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**CITY OF SANTA FE, NEW MEXICO**

**RESOLUTION NO. 2014-17**

**INTRODUCED BY:**

Councilor Rebecca Wurzbarger

Councilor Patti Bushee

**A RESOLUTION**

**REPEALING RESOLUTION NO. 2013-80 THAT CALLED FOR A THIRD-PARTY INDEPENDENT AUDIT OF THE 2008 PARKS, TRAILS AND OPEN SPACE BOND; AND AUTHORIZING A SPECIAL EXTERNAL AUDIT OF THE ENTIRE EXPENDITURE OF 2008 PARKS, TRAILS AND OPEN SPACE BOND (“2008 BOND”).**

**WHEREAS**, on August 27, 2013, the Governing Body adopted Resolution No. 2013-80 which directed staff to audit, as part of the City’s regular annual external financial audit, all projects funded by the 2008 Bond and completed by the end of FY 2013; and

**WHEREAS**, the completion of various 2008 Bond projects involving the expenditure of funds did not all occur by the end of FY 2013; and

**WHEREAS**, the audit called for in Resolution 2013-80 has not yet occurred; and

**WHEREAS**, no special annual audits were conducted of the special expenditures of the 2008 Bond funds to determine if such expenditures were within the restricted terms and conditions of the 2008 Bond indenture as well as the language the voters approved for the 2008 Bond issue; and

**WHEREAS**, the present external auditor has annually audited most, if not all of the 2008

1 Bond expenditures that have been charged against the 2008 Bond funds of approximately  
2 \$30,300,000; and

3 **WHEREAS**, such annual expenditures were included in the annual CAFR audits and should  
4 have been audited to a higher material level, therefore the need for a separate audit of the \$30,300,000  
5 2008 Bond funds.

6 **NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE**  
7 **CITY OF SANTA FE** that Resolution No. 2013-80 is hereby repealed.

8 **BE IT FURTHER RESOLVED** that the Governing Body hereby authorizes, upon  
9 completion of all projects, with the exception of the trail project at St. Francis Drive and Cerrillos  
10 Road, a special external audit of the entire expenditure of the 2008 Parks, Trails and Open Space  
11 Bond.

12 **Section 1.** The City of Santa Fe Internal Auditor shall collaborate with staff from the  
13 Public Works Department and Finance Department, a member of the Bicycle and Trail Advisory  
14 Committee, who is willing to serve, a member of the Parks and Open Space Commission and a  
15 member of the City of Santa Fe Audit Committee to:

- 16 (a) Develop “agreed-upon procedures” that the special audit would be conducted under;  
17 and  
18 (b) Select and contract with an external auditor to perform a special audit of the 2008  
19 Bond funds.

20 For purposes of this section, “*agreed-upon procedures*” mean an engagement where the client  
21 specifies procedures and the accountant agrees to perform those procedures.

22 **Section 2.** The Audit Committee shall be included in the process during the  
23 development of the “agreed-upon procedures” and shall review the final version prior to engaging an  
24 external auditor.

25 **Section 3.** The external auditor shall present the final special audit of the 2008 Bond

1 funds to the Governing Body, no later than December 31, 2014.

2 **BE IT FURTHER RESOLVED** that the findings of the audit shall be made available for  
3 public inspection.

4 **BE IT FURTHER RESOLVED** that staff is directed to:

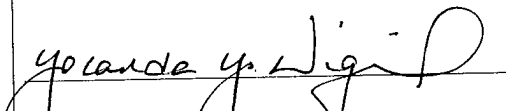
- 5 1. Collaborate with the City of Santa Fe Audit Committee to establish an audit policy  
6 related to City of Santa Fe bond issues; and  
7 2. Present the proposed policy to the Governing Body for approval.

8 PASSED, APPROVED and ADOPTED this 26<sup>th</sup> day of February, 2014.

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11 DAVID COSS, MAYOR

12 ATTEST:

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14 YOLANDA Y. VIGIL, CITY CLERK

15 APPROVED AS TO FORM:

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18 KELLEY A. BRENNAN, INTERIM CITY ATTORNEY