

Reply to Common Council File No. 001191

From DOA-Budget and Management Division

December 8, 2000

Ref: 00002

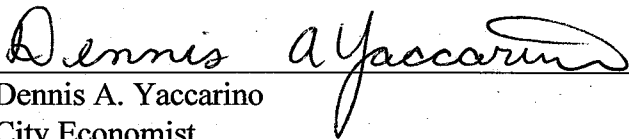
Common Council file 001191 contains a communication from the Comptroller's Office relative to the 1999 management letter by the City's external audit firm, KPMG pursuant to the 1999 audit contract.

The letter concentrates on two areas. The first being the reconciliation of cash and investments and the second is the pending implementation of the new governmental reporting model mandated by the Governmental Accounting Standards Board (GASB).

It is noted in the letter that the Treasurer's Office has yet to reconcile the cash and investment account with the general ledger balances recorded by the Comptroller. It is recommended that the Treasurer's Office allocate the necessary time, attention and resources to reconcile the 1999 accounts.

The second part of the letter refers to pending accounting standard changes by GASB. The City is aware of these up coming accounting changes and allocated funding in the Comptroller's Office and also has begun training staff on the changes. The City is expected to have the necessary changes implemented by the effective date of December 31, 2002.

RECOMMENDATION: PLACE COMMON COUNCIL FILE 001191 CONTAINING A COMMUNICATION FROM THE COMPTROLLER'S OFFICE RELATIVE TO THE 1999 MANAGEMENT LETTER BY THE CITY'S EXTERNAL AUDIT FIRM, KPMG PURSUANT TO THE 1999 AUDIT CONTRACT ON FILE.


Dennis A. Yaccarino
City Economist

DY:

FINANCE: 001191sr.doc