

CITY OF CAÑON CITY, COLORADO

AGREED-UPON PROCEDURES RELATING TO THE CAÑON CITY SPECIAL ELECTION (REFERENDUM #2A)

June 2, 2022



Logan *and* Associates, LLC
CERTIFIED PUBLIC ACCOUNTANTS



June 2, 2022

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Honorable Mayor and Members of City Council
City of Cañon City
Cañon City, Colorado

We have performed the procedures enumerated below, which were agreed to by management of the City of Cañon City, Colorado (the "City"), solely to assist in verifying the street-related infrastructure improvements and repairs reported in the Street Improvement Fund in connection with the Cañon City Special Election (Referendum #2A) and, in accordance with Section(s) 3.12.040(A)(1-2) and 3.12.040(B)(1-2) as defined in the City's municipal code for the year ended December 31, 2021.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The City's management is responsible for maintaining records that provide evidence that the requirements identified in Referendum #2A have been met. The sufficiency of these procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion on compliance. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

Description and Results of Procedures

Management provided to us access to the City's Finance Department staff, the detail accounting records of the Street Improvement Fund for the year ended December 31, 2021, the November 8, 2016 Cañon City Special Election (Referendum #2A) ballot question, and the City's purchasing policy. Our procedures, observations and findings follow:

- ✓ Update our understanding of the internal control over the expenditures that qualify as "...street-related infrastructure improvements and repairs..." as defined in Section(s) 3.12040(A)(2) and 3.12.040(B)(2) of the City's municipal code.
 - We inquired of City Finance Department staff of any changes to the policies and procedures over recording expenditures in the Street Improvement Fund with City Finance Department staff during 2021, in order to obtain an understanding of internal control over the reporting of the expenditures that qualify as street-related infrastructure improvements and repairs.

We found no exceptions as a result of these procedures.

- ✓ Obtain a detail listing of expenditures in the Street Improvement Fund and select a sample of expenditure transactions to test.
 - We were provided the detail general ledger reports for the Street Improvement Fund's 2021 expenditures and revenues.
 - We were also provided the Street Improvement Funds' 2021 detail trial balance and balance sheet.
 - We reviewed the reports to determine the population size of the expenditures and selected a representative sample of expenditure transactions to test.

We found no exceptions as a result of these procedures.

- ✓ Test the sample of expenditure transactions to supporting documentation for costs allowed by Referendum #2A, identified in the City's municipal code Section(s) 3.12.040(A)(2) and 3.12.040(B)(2), defined as "...street-related infrastructure improvements and repairs..."
 - The City Finance Department provided supporting invoices and documentation for each expenditure transaction we selected for testing.
 - We verified that each transaction selected had supporting invoice(s) or documentation and agreed to the amount paid by the City.
 - We verified that each transaction selected was approved for payment.
 - We verified that each transaction was an allowed cost, defined as "...street-related infrastructure improvements and repairs..."
 - We also verified proper cut-off for accounts payable and retainage payable related to the expenditures reported at December 31, 2021.

We found no exceptions as a result of these procedures.

Conclusion

This report is intended solely for the information and use of the Honorable Mayor and Members of City Council and City Management of the City of Cañon City, Colorado and is not intended to be and should not be used by anyone other than these specified parties.

We appreciate the opportunity to be of service to you. If you have any questions, please let us know.

Sincerely,

Logan and Associates, LLC

Logan and Associates, LLC
Aurora, Colorado