



INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES

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

We have performed the procedures enumerated below, which were agreed to by the City of Prescott (the specified party), on the receipt and use of fees relating to the City's Land Use Assumptions and Infrastructure Improvement Plan (IIP), as adopted in 2014, for the City of Prescott's biennial period ending June 30, 2018. The City of Prescott's management is responsible for receipt and use of fees relating to the City's Land Use Assumptions and Infrastructure Improvement Plan (IIP), as adopted in 2014. The sufficiency of these procedures is solely the responsibility of the city management. 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 purpose.

The procedures and associated findings are as follows:

- 1) Selected a sample of receipts and determined fees were charged in accordance with authorized fee schedules.
 - a) No exceptions noted.
- 2) Recalculated fees for a sample of transactions to determine that each developer/unit is charged the same rate as another equivalent developer/unit to demonstrate "inequities" and "level of service".
 - a) No exceptions noted.
- 3) Selected a sample of expenditures and determine that the expenditure was associated with an approved project in the IIP.
 - a) No exceptions 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 the receipt and use of fees relating to the City's Land Use Assumptions and Infrastructure Improvement Plan (IIP), as adopted in 2014. 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.

Henry + Horne LLP

Casa Grande, Arizona
January 24, 2019