



**CITY OF
DAVENPORT**
Gateway to the Ridge

October 28, 2008

Office of the Auditor General
Local Government Audits/342
Claude Pepper Building, Room 401
111 West Madison street
Tallahassee, FL 32399-1450

To the Auditor General:

Enclosed, please find two copies of our audited financial statements for fiscal year 2007, two copies of city management's response to the management letter, and the completed Audit Report Submittal Checklist.

Sincerely,

A handwritten signature in cursive script, appearing to read "Amy Arrington".

Amy Arrington
City Manager
City of Davenport

City of Davenport Management Response to Independent Auditor's Management Letter for the Fiscal Year Ending September 30th, 2007

The following is the City of Davenport's management response to the findings of the independent auditor for the fiscal year 2007 audit.

Item 1

06-01: We are in the process of adopting an ordinance to update the code to the correct rate.

06-02: An annual inventory has been compiled and we will update it as new items are added or deleted, so as to have it completed by the end of the fiscal year.

06-03: Management is in the process of developing a policy for delinquent utility accounts.

06-04: We have implemented the use of a document stamp, and invoices are being filed by vendor.

06-05: Currently, the minutes are being transcribed, and should be current within a few weeks of the time of this letter.

06-06: The finance office has begun to update and segregate the general ledger accounts on a monthly basis.

Item 2

07-01: The finance office now reconciles all bank statements monthly.

07-02: The city will file the FDBF report in April of 2009, and deliver the unclaimed property at that time.

07-03: The finance office is in the process of calculating the amount of interest to be allocated to the enterprise fund, and will transfer the amount accordingly. In the future, this will be completed on a monthly basis.

07-04: City staff have been instructed to first ensure that there is a valid state contract which can be utilized for their purchase, and provide necessary documentation before a purchase is made.

07-05: Management now reconciles the customer deposit sub-ledger to the general ledger on a monthly basis.

**City of Davenport Management Response to Independent Auditor's
Management Letter for the Fiscal Year Ending September 30th, 2007,
Continued...**

07-06: The finance department utilizes pre-numbered journal entries, and attaches all proper documentation. Finance staff are in the process of developing and implementing procedures for making journal entries. This should be completed within a few weeks of the writing of this letter.

07-07: Ordinance 506 is currently under review by the city's legal staff, and will be presented to the city council for amendment.

07-08: Former employees' user accounts have already been removed from the city's accounting software. Each employee's utilization of the software is being reviewed and will be restricted accordingly.

Item 3a: In the future, the city will meet the audit completion date.

Item 6: The city's investments have been moved to qualified public depositories, in compliance with Florida Statute 218.415.