

CITY OF
Phoenix

**Biennial Certified Audit of Land Use
Assumptions, Infrastructure
Improvement Plan, and Development
Fees (July 1, 2018 – June 30, 2020)**

Final Report / February 16, 2021

February 16, 2021

Adam Q. Miller, Team Leader
Growth and Infrastructure Section
200 W. Washington Street, 3rd Floor
Phoenix, AZ 85003

Subject: Biennial Certified Audit of Land Use Assumptions, Infrastructure Improvements Plan and Development Fees (July 1, 2018 – June 30, 2020)

The City of Phoenix (City) retained Raftelis Financial Consultants Inc. (Raftelis) to complete an audit of the City's land use assumptions (LUA), infrastructure improvement plan (IIP), development impact fee (DIF), and water resource acquisition fee (WRAF) revenues and expenditures over the period of July 1, 2018 through June 30, 2020 (Audit Period) per Arizona Revised Statutes (ARS) §9-463.05. This report summarizes the results of the LUA, IIP, DIF, and WRAF audit.

The scope of the audit is limited to an audit of the LUA, IIP and DIF, and WRAF assessments and expenditures outlined in the Annual Development Impact Fee Reports for Fiscal Years (FY) 2018-19 and 2019-20 dated September 9, 2019 and September 11, 2020, respectively. All fee amounts assessed and expenditures outlined are audited pursuant to the provisions in in the City Code Section 29 (Development Impact Fees) and Section 30 (Water Resource Acquisition Fees), as supported by the Infrastructure Financing Plan and Water Resources Acquisition Fee Report that took effect April 2015 (2015 IFP and WRAF Report)¹, and the Infrastructure Financing Plan Update that took effect April 2020 (2020 IFP)².

Per the statutory requirements of ARS §9-463.05, the study focused on charges assessed consistent with the adopted DIF and WRAF schedules. The City maintains DIF and WRAF assessment schedules varying by land use designation and/or customer classification and amongst multiple service areas. The City does not assess DIFs in portions of the City. The 2015 IFP provides for up to eight (8) service areas within the City and up to eight (8) service categories, based on the characteristics of development and services provided. New DIFs were implemented using nine (9) service areas beginning April 13, 2020. The WRAF are charged to recover funds that will be used for the acquisition of water resources and related infrastructure consistent with the WRAF Report. The City has been partitioned into two primary water resource service areas; On-Project areas that do not require additional water resources and Off-Project which do require additional water resources.

An additional provision of ARS §9-463.05 includes a "grandfathering" clause whereby a new or increased DIF or WRAF is not assessed against a new development for a period of up to 24-months after:

- the City issues the final approval for a commercial, industrial, or multifamily development OR

¹ Infrastructure Financing Plan 2015, April 6, 2015, and Water Resources Acquisition Fee Update Report and Infrastructure Improvements Plan, November 14, 2014.

² Infrastructure Financing Plan: 2020 Update, November 18, 2019; this report incorporates the material previously included in the WRAF Report, including water resource acquisition fees and infrastructure improvement plan.

- the date that the first building permit is issued for a residential development pursuant to an approved site plan or subdivision plat, provided that no subsequent changes are made to the approved site plan or subdivision plan that would increase the service units.

The City has administered this provision by assessing previously adopted DIFs and WRAFs until the grandfathering period expires for applicable development(s). Additionally, the City has entered into various developer credit agreements whereby the DIF and/or WRAFs were referenced and the City has administered those agreements. The application of developer credits and grandfathering provisions is beyond the scope of the Biennial Audit requirements, but Raftelis worked with City staff to identify instances where either the grandfathering provision or developer credit agreements were applied to permits during the Audit Period in situations where the assessed DIFs and/or WRAFs varied from the adopted DIFs and WRAFs.

The City deposits DIF and WRAF revenues into separate funds for each fee category and each fee area. Accordingly, the City maintains unique funds which are updated as new and/or amended IFPs are completed. For example, additional funds were created following the 2020 IFP and updated DIFs effective in 2020 and the WRAF update completed in 2014. Expenditures or uses of DIFs by category and WRAFs over the Audit Period are consistent with the uses documented in the adopted IFP and WRAF Reports.

