

Appendix A

Excerpts from the

Colorado Springs, Colorado

City Code

Chapter 1: Administration

Article 2: Officers of the City

Part 7: Powers and Duties of the City Auditor

1.2.701: Office of the City Auditor:

In addition to the obligations imposed by law, the City Auditor shall have the powers and perform the duties set out in this part. The City Auditor, with the consent of the Council, may employ assistants who shall receive salaries prescribed by ordinance and shall be terminable at will. (Ord. 11-18)

1.2.702: Maintain Independence:

E.A The City Auditor shall not serve in any capacity on any administrative committee, board, commission, district, authority or agency of the City, County or the State unless authorized by the City Council, nor shall the Auditor have a direct or indirect financial or other economic interest in the transactions of any office, department, group, unit, division, board, commission, district or other organization which the City Auditor is responsible to audit or cause to be audited.

E.B The City Auditor shall not be responsible for the collection of any money belonging to the City or another political subdivision of the City or for the handling or custody of City funds or other political subdivision funds.

E.C The City Auditor shall not be assigned any administrative duties excepting those incidental to the objectives and functions of post-auditing or which do not impair the City Auditor's independence. (Ord. 11-18)

1.2.703: Ensure Public Accountability:

The City Auditor shall ensure that administrative officials are held publicly accountable for their use of public funds and the other resources at their disposal. The City Auditor shall investigate whether or not laws are being administered in the public interest, determine if there have been abuses of discretion, arbitrary actions or errors of judgment, and shall encourage diligence on the part of administrative officials. (Ord. 11-18)

1.2.704: Perform Post-Audit:

The City Auditor shall perform a current post-audit of the financial operation of the City government and its enterprises. The City Auditor shall submit reports to Council of periodic audits of each enterprise, department, group, unit, division or account. The Auditor shall have access to the books and accounts of all City enterprises, groups, departments, administrative officials or employees charged with the receipt, custody or safekeeping of public funds. (Ord. 11-18)

1.2.705: Determine Effectiveness and Efficiency of Programs:

The City Auditor shall determine the extent to which legislative policies are being efficiently and effectively implemented by administrative officials. The City Auditor shall determine whether City programs are achieving desired objectives. The City Auditor shall review the administrative control systems established by the enterprises, department, division, office or agency directors or managers and by the Mayor, Utilities Executive Director and MHS Enterprise Chief Executive Officer and determine whether these control systems are adequate and effective in accomplishing their objectives. (Ord. 11-18; Ord 15-62)

1.2.706: Examine Books, Records:

The City Auditor shall examine and inspect all books, records, files, papers, documents and information stored on computer records or in other files or records relating to all financial affairs of every office, department, division, agency, enterprise, political subdivision and organization which receives funds from the City or under the direct or indirect control of the City Council. The Auditor may require any person to appear at any time upon proper notice and to produce any accounts, books, records, files and other papers pertaining to the receipt or expenditure of City funds, whether general or special. If that person fails to produce the papers, then the Auditor may request Council approval to search for and take any book, paper or record in the custody of that person or public official. (Ord. 11-18)

1.2.707: Cooperate with City Administration and City Council:

- A. The City Auditor shall confer and consult with the Mayor, enterprises and City administration on matters relating to financial practices and the implementation of programs and operations.
- B. The City Auditor shall furnish information to Council whenever required upon any subject relating to the financial affairs of the City. (Ord. 11-18)

1.2.708: Monitor Financial Reports:

The City Auditor shall monitor all financial reports to ensure that they are being prepared in a timely manner. (Ord. 11-18)

1.2.709: Make Periodic Reports to Council:

The City Auditor shall make periodic reports to Council which shall include the following:

- A. Whether groups, departments, enterprises, administrative officials and employees, in making expenditures, have complied with the Charter and the will of the Council as expressed in this City Code and other formal actions of the Council;
- B. Information of proposals deemed expedient in support of the City's credit, and recommendations for lessening expenditures, for promoting frugality and economy in City affairs and for an improved level of fiscal management;
- C. Matters concerning the effectiveness and efficiency of the programs and operation of the City;

D. Objections to improper specific expenditures incurred by any department, division, office, agency, enterprise or person;

E. Any irregularities which, in the judgment of the City Auditor, are significant. (Ord. 11-18)

1.2.710: Administer Oaths:

The Auditor is empowered to administer oaths and may question any person under oath concerning all other things and matters necessary for the due execution of the duties vested by the Charter or City Code. (Ord. 11-18)

1.2.711: Seek Equitable Relief:

Notwithstanding the existence of any other remedy, the City Auditor may cooperate with the City Attorney to seek regular or equitable relief to enjoin any acts or practices and abate any conditions which constitute a violation of this Code or other regulations adopted by the City Council. (Ord. 11-18)

Specific References - Enterprise Operations:

13.1.103: C. In accord with the provisions of chapter 1 of this Code, and subject to the terms and conditions of the Memorial Health System Affiliation during its duration, the City Auditor shall have those duties and responsibilities imposed by City Council to ensure the public accountability of MHS Enterprise. (Ord. 15-67)

14.1.205 B: 2. In accord with the provisions of chapter 1 of this Code, the City Auditor shall have those duties and responsibilities imposed by City Council to ensure the public accountability of the enterprise operation. (Municipal Airport)

14.2.103: B: 2. In accord with the provisions of chapter 1 of this Code, the City Auditor shall have those duties and responsibilities imposed by City Council to ensure the public accountability of the cemetery enterprise operation.

