

**CITY OF GOODYEAR, 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 GOODYEAR, 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 Goodyear, Arizona, solely to assist the management of City of Goodyear, Arizona, in evaluating the City of Goodyear, 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 Goodyear, 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 and 2015 related to population, 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.
- b. Compare the number of actual building permits pulled in FY14-15 to the Land Use Assumptions in the IIP. A list of all variances will be reported.

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

- c. Select a sample of 40 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.
- d. Select a sample of 25 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.*

- e. 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 c. above.

*Construction sales tax.*

- f. Determine that the 1 percent excess construction sales tax collected in the General Fund is transferred to the appropriate Impact Fee Fund on a quarterly basis in accordance with A.R.S. 9-463-05B(12).

*Annual report compliance.*

- g. Determine that the annual report included the information as required by A.R.S. 9-463-05N.

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 City of Goodyear, 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 15, 2016

CITY OF GOODYEAR, ARIZONA  
SUMMARY OF FINDINGS

**FINDING NO. 1**

Variances were noted for growth projections related to population, number of housing units and utility connections as reported in the Infrastructure Improvement Plan (IIP) when compared to actual results. In addition, variances were noted for projections of building permits pulled as reported in the Land Use Assumptions in the IIP when compared to actual results. All variances are reported below.

|                                    | <b>2014-15</b>   |               |                 |                   | <b>2015-16</b>   |               |                 |                   |
|------------------------------------|------------------|---------------|-----------------|-------------------|------------------|---------------|-----------------|-------------------|
|                                    | <u>Projected</u> | <u>Actual</u> | <u>Variance</u> | <u>Variance %</u> | <u>Projected</u> | <u>Actual</u> | <u>Variance</u> | <u>Variance %</u> |
| <b><u>Population:</u></b>          |                  |               |                 |                   |                  |               |                 |                   |
| North of Gila River                | 62,863           | 61,964        | (899)           | -1%               | 65,299           | 63,782        | (1,517)         | -2%               |
| River to Pecos                     | 12,649           | 12,539        | (110)           | -1%               | 13,505           | 12,955        | (550)           | -4%               |
| North of Pecos                     | 75,512           | 74,503        | (1,009)         | -1%               | 78,804           | 76,737        | (2,067)         | -3%               |
| <b><u>Housing units</u></b>        |                  |               |                 |                   |                  |               |                 |                   |
| North                              | 12,313           | 12,176        | (137)           | -1%               | 12,845           | 12,653        | (192)           | -1%               |
| Central                            | 13,241           | 13,013        | (228)           | -2%               | 13,699           | 13,275        | (424)           | -3%               |
| South                              | 5,142            | 5,097         | (45)            | -1%               | 5,490            | 5,266         | (224)           | -4%               |
| <b><u>Utility connections:</u></b> |                  |               |                 |                   |                  |               |                 |                   |
| Water*                             | 18,920           | 15,945        | (2,975)         | -16%              | 20,070           | 17,034        | (3,036)         | -15%              |
| Sewer*                             | 19,990           | 17,496        | (2,494)         | -13%              | 21,210           | *             | *               | *                 |
| <b><u>Housing Permits:</u></b>     | 1,285            | 860           | (425)           | -33%              | 1,345            | 894           | (451)           | -34%              |

\*Meter installation counts are based on a different methodology starting in 2014. Sewer connections are based on as-built plan dates, therefore the 2014-15 actual figure represents connections at December 31, 2014 as this is the latest information available.