The overall audit approach followed by Raftelis was to:

1. Review the reported Audit Period growth by each land use classification against the categories provided for in the IFP and WRAF Report.
2. Review the DIF and WRAF revenues reported against independently calculated amounts based on the appropriate criteria, to check the accuracy of assessed charges.
3. Compare the actual expenditures reported over the Audit Period against the IFP and WRAF Report to verify that funded projects were included in each report.

Raftelis worked with City staff following the initial identification of calculated permit revenues varied from reported DIF or WRAF revenues provided by the City over the Audit Period. Additional discussion regarding the process of the Biennial Audit of the DIF and WRAF LUA, IIP, revenues, and expenditures as detailed in the body of this report.

The following provides a summary of each of the study elements.

- LUA Audit: The permit data provided by the City are used to review actual growth over the Audit Period to the forecasted level of growth in the City's IFP and WRAF Report. The growth identified in the IFP and WRAFs provided for a 10-year period and is not broken out into individual annual forecasts. Raftelis used 2/10 (2 years to reflect the period from July 1, 2018 through June 30, 2020) of the LUA forecasted growth as a baseline of what might be expected over the Audit Period.
- IIP Audit: The City met the requirements of the IIP as part of the IFP and WRAF Report previously identified which support the DIFs and WRAFs in place over the Audit Period. The IIP related audit requirements are limited to confirming actual uses of DIF and WRAF revenues over the Audit Period were consistent with the improvements identified, and fees were assessed to development by fee category and/or service area as detailed within the IFP and WRAF Report.
- Revenue Audit: To test for revenue assessment accuracy, the DIFs identified in the IFP and WRAFs identified in the WRAF Report were applied by Raftelis to each of the permits, based on the service area, fee category, Equivalent Development Units (EDUs) and land use classification provided. These calculated DIF and WRAF revenues were compared to the unadjusted DIF amount reported by the City during the Audit Period. Any record showing a difference was considered a potential error, subject to additional review and validation.

- Expense Audit: Audit Period expenditures are identified in the Development Impact Fee Annual Reports for FY 2018-19 and FY 2019-20.

Pursuant to the discussion and analysis contained in this report the following findings are provided:

1. The difference between growth forecasted in the LUA as part of the 2020 IFP and the actual growth experienced by the City should be monitored but is not an area of immediate concern. As previously discussed, the City adjusted the LUA EDU growth forecasts as part of the 2020 IFP. This adjustment illustrates the self-correcting aspect of the LUA forecasts as part of comprehensive DIF and WRAF updates completed at least every five years. Additionally, growth often occurs less linearly as certain development may occur more rapidly than others and can be influenced by various external factors. Lastly, as the City DIFs are assessed within certain service areas where new development is anticipated that will require expansions to facilities providing necessary public services and WRAFs assessed only within Off-Project areas, growth may occur within the City, but in areas where DIFs and/or WRAFs are not currently assessed increasing the difficulty in projecting where future growth may occur in a given year.
2. The completed revenue audit has not found any material discrepancies when compared to the DIFs identified in the IFP and the WRAFs identified in the WRAF Report.
3. Based on the information obtained through the City's annual DIF reports, there are no discrepancies between expenditures identified in the IFP and WRAF reports and the IFP.

Raftelis is pleased to present our findings and analysis of the third Biennial Audit of the City's DIF and WRAF program to the City. Please contact Andrew Rheem or Hannah Palmer-Dwore regarding this report.

Sincerely,

RAFTELIS



Andrew Rheem
Senior Manager



Hannah Palmer-Dwore
Senior Consultant

Table of Contents

1.	INTRODUCTION AND BACKGROUND	1
1.1.	SCOPE OF WORK.....	1
1.2.	ARS §9-463.05 SUMMARY	1
1.2.1.	Grandfather Provisions.....	2
1.2.2.	Designated DIF Funds.....	2
1.3.	EXISTING DIFS AND WRAFS.....	2
2.	STUDY PROCESS	16
2.1.	AUDIT APPROACH	16
2.2.	DATA PROVIDED BY CITY.....	16
2.3.	LAND USE ASSUMPTIONS AUDIT.....	17
2.4.	INFRASTRUCTURE IMPROVEMENTS PLAN AUDIT	20
2.5.	IFP AND WRAF EXPENSE AUDIT	20
2.6.	DIF AND WRAF REVENUE AUDIT.....	22
2.7.	ADJUSTMENTS AND FEEDBACK FROM CITY.....	22
2.8.	ADDITIONAL WRAF FEEDBACK FROM CITY	23
2.9.	OVERALL FINDINGS	23

