



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, 2018 through June 30, 2020

**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 this agreed-upon procedures engagement to assist management of the City of Maricopa, Arizona (City), with the requirement set forth in Arizona Revised Statutes (A.R.S.) 9-463.05.G.2 “to provide for a biennial certified audit of the municipality’s land use assumptions, infrastructure improvements plan and development fees”. As such, we have performed the procedures identified below, solely to assist users in evaluating the City’s compliance with the progress reporting requirements of the infrastructure improvement plan for the period from July 1, 2018 through June 30, 2020, as specified in A.R.S. 9-463.05.G.2. City of Maricopa, Arizona’s management is responsible for its compliance with those requirements.

City of Maricopa, Arizona’s management has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of assisting users in determining whether the City complied with the specified requirements. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

We have applied the following procedures:

The progress of the infrastructure improvements plan.

- a. Compared growth projections for 2019 and 2020 related to population, number of housing units, jobs, and non-residential square footage by type, as reported in the Infrastructure Improvement Plan (IIP) to actual results. A list of all variances are reported in the Summary of Findings.
- b. Obtained City-prepared report (see Appendix A) documenting the progress of each project identified in the Infrastructure Improvement Plan (IIP) and performed the following procedures:
 - i. Agreed expenditures as of June 30, 2020 to the underlying accounting records.
 - ii. Agreed amounts reported as estimated cost to complete to the underlying accounting records.

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

- c. Selected a sample of 40 building permits issued and determined 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 are reported in the Summary of Findings.
- d. Selected a sample of 40 expenditures and determined that the expenditures were 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 was 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. 9-499.10.B and A.R.S. 9-500.18.

The accompanying Summary of Findings describes the findings we noted.

We were engaged by City of Maricopa, Arizona's management to perform this agreed-upon procedures engagement and conducted our engagement 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 engagement, 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 or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of City of Maricopa, Arizona's management and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

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. PC

Heinfeld, Meech & Co., P.C.
Tucson, Arizona
October 18, 2021

**CITY OF MARICOPA, ARIZONA
SUMMARY OF FINDINGS**

FINDING NO. 1

Variations were noted for growth projects related to population, number of housing units, jobs, and non-residential square footage by type as reported in the Infrastructure Improvement Plan (IIP) when compared to actual results. All variances are reported below.

HOUSING UNITS GROWTH PER YEAR

| | 2018-19 | | | | 2019-20 | | | |
|---------------|------------------|---------------|-----------------|-------------------|------------------|---------------|-----------------|-------------------|
| | <u>Projected</u> | <u>Actual</u> | <u>Variance</u> | <u>Variance %</u> | <u>Projected</u> | <u>Actual</u> | <u>Variance</u> | <u>Variance %</u> |
| Housing Units | 825 | 842 | 17 | 2% | 807 | 942 | 135 | 17% |

TOTAL POPULATION AND JOBS

| | 2018-19 | | | | 2019-20 | | | |
|------------|------------------|---------------|-----------------|-------------------|------------------|---------------|-----------------|-------------------|
| | <u>Projected</u> | <u>Actual</u> | <u>Variance</u> | <u>Variance %</u> | <u>Projected</u> | <u>Actual</u> | <u>Variance</u> | <u>Variance %</u> |
| Population | 55,497 | 54,791 | (706) | -1% | 57,617 | 57,765 | 148 | 0% |
| Jobs | 4,679 | 4,901 | 222 | 5% | 4,967 | 4,790 | (177) | -4% |

NON-RESIDENTIAL SQUARE FOOTAGE BY TYPE GROWTH PER YEAR

| | 2018-19 | | | | 2019-20 | | | |
|--------------------------|------------------|---------------|-----------------|-------------------|------------------|---------------|-----------------|-------------------|
| | <u>Projected</u> | <u>Actual</u> | <u>Variance</u> | <u>Variance %</u> | <u>Projected</u> | <u>Actual</u> | <u>Variance</u> | <u>Variance %</u> |
| Warehousing/Distribution | 13,000 | 19,520 | 6,520 | 50% | 15,000 | | (15,000) | -100% |
| Industrial | 11,000 | 20,489 | 9,489 | 86% | 11,000 | 128,689 | 117,689 | 1070% |
| Commercial | 44,000 | 36,729 | (7,271) | -17% | 46,000 | 19,828 | (26,172) | -57% |
| Institutional | 112,000 | 50,964 | (61,036) | -54% | 120,000 | 82,791 | (37,209) | -31% |
| Office & Other Services | 11,000 | | (11,000) | -100% | 12,000 | 11,481 | (519) | -4% |

**CITY OF MARICOPA, ARIZONA
APPENDIX A**

PROGRESS OF INFRASTRUCTURE IMPROVEMENT PLAN PROJECTS

| Project Description | IIP Fund | Estimated Cost^a | Expenditures as of 6/30/20^b | Estimated Cost to Complete |
|------------------------------|-----------------|-----------------------------------|---|-----------------------------------|
| Porter Road | Transportation | \$ 15,249,000 | \$ 388,689 | \$ 14,860,311 |
| Honeycutt Road | Transportation | 12,792,600 | - | 12,792,600 |
| Farrell Road | Transportation | 4,008,900 | - | 4,008,900 |
| Anderson Road | Transportation | 7,897,970 | - | 7,897,970 |
| Peters and Nall Road | Transportation | 12,370,320 | - | 12,370,320 |
| Hiller Road Alignment | Transportation | 3,767,400 | - | 3,767,400 |
| Bridges (4) | Transportation | 9,583,334 | - | 9,583,334 |
| Shea Way | Transportation | 805,000 | 197,884 | 607,116 |
| Bowlin Road | Transportation | 10,565,970 | 48,000 | 10,517,970 |
| Murphy Road | Transportation | 8,810,035 | - | 8,810,035 |
| Hartman Road | Transportation | 9,277,740 | - | 9,277,740 |
| East West Corridor | Transportation | 37,688,950 | 135,754 | 37,553,196 |
| White and Parker Road | Transportation | 11,258,868 | - | 11,258,868 |
| Roundabouts (6) | Transportation | 19,872,000 | - | 19,872,000 |
| Traffic Signals | Transportation | 10,735,300 | 656,447 | 10,078,853 |
| Pickle Ball Courts | Parks | 425,000 | 465,183 | (40,183) |
| Multi-Use Trails (Various) | Parks | 160,000 | - | 160,000 |
| Park Improvements (Various) | Parks | 11,500,000 | 824,719 | 10,675,281 |
| Vehicles/Equipment (Various) | Police | 1,700,000 | - | 1,700,000 |
| Additional Space/Substation | Police | 500,000 | - | 500,000 |
| Radios | Fire | 180,000 | - | 180,000 |
| Type 6 Brush Truck | Fire | 430,000 | - | 430,000 |
| Various Apparatus | Fire | 2,000,000 | - | 2,000,000 |
| Fire Station #5 | Fire | 5,000,000 | - | 5,000,000 |
| Fire Administration Building | Fire | 2,100,000 | - | 2,100,000 |
| Library Addition/Branch | Library | 1,500,000 | 3,128,851 | (1,628,851) |

a) The source of the information in the City of Maricopa 2019 Infrastructure Improvements Plan.
b) The source of the information is the City's financial records.