



Town of Prescott Valley, Arizona
Report on Applying Agreed-Upon Procedures
Biennial Certification of Land Use
Assumptions, Infrastructure Improvement Plan
and Development Impact Fees
for the Period August 1, 2014 through June 30, 2016

**TOWN OF PRESCOTT VALLEY, ARIZONA
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**INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED-UPON PROCEDURES**

Honorable Mayor and Members of the Town Council

We have performed the procedures identified below, which were agreed to by the management of Town of Prescott Valley, Arizona, solely to assist the management of Town of Prescott Valley, Arizona, in evaluating the Town of Prescott Valley, Arizona's compliance with the requirements set forth in Arizona Revised Statutes (A.R.S.) 9-463.05 for the period from August 1, 2014 through June 30, 2016. Management is responsible for Town of Prescott Valley, Arizona's compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. 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.

1. Compare the following growth projections included in the Land Use Assumption Report dated November 22, 2013 to actual results. A list of all variances will be reported.
 - a. Population
 - b. Dwelling Units

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

2. Select a sample of 40 building permits issued and determine fees were charged in accordance with authorized fee schedules and that each permit holder was charged the same rate as another equivalent permit holder. Any inequities in the imposition of development fees will be reported.
3. Select a sample of 23 expenditures from Impact Fee funds and determine that the expenditure was associated with an approved project in the Town's Infrastructure Improvement Plan.

The accompanying Summary of Findings describes the findings we noted.

We were not engaged to, and did not conduct an examination, 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.

This report is intended solely for the information and use of the management of Town of Prescott Valley, 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.
Phoenix, Arizona
November 17, 2016

**TOWN OF PRESCOTT VALLEY, ARIZONA
SUMMARY OF FINDINGS**

FINDING NO. 1

Variances were noted for growth projections related to population and number of dwelling units as reported in the Land Use Assumptions when compared to actual results. All variances are reported below.

2013				
	<u>Projected</u>	<u>Actual</u>	<u>Variance</u>	<u>Variance %</u>
Population	40,445	39,667	778	2%
<u>Dwelling units</u>				
Single Family	12,712	12,339	(373)	-3%
Multi-Family	3,142	2,886	(256)	-8%
Mobile Home	2,747	2,690	(57)	-2%

2014				
	<u>Projected</u>	<u>Actual</u>	<u>Variance</u>	<u>Variance %</u>
Population	41,982	40,485	1,497	4%
<u>Dwelling units</u>				
Single Family	13,189	12,638	(551)	-4%
Multi-Family	3,382	2,891	(491)	-15%
Mobile Home	2,904	2,707	(197)	-7%

2015				
	<u>Projected</u>	<u>Actual</u>	<u>Variance</u>	<u>Variance %</u>
Population	43,578	41,415	2,163	5%
<u>Dwelling units</u>				
Single Family	13,675	12,998	(677)	-5%
Multi-Family	3,628	2,895	(733)	-20%
Mobile Home	3,067	2,733	(334)	-11%

2016				
	<u>Projected</u>	<u>Actual</u>	<u>Variance</u>	<u>Variance %</u>
Population	45,235	**	N/A	N/A
<u>Dwelling units</u>				
Single Family	14,171	13,464	(707)	-5%
Multi-Family	3,881	2,900	(981)	-25%
Mobile Home	3,235	2,760	(475)	-15%

** Information for July 1, 2016 is not yet available on the Arizona Department of Administration website.

**TOWN OF PRESCOTT VALLEY, ARIZONA
SUMMARY OF FINDINGS**

FINDING NO. 2

For one of 23 expenditures reviewed made from Impact Fee funds, the Town purchased equipment costing \$1,182 for a police vehicle that was not included in an approved project in the Town's Infrastructure Improvement Plan (IIP). Subsequently, the Town has corrected the error.