

**BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON**

RESOLUTION NO. 2012-009

Acknowledging Receipt of the Multnomah County Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 2011, and Describing Corrective Action as Prescribed in State Statute.

The Multnomah County Board of Commissioners Finds:

- a. The County's audit for the year ending June 30, 2011 has been completed and filed with the appropriate authorities within prescribed deadlines.
- b. The audit notes one occurrence of expenditures in excess of appropriations, thereby requiring the Board of County Commissioners to propose corrective measures.
- c. Expenditures in the Risk Management Fund exceeded appropriations by \$14,708,000 as a result of an internal loan that was made to the Willamette River Bridge Fund to support construction costs associated with the Sellwood Bridge replacement project.
- d. There was sufficient cash in the Risk Management Fund to make the short term loan.
- e. The overexpenditure was due, in part, to a conflict between the way that internal loans are authorized by ORS and Generally Accepted Accounting Principles (GAAP).

The Multnomah County Board of Commissioners Resolves:

1. The Comprehensive Annual Financial Report for the year ended June 30, 2011 and the related audit reports and recommendations are accepted.
2. The Board directs the Department of County Management to implement the recommendations made by the County's external auditors.
3. ORS 297.466 requires the Board to submit corrective measures to the Secretary of State's Office with transmission of the County's Comprehensive Annual Financial Report (CAFR).

4. In order to ensure this situation does not occur in the future the Chief Financial Officer will recommend alternatives to internal loans, when such loans may extend beyond the end of the fiscal year, until such time that Oregon statutes are updated to be consistent with GAAP.

ADOPTED this 12th day of January, 2012.



BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON



Jeff Cogen, Chair

REVIEWED:

JENNY M. MORF, ACTING COUNTY ATTORNEY
FOR MULTNOMAH COUNTY, OREGON

By 

Jacqueline Weber, Deputy County Attorney

SUBMITTED BY: Mindy Harris, Chief Financial Officer, Department of County Management.