List of Tables

Table 1: Fire Protection DIFs until 4/12/20.....	5
Table 2: Fire Protection DIFs effective 4/13/20.....	5
Table 3: Police DIFs until 4/12/20.....	5
Table 4: Police DIFs effective 4/13/20.....	6
Table 5: Parks DIFs until 4/12/20.....	6
Table 6: Parks DIFs effective 4/13/20	6
Table 7: Library DIFs until 4/12/20	6
Table 8: Library DIFs effective 4/13/20	7
Table 9: Major Arterial DIFs until 4/12/20	7
Table 1- 10: Major Arterial DIFs effective 4/13/20.....	7
Table 11: Storm Drainage DIFs until 4/12/20	7
Table 12: Storm Drainage DIFs effective 4/13/20	8
Table 13: Water DIFs until 4/12/20	10
Table 14: Water DIFs effective 4/13/20	10
Table 15: Wastewater DIFs until 4/12/20	11
Table 16: Wastewater DIFs effective 4/13/20	12
Table 17: WRAFs until April 12, 2020	14
Table 18: WRAFs effective April 13, 2020	15
Table 19: Audit Period DIF Charges, EDUs and Revenues by Fee Category	17
Table 20: Audit Period WRAF Charges, EDUs and Revenues.....	17
Table 21: Fire Protection and Police LUA Audit	18
Table 22: Library LUA Audit	18
Table 23: Parks LUA Audit	18
Table 24: Major Arterials LUA Audit.....	18
Table 25: Storm Drainage LUA Audit	19
Table 26: Water LUA Audit	19
Table 27: Wastewater LUA Audit	19
Table 28: WRAF Growth Audit	19
Table 29: Expenditures in Funds 3001 – 3078, FY 2018 - 2019.....	20
Table 30: Expenditures in Funds 3001 – 3078, FY 2019 - 2020.....	21
Table 31: WRAF Expenditures, FY 2018 - 2019	21
Table 32: WRAF Expenditures, FY 2019 - 2020	21
Table 31: DIF and WRAF Records for Additional Review	22

List of Figures

Figure 1: DIF Service Areas effective prior to April 13, 2020.....	3
Figure 2: DIF Service Areas effective April 13, 2020	4
Figure 3: WRAF Service Areas.....	13

List of Appendices

- APPENDIX A: DIF Records Subject to Additional Review with Response from City**
- APPENDIX B: WRAF Records Subject to Additional Review with Response from City**
- APPENDIX C: LUA Audit Tables by Service Area**

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1. Introduction and Background

1.1. Scope of Work

The City of Phoenix (City) retained Raftelis Financial Consultants Inc. (Raftelis) to complete an audit of the City's Land Use Assumptions (LUA), Infrastructure Improvement Plan (IIP), Development Impact Fee (DIF), and Water Resource Acquisition Fee (WRAF) revenues and expenditures over the period of July 1, 2018 through June 30, 2020 (Audit Period) per Arizona Revised Statutes (ARS) §9-463.05. The scope of the audit is limited to an audit of the LUA, IIP, DIF, and WRAF assessments and planned expenditures outlined in the Development Impact Fee Annual Reports for Fiscal Year (FY) 2018-19 and FY 2019-20 dated September 9, 2019 and September 11, 2020, respectively. All fee amounts and expenditures outlined are audited pursuant to the provisions in the City Code Section 29 – Development Impact Fees and Section 30 – Water Resource Acquisition Fees, as supported by the Infrastructure Financing Plan and Water Resources Acquisition Fee Report that took effect April 2015 (2015 IFP and WRAF Report)³, and the Infrastructure Financing Plan Update that took effect April 2020 (2020 IFP)⁴. The City Code and the IFP were amended May 2016⁵ to reflect updated land use assumptions, defining a new land use category known as “mini warehouse”. Because this land use type did not exist at the time of the 2015 IFP publication, it has been included in Industrial land use for the purposes of this study.

