

RESOLUTION NO. 43-2012

**A RESOLUTION OF CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON,
CREATING AN AUDIT SUBCOMMITTEE OF MILWAUKIE CITY COUNCIL**

WHEREAS, the City Council of the City of Milwaukie believes that it is critical to ensure that audits of the City's financial statements are completed annually in accordance with Oregon state law; and

WHEREAS, the City Council believes that oversight of the City's independent auditors is shared a responsibility between City management and the City Council; and

WHEREAS, the City Council desires the opportunity to assist City management in the review and selection of the City's independent auditor; and

WHEREAS, the City Council, without limiting its role or the responsibilities of the City Manager, believes that a subcommittee of City Council can ensure transparency in the management of City audits and provide critical assistance to the auditors and management;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF MILWAUKIE THAT:

An audit subcommittee of the City Council shall be created and :

- 1) Consist of two members of the City Council appointed by the Council for two-year staggered terms and one citizen member with an interest in City government financial operations, preferably a Certified Public Accountant residing within City limits, also for a two year term.
- 2) Solicit input from the Council regarding audit-related issues.
- 3) Review the credentials of potential auditors and make recommendation to the Council as to the selection of the auditor.
- 4) Meet at least twice annually: once to discuss the scope of the annual audit with City management and the independent auditor, and once to review the annual financial statements and to discuss the results and conclusions of the annual audit.
- 5) Assure the scope of the audit meets Council requirements.
- 6) Assure financial statements and audits meet Council needs and are reported to the Council in a timely manner as required by state law.
- 7) Review annually with the auditors, the City Manager and the Finance Director the adequacy of the City's internal controls.
- 8) Review annually the performance of the auditors, provide that information to the Council, and make recommendation to the Council if a change in auditor is recommended.
- 9) Meet and review other audit -related projects as suggested by the City Council.

Introduced and adopted by the City Council on July 3, 2012.

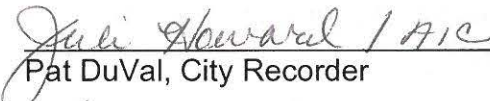
This resolution is effective on July 3, 2012.




Jeremy Ferguson, Mayor

ATTEST:

APPROVED AS TO FORM:
Jordan Ramis PC



Pat DuVal, City Recorder



City Attorney