



City of San Luis, 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 SAN LUIS, 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 San Luis, Arizona, related to the City of San Luis, 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 San Luis, 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. Compared growth projections for 2017 and 2018 related to service units, parks (acres), improvements, recreational facilities, vehicles, equipment units, square footage, vehicle trips, number of housing units and utility connections as reported in the Infrastructure Improvement Plan (IIP) to actual results. A list of all variances are reported in the Summary of Findings.

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

- b. Selected a sample of 15 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.
- c. Selected a sample of 15 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.

- d. 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 b. above.

The accompanying Summary of Findings describes the findings 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 San Luis, 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
September 16, 2019

**CITY OF SAN LUIS, ARIZONA
SUMMARY OF FINDINGS**

FINDING NO. 1

External fees associated with reviewing and reporting on the Development Impact Fees were charged to the City Impact Fees Fund. While it is reasonable to charge these expenditures to the impact fee funds, it should be noted that these expenditures were not explicitly listed in the IIP.

FINDING NO. 2

The City charged the wastewater impact fee fund for the purchase of a dump truck, which was not listed in the IIP.

FINDING NO. 3

Variances were noted for growth projections related to parks and recreational facilities, police streets, water, and wastewater as reported in the Land Use Assumptions when compared to actual results. All variances are reported below.

	2017			
	<u>Projected</u>	<u>Actual</u>	<u>Variance</u>	<u>Variance %</u>
Parks and Recreational Facilities				
Service Unit:				
Persons	34,142	35,289	1,147	3%
Jobs	6,364	5,024	(1,340)	-21%
Parks (Acres)	42	37	(5)	-12%
Police				
Service Unit:				
Persons	34,142	35,289	1,147	3%
Trips	26,775	19,480	(7,295)	-27%
Fire Facilities (square feet)	16,449	14,446	(2,003)	-12%
Streets				
Service Units	8,124	8,684	560	7%
Single Unit Trips	47,852	58,686	10,834	23%
Total Vehicle Trips	77,685	82,229	4,544	6%
Water				
Residential Connections	6,523	6,191	(332)	-5%
Non-Residential Connections	410	257	(153)	-37%
Jobs	6,364	5,024	(1,340)	-21%
Wastewater				
Residential Connections	5,894	6,024	130	2%
Non-Residential Connections	326	257	(69)	-21%
Jobs	6,364	5,024	(1,340)	-21%

**CITY OF SAN LUIS, ARIZONA
SUMMARY OF FINDINGS**

	2018			
	<u>Projected</u>	<u>Actual</u>	<u>Variance</u>	<u>Variance %</u>
Parks and Recreational Facilities				
Service Unit:				
Persons	35,318	36,250	932	3%
Jobs	6,525	5,204	(1,321)	-20%
Parks (Acres)	44	37	(7)	-16%
Police				
Service Unit:				
Persons	35,318	36,250	932	3%
Trips	27,558	20,185	(7,373)	-27%
Fire Facilities (square feet)	16,999	14,446	(2,553)	-15%
Streets				
Service Units	8,403	8,994	591	7%
Single Unit Trips	49,495	60,781	11,286	23%
Total Vehicle Trips	80,217	85,175	4,958	6%
Water				
Residential Connections	6,747	6,443	(304)	-5%
Non-Residential Connections	420	385	(35)	-8%
Jobs	6,525	5,204	(1,321)	-20%
Wastewater				
Residential Connections	6,097	6,290	193	3%
Non-Residential Connections	335	258	(77)	-23%
Jobs	6,525	5,204	(1,321)	-20%