



OFFICE OF THE CITY AUDITOR COLORADO SPRINGS, COLORADO

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22-07 City of Colorado Springs Ballot Measure 2C Maintenance of Effort Spending - 2021

March 2022

Purpose

The purpose of this audit was to calculate the 2021 General Fund spending on repair and maintenance of roads and streets to determine if the 2021 spending met the Ballot 2C Maintenance of Effort (MOE) requirement.

Highlights

The 2021 annual spending for road and street repair and maintenance from the General Fund was \$3,204,042. The 2021 spending exceeded the Ballot 2C MOE requirement by \$505,529. 2021 was the sixth year Ballot 2C revenue was collected and services were provided.

Maintenance of Effort (MOE): Ballot 2C specified the City of Colorado Springs maintain spending on repair and maintenance of roads and streets from the General Fund during the term of the temporary sales and use tax increase at an amount equivalent to the average spending from 2012 through 2014. The MOE was calculated by the City Auditor in the amount of \$2.699M.

2C Maintenance of Effort Comparison

Applicable Spending	2012 - 2014 Average Spending (Required MOE)	2021 Spending
Labor and Benefits*	\$ 1,737,714	\$ 2,743,558
Allocated Operating Expenses	\$ 147,876	\$ 217,282
Capital Improvement Projects	\$ 812,923	\$ 243,202
Total	\$ 2,698,513	\$ 3,204,042
Spending Above MOE		\$ 505,529

* Includes \$2.0 million for pot hole repairs in 2014.

This audit was conducted in conformance 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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