The three areas of focus of the audit include:

- A review and comparison of the LUA forecast within the 2015 IFP to actual development by classification and service area.
- An audit of the DIF and WRAF revenues assessed as authorized by DIF and WRAF category and/or service area match the adopted DIF and WRAF assessment schedules.
- An audit of the expenditures or use of funds from DIFs and WRAFs by fee category and/or service area were identified within the 2015 IFP and WRAF Reports.

1.2. ARS §9-463.05 Summary

ARS §9-463.05 contains the Arizona statutory guidance, restrictions and requirements governing assessment, collection, and reporting of DIFs. Per ARS §9-463.05⁶, as a condition of assessing DIFs, the City is required to either:

- Establish an infrastructure improvements advisory committee or
- Complete a biennial audit

The City did not establish an infrastructure improvement advisory committee and is therefore completing the biennial audit for the 2-year audit period. The most recent audit for FY 2016-17 and FY 2017-18 was also completed by Raftelis with the results documented in the report dated February 9, 2020. The statutory requirements for the audit per ARS §9-463.05⁷ is detailed as follows.

³ Infrastructure Financing Plan 2015, April 6, 2015, and Water Resources Acquisition Fee Update Report and Infrastructure Improvements Plan, November 14, 2014.

⁴ Infrastructure Financing Plan: 2020 Update, November 18, 2019; this report incorporates the material previously included in the WRAF Report, including water resource acquisition fees and infrastructure improvement plan.

⁵ Draft Infrastructure Financing Plan 2015, 1st Amendment, April 29, 2016

⁶ Subsection G, paragraphs 1 and 2.

⁷ Subsection G, paragraph 2.

In lieu of creating an advisory committee pursuant to paragraph 1 of this subsection, provide for a biennial certified audit of the municipality's land use assumptions, infrastructure improvements plan and development fees. An audit pursuant to this paragraph shall be conducted by one or more qualified professionals who are not employees or officials of the municipality and who did not prepare the infrastructure improvements plan. The audit shall review the progress of the infrastructure improvements plan, including the collection and expenditures of development fees for each project in the plan, and evaluate any inequities in implementing the plan or imposing the development fee. The municipality shall post the findings of the audit on the municipality's website or the website of an association of cities and towns if the municipality does not have a website and shall conduct a public hearing on the audit within sixty days of the release of the audit to the public.

Based on the statutory requirements, the study focused on charges assessed consistent with the adopted DIF and WRAF schedules. The City maintains DIF and WRAF assessment schedules varying by land use designation and/or customer classification and amongst multiple service areas. The City does not assess DIFs in portions of the City. Figures 1, 2, and 3 detail the service area boundaries for DIFs and WRAF. The WRAF applies City-wide but is currently set to \$0 per EDU within the "On-Project" fee area, as shown in Figure 3.

Expenditures or uses of DIFs by category and WRAFs over the Audit Period are consistent with the uses documented in the adopted 2015 IFP and WRAF Reports.

1.2.1. GRANDFATHER PROVISIONS

As will be presented and discussed in this report, the City implemented the grandfather provisions over the course of the audit period pursuant to subsection F of ARS §9-463.05 that reads in part:

A municipality's development fee ordinance shall provide that a new development fee or an increased portion of a modified development fee shall not be assessed against a development for twenty-four months after the date that the municipality issues the final approval for a commercial, industrial or multifamily development or the date that the first building permit is issued for a residential development pursuant to an approved site plan or subdivision plat, provided that no subsequent changes are made to the approved site plan or subdivision plat that would increase the number of service units.

1.2.2. DESIGNATED DIF FUNDS

The City deposits DIF and WRAF revenues into separate funds for each fee category and each fee area. Accordingly, the City maintains unique funds to implementing the IFP and WRAF update. Fund numbers reflect the date ranges for which DIF revenues were collected.

