

RESOLUTION NO. _____
**A RESOLUTION ADOPTING A PLAN OF ACTION AND RESPONSE TO THE AUDIT FINDINGS OF
THE AUDITORS REPORT FOR FISCAL 2020-2021 FINANCIAL STATEMENTS.**

The city of Yachats Resolves as follows:

WHEREAS, the City of Yachats has received and reviewed the 2020-2021 Financial Statement audit from the City Auditors (the Audit); and

WHEREAS, the Audit notes commented “The City of Yachats has elected not to have an internal control system designed to provide for the preparation of the financial statements and related footnotes being audited. As is the case with many small to medium sized Oregon entities, the City of Yachats has relied on its independent external auditors to assist in the preparation of the financial statements and notes as a part of the external financial reporting process. The City’s ability to prepare financial is based, in part, on its external auditors, who cannot be considered a part of the City’s internal control structure.

As auditors, we were requested to draft the financial statements and the accompanying notes as well as assist to making the appropriate adjustments to convert the City’s financial data into appropriate reporting.”

**NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF YACHATS, OREGON
AS FOLLOWS:**

- 1) The City has evaluated the cost v. benefit of establishing internal controls over the Preparation of financial statements in accordance with GAAP and GASB and determined That it is in the best interests of the government to outsource this task to its qualified accountant and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their content and presentation on a continuous timely basis.

This resolution was Adopted by the CITY OF YACHATS CITY COUNCIL this 5th day of May 2022 and takes effect upon signing by the mayor.

CITY OF YACHATS

By: _____
Leslie Vaaler, Mayor

ATTESTED TO BY:

Heide Lambert, City Manager