

**CITY OF NEWPORT
RESOLUTION NO. 3844**

**A RESOLUTION ADOPTING A CORRECTIVE PLAN OF ACTION FOR FINDINGS
RELATED TO THE 2017/2018 FISCAL YEAR AUDIT**

WHEREAS, the City of Newport's, 2017/2018 Fiscal Year (FY) audit is complete, ready for approval by the City's Audit Committee, and to be approved by the City Council; and

WHEREAS, the City of Newport's 2017/2018 FY audit contained three reportable conditions, one, Deposits of Public Funds with Financial Institutions was not completed per auditors, two, the city had ten programs with actual activities exceeded the Council Budgeted Appropriations and three policies related allowable costs related to federal awards are not complete, these are considered deficiencies and a corrective action plan is necessary to be filed with the Oregon Secretary of State and the Federal (Audit) Clearinghouse; and

WHEREAS, upon receipt of an audit report under ORS 297.465(2), the governing body of a municipal corporation shall determine the measures it considers necessary to address any deficiencies disclosed in the report. The governing body shall adopt a plan of action to address the deficiencies. The plan must include the estimated period of time necessary to complete the planned actions. This resolution must be filed within 30 days after filing an audit report with the Secretary of State under ORS 297.465.

THE CITY OF NEWPORT RESOLVES AS FOLLOWS:

1. The Deposits of Public Funds with Financial Institutions will be completed and documented by the Finance Director when the state sends out their notice, happens annually in March of each year.
2. The overspent expenditures within the General Fund, Recreation, Public Parking, Streets, Debt Service - General, Capital Improvements, Wastewater, and City Facility departments programs, will be monitored by city Finance staff and corrections will be made before the end of the 2018/2019 Fiscal Year.
3. The reportable condition within Section III - Federal Award area, the new requirements to develop written procedures, as required by 2 CFR Part 200.302(b)(7), for determining the allowability of costs for city grants is in process of being implemented by the City Manager and Finance staff in the 2018/2019 Fiscal Year.


This resolution will become effective immediately upon passage.

Adopted by the Newport City Council on March 18, 2019.



Dean H. Sawyer, Mayor

Attest:



Margaret M. Hawker, City Recorder