



**City of Avondale, 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, 2020 through June 30, 2022

**CITY OF AVONDALE, ARIZONA  
TABLE OF CONTENTS**

<b><u>CONTENTS</u></b>	<b><u>PAGE</u></b>
Independent Accountant’s Report on Applying Agreed-Upon Procedures	1
Summary of Findings	3
Appendix A – Progress of Infrastructure Improvement Plan Projects	4

## 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 Avondale, Arizona (City), with the requirement 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”. As such, we have performed the procedures identified below, solely to assist users in evaluating the City’s compliance with the progress reporting requirements of the infrastructure improvement plan for the period from July 1, 2020 through June 30, 2022, as specified in A.R.S. 9-463.05.G.2. City of Avondale, Arizona’s management is responsible for its compliance with those requirements.

City of Avondale, Arizona’s management has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of assisting users in determining whether the City complied with the specified requirements. 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.

We have applied the following procedures:

*The progress of the infrastructure improvements plan.*

- a. Compared growth projections for 2021 and 2022 related to population, employment, number of housing units, and nonresidential square footage, as reported in the Infrastructure Improvement Plan (IIP) to actual results. A list of all variances are reported in the Summary of Findings.
- b. Obtained City-prepared report (see Appendix A) documenting the progress of each project identified in the Infrastructure Improvement Plan (IIP) and performed the following procedures:
  - i. Agreed expenditures as of June 30, 2022 to the underlying accounting records.
  - ii. Agreed amounts reported as estimated cost to complete to underlying accounting records.

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

- c. Selected a sample of 120 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.
- d. Selected a sample of 25 expenditures and determined that the expenditures were associated with an approved project in the City's IIP.

*Evaluating any inequities in implementing the plan or imposing the development impact fee.*

- e. 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 c. above.
- f. 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.

We were engaged by City of Avondale, Arizona's management to perform this agreed-upon procedures engagement and conducted our engagement 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 engagement, 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.

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

This report is intended solely for the information and use of the management of City of Avondale, 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.  
Scottsdale, Arizona  
March 26, 2024

**CITY OF AVONDALE, ARIZONA  
SUMMARY OF FINDINGS**

FINDING NO. 1

Variances were noted for growth projections related to population, residential housing units, nonresidential square footage, and employment as reported in the Land Use Assumptions when compared to actual results. All variances are reported below.

	<b>2021</b>			
	Projected	Actual	Variance	Variance %
Population	89,704	90,755	1,051	1%
Residential Housing Units	31,039	29,532	(1,507)	-5%
Nonresidential Square Footage (1,000 sf)	11,507	9,699	(1,808)	-19%
Employment	18,377	19,900	1,523	8%

	<b>2022</b>			
	Projected	Actual	Variance	Variance %
Population	91,360	92,324	964	1%
Residential Housing Units	31,639	30,042	(1,597)	-5%
Nonresidential Square Footage (1,000 sf)	11,746	10,610	(1,136)	-10%
Employment	18,832	20,560	1,728	8%

