



**City of Eloy, 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, 2018 through June 30, 2020

**CITY OF ELOY, 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 this agreed-upon procedures engagement to assist management of the City of Eloy, Arizona (City), in complying with the requirement as set forth in Arizona Revised Statutes (A.R.S.) 9-463.05.G.2 “to provide for a biennial certified audit of the municipality’s land use assumptions, infrastructure improvements plan and development fees”. We have performed the procedures identified below, which were agreed to by the management of City of Eloy, Arizona, solely to assist management of the City in evaluating the City’s compliance with the progress reporting requirements of the infrastructure improvement plan for the period from July 1, 2018 through June 30, 2020, as specified in A.R.S. 9-463.05.G.2. City of Eloy, Arizona’s management is responsible for its 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 2019 and 2020 related to population, streets, facilities, number of housing units, vehicles and parks (acres) 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.
- c. Selected a sample of two expenditures and determined that the expenditures were associated with an approved project in the City’s IIP. Only two expenditures were made from impact fees collected after July 1, 2018.

*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.
- e. Determined that there were no instances in which the City waived development impact fees, except as allowed for under A.R.S. 9-499.10.B and A.R.S. 9-500.18.

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 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 management of City of Eloy, Arizona, and is not intended to be and should not be used by anyone other than these specified parties.

*Heinfeld Meech & Co. PC*

Heinfeld, Meech & Co., P.C.  
Phoenix, Arizona  
April 8, 2021

**CITY OF ELOY, ARIZONA  
SUMMARY OF FINDINGS**

**FINDING NO. 1**

Variations were noted for growth projections related to parks, recreational facilities square footage, police facility square footage, resident population, and single housing units as reported in the Infrastructure Improvement Plan (IIP) when compared to actual results. All variances are reported below.

|  | 2019      |        |          |            | 2020      |        |          |            |
|--|-----------|--------|----------|------------|-----------|--------|----------|------------|
|  | Projected | Actual | Variance | Variance % | Projected | Actual | Variance | Variance % |
| <b><u>Parks and Recreational Facilities:</u></b> |           |        |          |            |           |        |          |            |
| Parks (acres):                                   | 19        | 16     | (3)      | -16%       | 19        | 16     | (3)      | -16%       |
| Recreational facilities (sq ft.):                | 10,535    | 13,380 | 2,845    | 27%        | 10,878    | 13,380 | 2,502    | 23%        |
| <b><u>Police:</u></b>                            |           |        |          |            |           |        |          |            |
| Police facilities (sq ft.):                      | 5,753     | 5,753  | 0        | 0%         | 5,954     | 5,753  | (201)    | -3%        |
| Prison population:                               | 7,299     | 7,299  | 0        | 0%         | 7,299     | 7,299  | 0        | 0%         |
| Resident population:                             | 12,118    | 11,694 | (424)    | -3%        | 12,482    | 11,443 | (1,039)  | -8%        |
| Vehicles:  | 44        | 35     | (9)      | -20%       | 45        | 35     | (10)     | -22%       |
| <b><u>Streets:</u></b>                           |           |        |          |            |           |        |          |            |
| Single housing units:                            | 3,791     | 3,010  | (781)    | -21%       | 12,482    | 11,443 | (1,309)  | -8%        |
| Lane miles:                                      | 280       | 288    | 8        | 3%         | 290       | 288    | (2)      | -1%        |

**FINDING NO. 2**

The City was unable to provide information for the prison population; however, a rough estimate was provided. Therefore, growth projections in the Infrastructure Improvement Plan could not be compared to actual results.

**FINDING NO. 3**

The Infrastructure Improvement Plan calculated growth projections for Parks and Recreational Facilities using housing data that included the Robson Ranch Community; however, per review of the Robson Ranch Annexation and Development Agreement, Robson Ranch should not be included in this calculation. Additionally, actual results for recreational facility square footage exceeded projections by approximately 27 percent in 2019 and 23 percent in 2020.