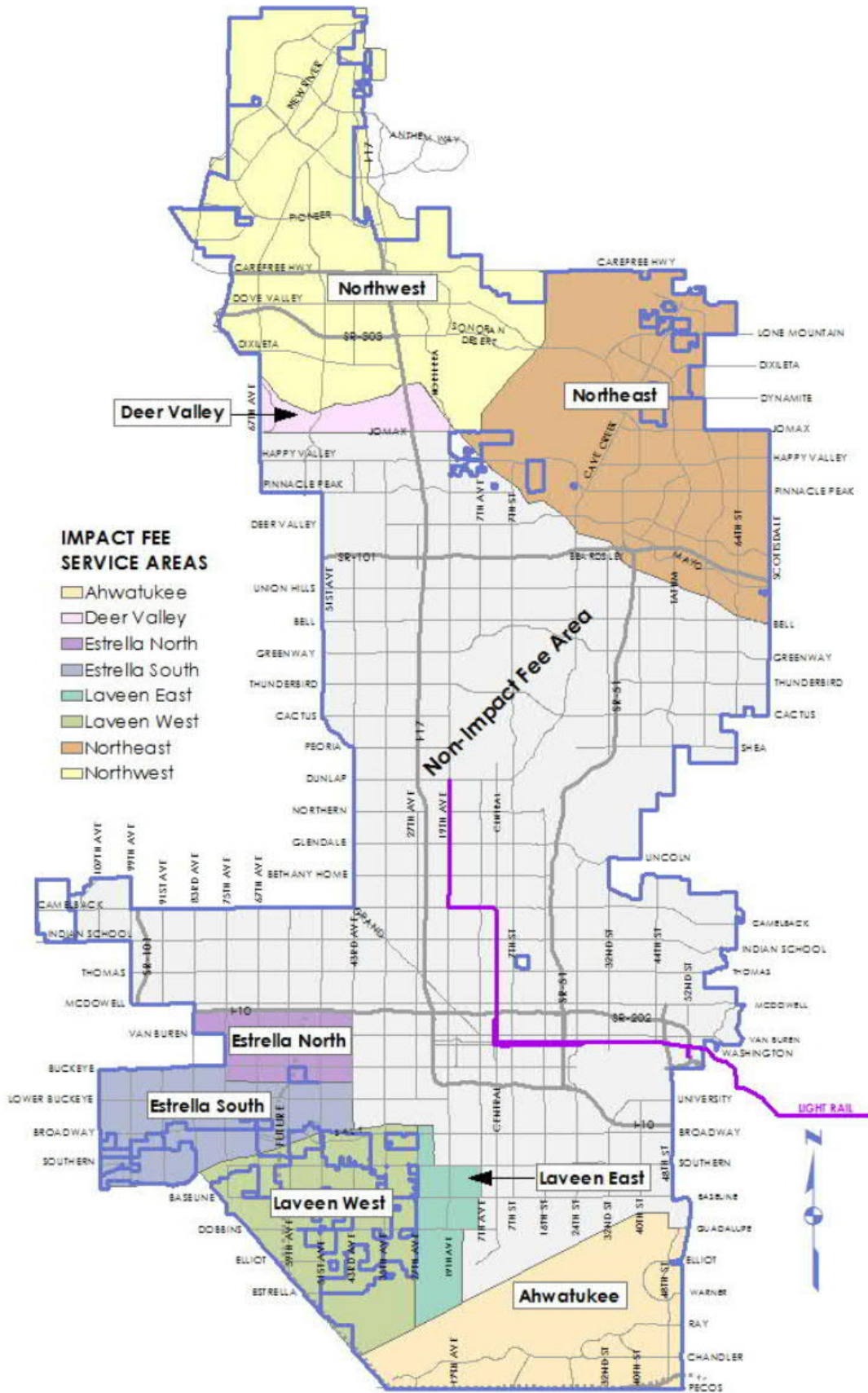
- Fund Series 1000/0000: DIFs collected prior to January 1, 2012
- Fund Series 2000: DIFs collected between January 1, 2012 and April 5, 2015
- Fund Series 3000: DIFs collected since April 6, 2015
 - Funds 3045, 3053, and 3079: DIFs collected since April 13, 2020

1.3. Existing DIFs and WRAFs

The 2015 IFP provides for up to eight service areas within the City and up to eight service categories, based on the characteristics of development and services provided. The service areas prior to April 13, 2020 are depicted within Figure 1⁸.

