City of Maricopa, Arizona

Report on Applying Agreed-Upon Procedures Biennial Certification of Land Use Assumptions, Infrastructure Improvement Plan and Development Impact Fees

For the Period July 1, 2016 through June 30, 2018

CITY OF MARICOPA, ARIZONA
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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Honorable Mayor and Members of the City Council

We have performed the procedures identified below, which were agreed to by the management of City of Maricopa, Arizona, related to the City of Maricopa, Arizona's compliance with the requirements set forth in Arizona Revised Statutes (A.R.S.) 9-463.05 for the period from July 1, 2016 through June 30, 2018. Management is responsible for City of Maricopa, Arizona's compliance with those requirements. The sufficiency of these procedures is solely the responsibility of those 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 purposes.

We have applied the following procedures:

The progress of the infrastructure improvements plan.

a. Obtained City-prepared report that summarizes the progress of each project identified in the Infrastructure Improvement Plan (IIP) and agreed expenditures to date as of June 30, 2018 to the underlying accounting records.
b. Compared growth projections for 2017 and 2018 related to population, number of housing units by type, jobs, and non-residential square footage by type as reported in the IIP's Land Use Assumptions to actual results. A list of all variances will be reported.

The collection and expenditures of development impact fees for each project in the plan.

c. Selected a sample of 40 impact fee receipts and determined fees were charged in accordance with authorized fee schedules and that each payee was charged the same rate as another equivalent payee. Any inequities in the imposition of development fees will be reported and/or investigated for proper authorization.
d. Selected a sample of 25 expenditures and determined that the expenditure was associated with an approved project in the City's IIP.

Evaluating any inequities in implementing the plan or imposing the development impact fee.

e. Determined each developer/unit is charged the same rate as another equivalent developer/unit by recalculating impact fees at the transaction level for the sample mentioned in step c. above.
f. Determined that there were no instances in which the City waived development impact fees, except as allowed for under A.R.S. 9-463.05(B)10 and A.R.S. 9-500.05.

The accompanying Results of Procedures describes the items we noted.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to, and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on compliance with the specified requirements. 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.

This report is intended solely for the information and use of the management of City of Maricopa, Arizona, and is not intended to be and should not be used by anyone other than these specified parties.

Heinfeld, Meech & Co., P.C.

Heinfeld, Meech & Co., P.C.
Tucson, Arizona
June 18, 2019

PROCEDURE B.
Compared growth projections for 2017 and 2018 related to population, number of housing units by type, jobs, and non-residential square footage by type as reported in the IIP's Land Use Assumptions to actual results. A list of all variances will be reported.

Results:
The City did not issue permits for the following: 2+ housing units, industrial square footage for 2017-18, and office and other services square footage. In addition, actual figures varied from projected figures for the following: single housing units, population, jobs, industrial square footage for 2016-17, commercial square footage, and institutional square footage. All variances are reported below.

HOUSING UNITS BY TYPE GROWTH PER YEAR

	2016-17				2017-18			
	Projected	Actual	Variance	Variance %	Projected	Actual	Variance	Variance %
Single Units	408	478	70	17%	417	887	470	113%
2+ Units	218		(218)	-100%	232		(232)	-100%

TOTAL POPULATION AND JOBS

	2016-17				2017-18			
	Projected	Actual	Variance	Variance %	Projected	Actual	Variance	Variance %
Population	51,577	51,400	(177)	0%	53,382	54,600	1,218	2%
Jobs	4,046	4,164	118	3%	4,248	4,141	(107)	-3%

NON-RESIDENTIAL SQUARE FOOTAGE GROWTH PER YEAR

	2016-17				2017-18			
	Projected	Actual	Variance	Variance %	Projected	Actual	Variance	Variance %
Industrial	51,000	6,190	(44,810)	-88%	54,000		(54,000)	-100%
Commercial	18,000	5,208	(12,792)	-71%	18,000	94,741	76,741	426%
Institutional	44,000	1,440	(42,560)	-97%	45,000	14,438	(30,562)	-68%
Office & Other Services	20,000		(20,000)	-100%	21,000		(21,000)	-100%