**APPENDIX A  
PROGRESS OF INFRASTRUCTURE IMPROVEMENT PLAN PROJECTS**

<b>Project Description</b>	<b>IIP Fund</b>	<b>Estimated Cost<sup>a</sup></b>	<b>Expenditures 8/1/2019 - 6/30/2020<sup>b</sup></b>	<b>Expenditures 7/1/2021 - 6/30/2022<sup>b</sup></b>	<b>Estimated Cost to Complete<sup>c</sup></b>	<b>FY Budget Plan</b>
Additional apparatus (Incremental) - pg 18 (Split between 1040/S0013 (1040) & S0056)	Fire	\$ 1,587,088	\$	\$	\$ 1,587,088	Split between Lakin Project (S0013) (765k) and separate project (S0056) (948k) (FY22). Apparatus associated with S0056 delivered in FY2023
Additional Fire Stations (Lakin) - pg 13 (1040/S0013, fire portion)	Fire	3,138,239			\$ 15,913,000	In Progress, Design FY24/25, Construction FY26
Library Debt - growth share - pg 26 (8110)	Library	625,586	280,100	155,000		Completed FY22
Future Park (Incremental) - pg 37 (P0171)	Parks	7,885,825		7,652,939	8,467,000	Completed FY24
Police Stations (Incremental / Lakin) - pg 40 (1040/S0013, police portion)	Police	2,780,695			10,805,000	In Progress, Design FY24/25, Construction FY26
Police Property and Evidence - pg 41 (1161) (S0100)	Police	789,917	551,391		9,497,000	Completed
Vehicles and Equipment (incremental) - pg 42	Police	1,106,009			1,106,009	Project not defined
Communications Equipment (incremental) pg 43	Police	381,680			381,680	Project not defined
Dysart Road Extension (1021) (Linked to U0047)	Streets	1,810,000			3,170,000	FY30
Avondale Blvd - McDowell and Thomas (1125) (T0016)	Streets	1,708,000	61,907		1,708,000	Work in Process
Van Buren St - Fairway to 121st Ave (1146)	Streets	974,500			975,000	Project not in 10 year plan
Avondale Blvd - Lower Buckeye to Miami (1166)	Streets	280,800			2,096,000	Project not in 10 year plan
El Mirage - Lower Buckeye to Calle Hermosa (1172)	Streets	468,500			469,000	FY30
107th Ave/McDowell (1224) (T0002)	Streets	2,735,000	162,489	2,532,626	3,710,000	Completed FY23 (still active in questica)
Van Buren - 107th to Avondale (1334) (T0210)	Streets	1,863,000			7,825,000	Design FY29, Land Acq FY30, Construction FY31
Fairway Drive - Van Buren to Garfield (1336) (T0052)	Streets	3,029,000	518,473	2,494,918	3,500,000	Pending ADOT closing project (FY24)
McDowell Road & 107th Ave - Dual Turn Lanes (1382) (T0079)	Streets	400,000	150,000	250,000	500,000	Completed FY23
El Mirage & Buckeye - NBR Turn Lane (1459) (T0049)	Streets	240,000	176,479		700,000	Completed
Dysart Rd Widening - Whyman to Buckeye (1600)	Streets	1,029,800			2,600,000	Project not in 10 year plan
Traffic Signal - 107th and Pierce (1127) (T0207)	Streets	475,000			525,000	FY29/FY30
Traffic Signal - Avondale and Lower Buckeye (1170) (T0173)	Streets	600,000			3,300,000	Design FY22, Construction FY23, Includes arterial improvements, Anticipated Completion FY24
Traffic Signal - El Mirage and Lower Buckeye (1171) (T0138)	Streets	575,000		12,547	625,000	Construction FY23 and FY24
Traffic Signal - 107th Ave and Dealer Dr (1180)	Streets	475,000				Project not in 10 year plan
Traffic Signal - 107th Ave and Roosevelt (1181) (T0213)	Streets	475,000			525,000	FY25
Traffic Signal - 119th Ave and McDowell (1187) (T0135)	Streets	475,000		258,396	747,000	Completed FY22
Traffic Signal 119th Ave and Lower Buckeye (1188) (T0134)	Streets	475,000			525,000	FY29
Traffic Signal - Central and Lower Buckeye (1195) (T0137)	Streets	475,000			1,125,000	Design FY30, Land Acq FY31, Construction FY32
Traffic Signal - Dysart and Lower Buckeye (1248)	Streets	475,000				Project not in 10 year plan
Traffic Signal - Maricopa and Avondale Blvd (1381) (T0141)	Streets	470,000	465,456			Completed FY2021
Traffic Signal - Broadway and Avondale Blvd (1383) (T0136)	Streets	730,000			1,300,000	Developer constructing
Traffic Signal - Thomas and 137th Ave (1437) (T0139)	Streets	475,000				Completed FY20
Charles M Wolf Phase 1 Expansion (pg 67)	Sewer	18,733,120				Collection for previous expansion
Wastewater Collection Cost Recovery (pg 68) (9200)	Sewer	8,949,047				Collection for previous expansion
99th Avenue Waterline Thomas-McDowell (1133) (U0006)	Water	800,000			878,000	FY23/24
Future Well (1318) (U0061)	Water	2,700,000			2,700,000	Design FY27, Construction FY28
Dysart Rd Waterline, Roser Align-Southern (1302) (U0326)	Water	1,000,000			1,000,000	FY28
Dysart Rd Waterline, Whyman-Lower Buckeye (1231) (U0047)	Water	400,000			450,000	FY25
Future Well, North of I10 (1131) (U0156)	Water	4,400,000		14,165	4,300,000	Land Acq FY24, Design FY27, Construction FY 28/29
Future Well, North of Van Buren (1142) (U0131)	Water	2,900,000		49,096	2,880,000	FY23/24
McDowell Road Waterline, 117th - Avondale (1135) (U0077)	Water	300,000			300,000	Project deactivated (developer may build)
Well #27 Corporate/El Mirage (1214) (U0159)	Water	2,500,000			1,630,566	FY24 Anticipated Completion
Wellhead Treatment (1068) (U0160)	Water	1,500,000				Complete FY20
Nitrate Removal System for Coldwater Booster Station (1340) (U0087)	Water	5,545,000			5,545,000	Design FY27, Construction FY28
McDowell Rd 16 inch Waterline Avondale to 99th (1468) (U0080)	Water	2,650,000			2,650,000	Design FY24, Construction FY25
Phoenix Water Connection to Garden Lakes Booster (U0088)	Water	6,860,000			8,890,361	Complete FY21, bond funded, repayment shown below
Repayment of Debt for Phoenix Water Connection to Garden Lakes Booster	Water			766,000		
10th and Roosevelt Treatment Site (1470) (U0073)	Water	600,000			600,000	FY27
Garden Lakes Site - 2nd Reservoir and Booster (1471)	Water	8,358,000			8,358,000	FY25-FY26
Northside Booster Well Site (1472) (U0090)	Water	75,000			75,000	FY24
Water Recharge (Incremental) (U0220)	Water	1,649,599			5,700,000	U0220 - Completed FY23

a) The source of the information in the City of Avondale 2019 Infrastructure Improvements Plan and reflects the impact fee eligible portion in IIP

b) The source of the information is the City's financial records and includes expenditures of impact fees collected after August 1, 2019.

c) The source of the information is the City's CIP Budget and includes expected expenditures from all funding sources.