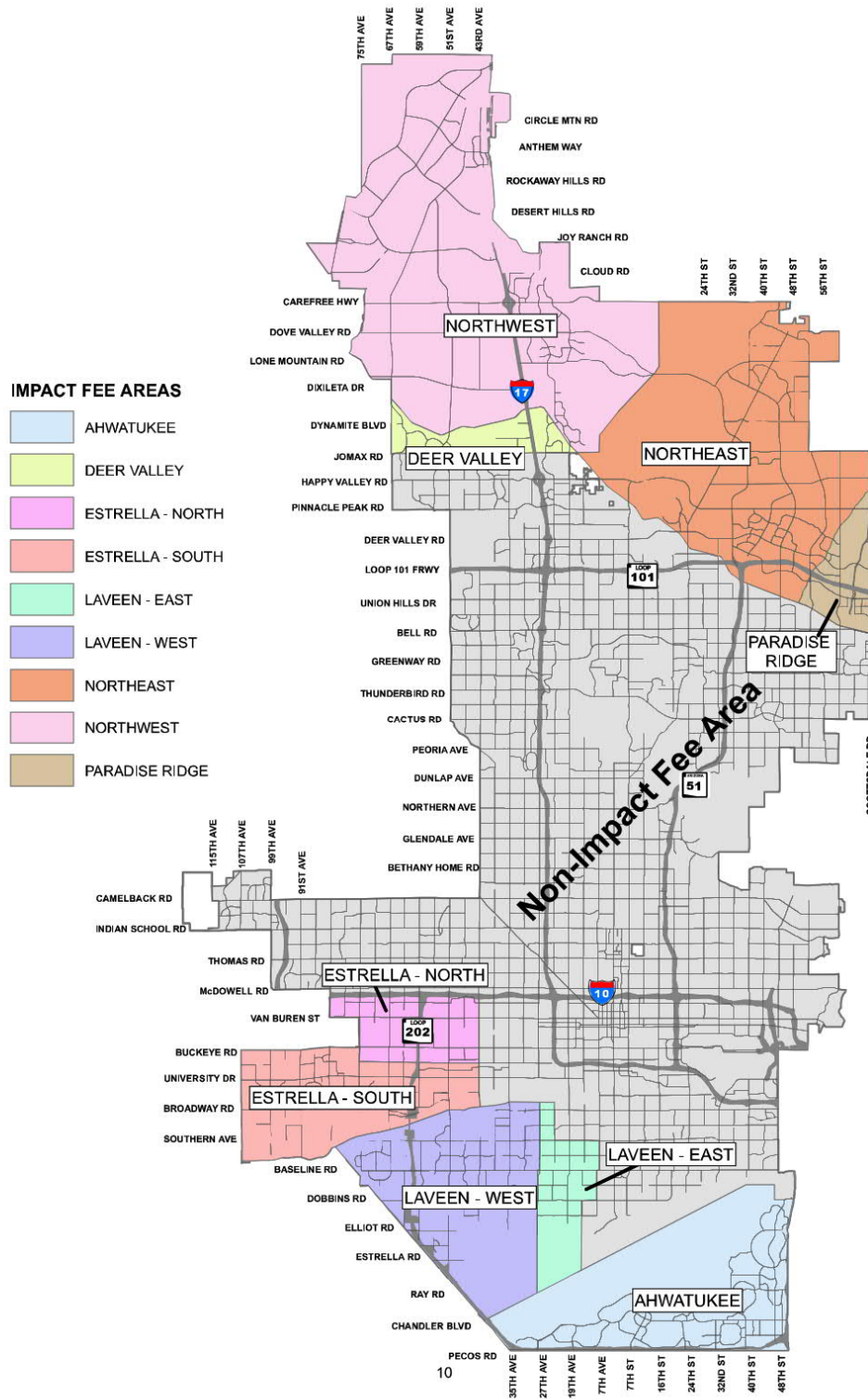
⁸ Map used in Figure 1 obtained from Annual Development Impact Fee Report FY 2018-19, dated September 9, 2019.

