



Independent Accountant's Report
on Applying Agreed-Upon Procedures

Honorable Mayor and Council
Mark Woodfill, Finance Director
City of Prescott
201 S. Cortez Street
Prescott, Arizona 86303

We have performed the procedures enumerated below, which were agreed to by the management of the City of Prescott (the City), on the proper receipt and use of development fees relating to the City's Land Use Assumptions and Infrastructure Improvement Plan (IIP), as adopted in 2014 and 2019, for the City of Prescott's biennial period ending June 30, 2020. The City of Prescott's management is responsible for the proper receipt and use of development fees relating to the City's Land Use Assumptions and Infrastructure Improvement Plan (IIP), as adopted in 2014 and 2019. The sufficiency of these procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

1. Selected a sample of receipts and determined development fees were charged in accordance with the City's applicable IIP.
 - No exceptions were noted
2. Recalculated fees for a sample of development fee transactions to determine that each developer/unit was charged the same rate as another equivalent developer/unit to demonstrate "inequities" and "level of service".
 - No exceptions were noted
3. Reviewed the use of the development fees expended from July 1, 2018 to June 30, 2020 and determined the projects were for an approved project in the City's applicable IIP.
 - No exceptions were noted

4. Reviewed other requirements imposed by Arizona State Statutes of cities and towns in regards to development fees as listed in the ARS 463.05.
 - No exceptions were noted.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the Arizona Revised Statutes section 463.05. 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 the proper receipt and use of development fees relating to the City's Land Use Assumptions and Infrastructure Improvement Plan (IIP), as adopted in 2014 and 2019, for the City of Prescott's biennial period ending June 30, 2020. 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.

This report is intended solely for the information and use of the City of Prescott's management, and is not intended to be and should not be used by anyone other than the specified party.



HintonBurdick
Gilbert, Arizona
November 12, 2020