

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

November 1, 2002

To the Honorable Mayor and Members of the City Council
City of Springfield, Oregon

We have audited the accompanying general purpose financial statements and the combining and individual fund and account group financial statement and schedules of the City of Springfield, Oregon, as of and for the year ended June 30, 2002, as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of the Hospital Facilities Authority of the City of Springfield, Oregon, a discretely presented component unit. Those financial statements were audited by other auditors whose report thereon dated, March 1, 2002, has been furnished to us, and our opinion on the general purpose financial statements, insofar as it relates to the Hospital Facilities Authority of the City of Springfield, Oregon is based solely on the report of the other auditors.

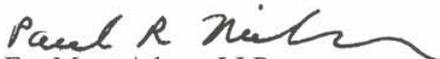
We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, based on our audit and the report of other auditors, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Springfield, Oregon, as of June 30, 2002, and the results of its operations and cash flows of its proprietary fund types for the year then ended, in conformity with accounting principles generally accepted in the United States of America. Also, in our opinion, the combining and individual fund and account group financial statements and schedules referred to above present fairly, in all material respects, the financial position of each of the individual funds and account groups of the City of Springfield, Oregon as of June 30, 2002, and the results of operations of such funds and the cash flows of individual proprietary fund types for the year then ended in conformity with accounting standards generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 1, 2002 on our consideration of the City of Springfield's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the financial statements of the City of Springfield, Oregon taken as a whole and the combining and individual fund and account group financial statement and schedules. The accompanying financial information listed as supplemental schedules in the table of contents, including the schedule of expenditures of federal awards, which is required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements, combining, and individual fund and account group financial statements and schedules and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

The other data included in this report, designated as the Statistical Section in the table of contents, has not been audited by us and, accordingly, we express no opinion on such data.


For Moss Adams LLP
Certified Public Accountants