Figure 1: DIF Service Areas effective prior to April 13, 2020



New DIFs were implemented using nine (9) service areas beginning April 13, 2020 as shown in Figure 2: DIF Service Areas effective April 13, 2020⁹. For the purposes of comparison to the 2015 IFP, Paradise Ridge has been included as part of the Northeast service area in this report, except where noted.

Figure 2: DIF Service Areas effective April 13, 2020



⁹ Map used in Figure 2 obtained from Annual Development Impact Fee Report FY 2019-20, dated September 11, 2020.

For fire protection, police, park, library, and major arterials, DIFs for residential development are assessed per dwelling unit. DIFs for non-residential classes (commercial, office, industrial, mini warehouse, and institutional) are assessed per 1,000 square feet of building space, with the exception of major arterial assessments for hotel and lodging projects that are assessed per room. Storm Drainage DIFs are assessed to single family (SF) residential per dwelling unit; assessments for all other classes, including multifamily (MF) residential, are based on acreage.

DIFs were adjusted effective April 13, 2020. Permits issued before April 13, 2020 were subject to the previous DIF, while those issued since April 13, 2020 were subject to the amended DIFs. The original and amended net fees¹⁰ are shown in Table 1 through Table 1612.

Table 1: Fire Protection DIFs prior to 4/13/20

Description Unit	Single Family Per Dwelling	Multi-family Per Dwelling	Commercial Per 1000 sqft	Office Per 1000 sqft	Industrial Per 1000 sqft	Institutional Per 1000 sqft
Northwest [1]	\$444	\$289	\$346	\$315	\$124	\$306
Northeast	519	337	405	368	145	358
Southwest [2]	616	400	480	437	172	425
Ahwatukee	513	333	400	364	144	354

[1] Includes the Northwest and Deer Valley areas.

[2] Includes the Estrella North, Estrella South, Laveen East and Laveen West areas.

Table 2: Fire Protection DIFs effective 4/13/20

Description Unit	Single Family Per Dwelling	Multi-family Per Dwelling	Commercial Per 1000 sqft	Office Per 1000 sqft	Industrial Per 1000 sqft	Institutional Per 1000 sqft
Northwest [1]	\$516	\$387	\$418	\$330	\$144	\$299
Northeast [3]	551	413	446	353	154	320
Southwest [2]	487	365	394	312	136	282
Ahwatukee	470	353	381	301	132	273

[1] Includes the Northwest and Deer Valley areas.

[2] Includes the Estrella North, Estrella South, Laveen East and Laveen West areas.

[3] Includes the Northeast and Paradise Ridge areas.

Table 3: Police DIFs prior to 4/13/20

Description Unit	Single Family Per Dwelling	Multi-family Per Dwelling	Commercial Per 1000 sqft	Office Per 1000 sqft	Industrial Per 1000 sqft	Institutional Per 1000 sqft
Northwest [1]	\$500	\$325	\$390	\$355	\$140	\$345
Northeast	506	329	395	359	142	349
Southwest [2]	489	318	381	347	137	337
Ahwatukee	459	298	358	326	129	317

[1] Includes the Northwest and Deer Valley areas.

[2] Includes the Estrella North, Estrella South, Laveen East and Laveen West areas.

¹⁰ Net fees are the unadjusted fees assessed to properties initially calculated within the IFP and WRAF reports. They are inclusive of gross impact fees and offsets, including development occupational fee (DOF) offsets, which are calculated for all users and are distinct from development agreements.

Table 4: Police DIFs effective 4/13/20

Description Unit	Single Family Per Dwelling	Multi-family Per Dwelling	Commercial Per 1000 sqft	Office Per 1000 sqft	Industrial Per 1000 sqft	Institutional Per 1000 sqft
Northwest [1]	\$293	\$220	\$237	\$188	\$82	\$170
Northeast [3]	314	236	254	201	88	182
Southwest [2]	285	214	231	182	80	165
Ahwatukee	342	257	277	219	96	198

[1] Includes the Northwest and Deer Valley areas.

[2] Includes the Estrella North, Estrella South, Laveen East and Laveen West areas.

[3] Includes the Northeast and Paradise Ridge areas.

