



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 August 1, 2014 through June 30, 2016

**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, solely to assist the management of City of San Luis, Arizona, in evaluating 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 August 1, 2014 through June 30, 2016. Management is responsible for City of San Luis, 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.

- a. Compare growth projections for 2014, 2015 and 2016 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 will be reported.

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

- b. Select a sample of 15 building permits issued and determine fees were charged in accordance with authorized fee schedules and that each permit holder is charged the same rate as another equivalent permit holder. Any inequities in the imposition of development fees will be reported.
- c. Select a sample of 15 expenditures and determine 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.

- d. Determine 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 b. above.

The accompanying Summary of Findings describes the findings we noted.

We were not engaged to, and did not conduct an audit, 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 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.
Phoenix, Arizona
April 4, 2017

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

FINDING NO. 1

The City was unable to provide actual data to compare with the growth projection amounts for all of the categories reported in the Infrastructure Improvement Plan (IIP).

FINDING NO. 2

For one of 15 expenditures reviewed, the expenditure was for a vehicle which was prohibited in the IIP according to ARS 9-463.05 (T)(7)(g).