TOPS Working Committee Meeting Agenda
11/5/2014
7:30-8:30am
Parks and Recreation Department
1401 Recreation Way, Colorado Springs

Agenda Preview **Announcements** **Approval of Minutes-October 1, 2014**	Committee and Staff
Citizen Discussion	Citizens
Staff Reports TOPS Audit 2015 Budget Process	Committee and Staff
Citizen Discussion	Citizens
Closed Executive Session* *To Discuss Land Acquisition and Sensitive Negotiation	Committee and Staff
TOPS Tour 8:30-10:00am A Shooks Run Trail Corridor Tour will depart from 1401 Recreation Way following the Executive Session. Committee and Staff will board the PR&CS van in front of the building.	Committee, Staff, Citizens

CITY OF COLORADO SPRINGS

FINANCE DEPARTMENT
SALES TAX DIVISION

Sales and Use Tax Collection Summary Report – September 2014

Below is a snapshot of the September 2014 Sales and Use tax collections as compared to the same month of the previous year. Please refer to the full report for details.

2.0% General Fund Collections — including audit revenue **$13,358,834**

- Sales and use tax combined — up 17.51% for the month and up 6.28% year-to-date
- Sales tax — up 16.70% for the month and up 6.46% year-to-date
- Use tax — up 32.00% for the month and up 3.69% year-to-date

2.0% General Fund Collections — excluding audit revenue **$12,783,365**
(True Indicator of the current economic activity)

- Sales and use tax combined — up 12.72% for the month and up 6.64% year-to-date
- Sales tax — up 11.52% for the month and up 6.61% year-to-date
- Use tax — up 35.05% for the month and up 7.18% year-to-date

Public Safety Sales and Use Tax (PSST) — up 17.51% for the month and up 6.28% year-to-date **$2,671,767**

Trails, Open Space and Parks Tax (TOPS) — up 17.51% for the month and up 6.28% year-to-date **$667,942**

Auto Rental Tax — up 2.88% for the month and up 9.59% year-to-date **$52,172**

Lodger's Tax — up 16.38% for the month and up 9.39% year-to-date **$540,912**

Top Three Retail Industries for the month

- Commercial Machines — up 140.80%
- Furniture, Appliances, and Electronics — up 21.78%
- Grocery Stores — up 18.07%

Prepared by Sales Tax Division
October 13, 2014

OFFICE OF THE CITY AUDITOR
COLORADO SPRINGS, COLORADO

Denny L. Nester, City Auditor
MBA CPA CIA CFE CGFM CGAP

14-27 Trails, Open Space, and Parks (TOPS) Fund

October 2014

Purpose To evaluate whether the Trails, Open Space, and Parks (TOPS) fund was administered in compliance with City Code Chapter 4, Article 6, Part 2 and whether its goals and objectives were being achieved. The audit period was 2012 and 2013.

Conclusion

We concluded that as of December 31, 2013, the TOPS fund was in compliance with the spending limitations found in Section 4.6.202 of the City Code. Cumulative revenue for the TOPS program was $96,944,470. With one exception attributed to timing, appropriate cumulative spending limits were achieved in each category. The exception was in the Open Space category where the aggregate spending only reached 56.98%, instead of the required 60% minimum. However, $4.985 million was still owed for the Red Rocks Open Space, which will bring total Open Space spending to 62.54% when it is fully paid. It is our opinion this represented a timing issue and TOPS was operating in compliance with the spirit of the Code.

The audit examined the TOPS Fund for the period January 1, 2012- December 31, 2013 to test compliance with conditions listed in City Code. We reviewed compliance with key provisions of the Code such as advisory committee residency and adherence to spending limitations. Attachment A shows the details of TOPS compliance for the audit period as well as the spending limits. Decisions on spending are recommended by the TOPS' Citizen Advisory Committee, which by Code is also the same as the Parks and Recreation Advisory Board.

The TOPS program was created to establish a trails, open space, and parks program to acquire real property in the City and El Paso County. This mission supports the strategic goal for the City of Colorado Springs of providing access to parks and recreation. Two observations and one opportunity for improvement were noted.

Recommendations

Parks, Recreation and Cultural Services should:

1. Work to change City Code to reflect the voter's approval of a biennial audit frequency.

2. Study and work to correct the conflict of residency requirements between the TOPS Advisory Committee, TOPS Working Committee, and the Parks and Recreation Advisory Board.

Opportunities

1. Ensure the methods used to track spending reconcile to the City's audited financial reports.

Management Response

Parks, Recreation and Cultural Services was in agreement with the issues identified. Management has identified action plans to address each issue appropriately within a reasonable amount of time.

Standards The audit was conducted in a manner that conforms with the International Standards for the Professional Practice of Internal Auditing, a part of the Professional Practices Framework promulgated by the Institute of Internal Auditors.

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October 2014

Attachment A

Trails, Open Space and Parks (TOPS) Program

Compliance Calculation

	2012	2013	Cumulative Total [5]	Calculated %	Limits
Total Revenue	$6,538,775	$6,817,765	$96,988,470		
Less: APM [1]	$191,573	$188,300	$2,353,632	2.43%	Less than 3% [2]
Less: Stewardship / Maintenance	$1,097,772	$728,052	$4,937,928	5.09%	2012 less than 15%, 2013 less than 6% [3]
Balance available for projects	$5,249,430	$5,901,414	$89,696,909		
Trails	$398,696	$388,033	$17,317,500	19.31%	Less than 20%
Parks	$301,570	$2,598,578	$16,447,891	18.34%	Less than 20%
Open Space	$1,767,206	$3,588,030	$51,110,151	56.98%	Greater than 60% [4]
Total Project Expenditures	$2,467,473	$6,574,641	$84,875,542		

[1] APM = Administration, Planning and Management

[2] Spending limit for APM was 2% from 1997—2002, 3% beginning in 2003.

[3] Spending limit for Stewardship was 6% from 2003—2010, 15% for 2011—2012 and 6% thereafter.

[4] Spending exceeds 60% when outstanding balance for Red Rocks Open Space is included.

[5] Cumulative total includes 2013 year end appropriations.