14.3.103: B: 2. In accord with the provisions of chapter 1 of this Code, the City Auditor shall have those duties and responsibilities imposed by City Council to ensure the public accountability of the enterprise operation. (Golf course Enterprise)

14.4.103: B: 2. In accord with the provisions of chapter 1 of this Code, the City Auditor shall have those duties and responsibilities imposed by City Council to ensure the public accountability of the enterprise operation. (Human Services Complex)

14.5.103: B: 2. In accord with the provisions of chapter 1 of this Code, the City Auditor shall have those duties and responsibilities imposed by City Council to ensure the public accountability of the enterprise operation. (Parking Enterprise)

14.6.103: B: 2. In accord with the provisions of chapter 1 of this Code, the City Auditor shall have those duties and responsibilities imposed by City Council to ensure the public accountability of the enterprise operation. (Pikes Peak - America's Mountain)

14.7.104: B: 2. In accord with the provisions of chapter 1 of this Code, the City Auditor shall have those duties and responsibilities imposed by City Council to ensure the public accountability of the enterprise operation. (Development Review Enterprise)

14.8.104:B:2. In accord with the provisions of chapter 1 of this Code, the City Auditor shall have those duties and responsibilities imposed by City Council to ensure the public accountability of the enterprise operation. (Stormwater Enterprise)

Specific References - Required Reviews:

1.5.502: Claims Reserve Fund

- H. The City Auditor or any person authorized by the City Auditor shall conduct an examination at least once every four (4) years to determine that proper underwriting techniques, sound funding procedures, loss reserves, claims procedures and accounting practices are being followed in the management and operation of the claims reserve fund or any other funds being used to cover deductible amounts when there is insurance coverage. The City Auditor shall present a report of findings to the City Council.

1.5.503: Compromise or Settlement of Claims

- E. Examination Of Procedures; Report Of Findings: At least once every four (4) years, the City Auditor or any person authorized by the City Auditor shall conduct an examination of the claims procedures, use of settlement authority and management and operation of claims management to determine that the use and operation of the claims reserve fund is being accomplished in a prudent and reasonable manner. The City Auditor shall present a report of findings to the City Council.

1.5.602: Workers' Compensation Claim Reserve Fund

- I. The City Auditor or any person authorized by the City Auditor shall conduct an examination at least once every four (4) years to determine that proper underwriting techniques, sound funding procedures, loss reserves, claims procedures and accounting practices are being followed in the management and operation of the workers' compensation claim reserve fund. The City Auditor shall present a report of findings to the City Council. (Ord. 11-18; Ord 14-29; Ord 15-62)

4.6.203: Trails, Open Space & Parks Program

The City shall adopt regulations requiring an independent biennial audit of the expenditures of all of the net proceeds from the sales tax and other revenue. The City Council, with City and advisory committee participation, shall regularly review the audits with a view to establishing expenditure priorities. (Ord. 97-96; Ord. 01-42; Ord. 03-69; Ord 15-92)

Other references to the City Auditor in the City Code:

12.1.107: REGULATION OF ELECTRIC, STREETLIGHT, NATURAL GAS, WATER AND WASTEWATER RATES, CHARGES AND REGULATIONS:

- C. Adopted By Resolution; Hearing: Base rates or regulations or any change shall be adopted by resolution, which shall adopt by reference the appropriate tariff sheet or sheets to be established or revised.
 - 1. Preliminary Information For The City Auditor And City Attorney: When Utilities proposes to change base rates, and the proposed change will result in the determination of a new revenue requirement supported by a cost of service study, Utilities will provide a draft of the proposal and cost of service study to the City Auditor and the City Attorney at least thirty (30) days prior to filing the proposed resolution with City Council. When changes to base rates are proposed, but do not involve a cost of service study, a draft of the proposal will be provided to the City Auditor and the City Attorney seven (7) days prior to the filing of a proposed resolution. Any request for additional information by the City Auditor and any response by Utilities, will be in writing. Drafts of the proposed resolution and tariff sheets will be provided to the City Attorney seven (7) days prior to filing of the final proposed resolution with City Council.
- D. Procedure To Change Certain Rates Or Charges And Authorize Refunds By Resolution Without Notice And Public Hearing:
 - 1. When Utilities proposes changes for electric cost adjustments or gas cost adjustments, the drafts of the proposal, the proposed resolution and tariffs will be provided to the City Auditor and City Attorney seven (7) days before filing the final proposed resolution with City Council.

Reference to City Auditor in the Rules and Procedures of City Council:

(Note - the Rules and Procedures of City Council, adopted by Resolution 50-11, contains the following reference to the City Auditor)

PART 4 - UTILITIES PRICING AND TARIFF HEARING PROCEDURE

The following rules shall govern Council hearings concerning the adoption of resolutions which change the pricing or tariff for any regulated utility service of Colorado Springs Utilities (Utilities):

1. HEARING PROCESS

A. Pre-hearing Procedures

- 4) If the change in pricing is supported by a cost of service study, Utilities shall provide a draft copy of the proposal and cost of service study to the City Auditor at least thirty (30) calendar days prior to the filing. If the proposed changes do not require a supporting cost of service study, Utilities shall provide a draft of the proposal to the City Auditor seven (7) calendar days prior to the filing of the proposed resolution. If the City Auditor chooses to file

a report on the proposal, such report shall be filed with the City Clerk and Utilities at least five (5) calendar days prior to the public hearing.