



Independent Accountant's Report On Applying Agreed-Upon Procedures

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

We have performed the procedures enumerated below on the proper receipt and use of development fees relating to the City of Prescott, Arizona's (the City) Land Use Assumptions and Infrastructure Improvement Plan for the City's biennial period ending June 30, 2022. The City'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.

The city has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of evaluating the proper receipt and use of development fees relating to the City's Land Use Assumptions and Infrastructure Improvement Plan for the City's biennial period ending June 30, 2022. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and the associated findings are as follows:

1. Selected a sample of receipts and determined development fees were charged in accordance with the City's Infrastructure Improvement Plan.
 - 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 development fees expended from July 1, 2020 to June 30, 2022 and determined they were used for projects approved in the City's Infrastructure Improvement Plan.
 - 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 ARD 463.05.
 - No exceptions were noted.

We were engaged by the City to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA and the standards applicable to attestation engagements contained in Government Auditing Standards issued by the Comptroller General of the United States. 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 for the City's biennial period ending June 30, 2022. 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.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

HintonBurdick, PLLC

HintonBurdick, PLLC

Gilbert, Arizona

November 14, 2022