



**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 July 1, 2016 through June 30, 2018

**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 July 1, 2016 through June 30, 2018. 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 impact fee receipts 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 40 expenditures from Impact Fee funds and determine that the expenditure was associated with an approved project in the Town's Infrastructure Improvement Plan (IIP).

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.  
Flagstaff, Arizona  
December 12, 2018

**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.

<b>2017</b>				
	<u>Projected</u>	<u>Actual</u>	<u>Variance</u>	<u>Variance %</u>
Population	46,954	42,130	(4,824)	(10%)
<b><u>Dwelling units</u></b>				
Single Family	14,676	13,915	(761)	(5%)
Multi-Family	3,881	2,908	(973)	(25%)
Mobile Home	3,235	2,770	(465)	(14%)
<b>2018</b>				
	<u>Projected</u>	<u>Actual</u>	<u>Variance</u>	<u>Variance %</u>
Population	48,739	43,950	(4,789)	(10%)
<b><u>Dwelling units</u></b>				
Single Family	15,191	14,383	(808)	(5%)
Multi-Family	4,409	2,925	(1,484)	(34%)
Mobile Home	3,590	2,782	(808)	(23%)