



AGENDA MEMORANDUM

Action Item for the Audit Committee Meeting of July 29, 2025

DATE: July 11, 2025

TO: Roland Barrera, Audit Committee Chair

FROM: George Holland, City Auditor
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**Motion to accept FU25-001 Parks & Recreation – Community
Enrichment Fee Follow-Up Report**

CAPTION:

Motion to accept FU25-001 Parks & Recreation – Community Enrichment Fee Follow-Up Report.

PURPOSE:

Discuss follow-up results for FU25-001 Parks & Recreation – Community Enrichment Fee Follow-Up Report.

BACKGROUND:

As part of our annual audit plan, we followed up on the AU17-005 Phase 2A Parks & Recreation, Community Enrichment Fee audit dated September 13, 2022. The objective of the original audit was to determine whether sufficient controls were in place over Community Enrichment Fee (CEF) expenditures to ensure compliance with the Unified Development Code (UDC) §8.3, Public Open Space.

Unified Development Code (UDC) §8.3 Public Open Space is the principal regulation over CEF. This section outlines the purpose of CEF, the monetary contribution requirements, and the procedures for expending the funds. CEFs are paid by developers of residential neighborhoods. These funds, accounted for in a special revenue fund, are to contribute to the development and improvement of City Parks. As CEF parameters change over time, all revisions are approved by the City Council through a City Ordinance.

The original audit made 14 recommendations to improve the oversight and tracking of plat records that benefited from CEF, as well as the calculation and accounting of CEF in the City's financial records, and the management of City Park inventory.

In December 2024, management indicated 11 of 14 recommendations have been implemented, with two still in progress. Auditors reviewed the information submitted and found that 12 have been implemented, one is unimplemented, and one is not applicable.

ALTERNATIVES:

The Audit Committee may reject all or part of this audit report as presented.

FINANCIAL IMPACT:

N/A

FUNDING DETAIL:

N/A

RECOMMENDATION:

Staff recommends that the Audit Committee accept the FU25-001 Parks & Recreation – Community Enrichment Fee Follow-Up Report.

LIST OF SUPPORTING DOCUMENTS:

- FU25-001 Parks & Recreation – Community Enrichment Fee Follow-Up Report