been limited.

As the audit suggested, I will implement a procedure that shows each payment made by the corresponding motel. Additionally, I will be establishing a method in which all the motels within our City will forward appropriate documentation to us, allowing us to verify the taxes owing.

Finding #4 - Capitalization Policy

Staff will be drafting a policy in the near future, regarding the capitalization of expenditures and bringing it to the Council for formal adoption.