Table 5: Parks DIFs prior to 4/13/20

Description Unit	Single Family Per Dwelling	Multi-family Per Dwelling	Commercial Per 1000 sqft	Office Per 1000 sqft	Industrial Per 1000 sqft	Institutional Per 1000 sqft
Northwest [1]	\$1,120	\$728	\$56	\$78	\$22	\$56
Northeast	1,953	1,269	98	137	39	98
Southwest [2]	2,291	1,489	115	160	46	115
Ahwatukee	703	457	35	49	14	35

[1] Includes the Northwest and Deer Valley areas.

[2] Includes the Estrella North, Estrella South, Laveen East and Laveen West areas.

Table 6: Parks DIFs effective 4/13/20

Description Unit	Single Family Per Dwelling	Multi-family Per Dwelling	Commercial Per 1000 sqft	Office Per 1000 sqft	Industrial Per 1000 sqft	Institutional Per 1000 sqft
Northwest [1]	\$1,368	\$1,028	\$68	\$96	\$27	\$68
Northeast [3]	1,236	927	62	87	25	62
Southwest [2]	1,241	931	62	87	25	62
Ahwatukee	1,225	919	61	86	25	61

[1] Includes the Northwest and Deer Valley areas.

[2] Includes the Estrella North, Estrella South, Laveen East and Laveen West areas.

[3] Includes the Northeast and Paradise Ridge areas.

Table 7: Library DIFs prior to 4/13/20

Description Unit	Single Family Per Dwelling	Multi-family Per Dwelling	Commercial Per 1000 sqft	Office Per 1000 sqft	Industrial Per 1000 sqft	Institutional Per 1000 sqft
Northwest [1]	\$0	\$0	\$0	\$0	\$0	\$0
Northeast	232	151	12	16	5	12
Southwest [2]	112	73	6	8	2	6
Ahwatukee	0	0	0	0	0	0

[1] Includes the Northwest and Deer Valley areas.

[2] Includes the Estrella North, Estrella South, Laveen East and Laveen West areas.

Table 8: Library DIFs effective 4/13/20

Description Unit	Single Family Per Dwelling	Multi-family Per Dwelling	Commercial Per 1000 sqft	Office Per 1000 sqft	Industrial Per 1000 sqft	Institutional Per 1000 sqft
Northwest [1]	\$105	\$79	\$5	\$7	\$2	\$5
Northeast [3]	105	79	5	7	2	5
Southwest [2]	105	79	5	7	2	5
Ahwatukee	105	79	5	7	2	5

[1] Includes the Northwest and Deer Valley areas.

[2] Includes the Estrella North, Estrella South, Laveen East and Laveen West areas.

[3] Includes the Northeast and Paradise Ridge areas.

Table 9: Major Arterial DIFs prior to 4/13/20

Description Unit	Single Family Per Dwelling	Multi-family Per Dwelling	Commercial Per 1000 sqft	Office Per 1000 sqft	Industrial Per 1000 sqft	Institutional Per 1000 sqft
Northwest [1]	\$2,208	\$1,546	\$3,027	\$1,389	\$979	\$1,337
Northeast	2,392	1,675	3,279	1,505	1,061	1,449
Southwest [2]	573	401	785	361	254	347
Ahwatukee	0	0	0	0	0	0

[1] Includes the Northwest and Deer Valley areas.

[2] Includes the Estrella North, Estrella South, Laveen East and Laveen West areas.

Table 10: Major Arterial DIFs effective 4/13/20

Description Unit	Single Family Per Dwelling	Multi-family Per Dwelling	Commercial Per 1000 sqft	Office Per 1000 sqft	Industrial Per 1000 sqft	Institutional Per 1000 sqft	Mini Warehouse Per 1000 sqft	Lodging Per Room
Northwest [1]	\$3,080	\$2,310	\$3,758	\$1,694	\$986	\$1,386	\$277	\$1,078
Northeast [3]	3,080	2,310	3,758	1,694	986	1,386	277	1,078
Southwest [2]	1,928	1,446	2,352	1,060	617	868	174	675
Ahwatukee	0	0	0	0	0	0	0	0

[1] Includes the Northwest and Deer Valley areas.

[2] Includes the Estrella North, Estrella South, Laveen East and Laveen West areas.

[3] Includes the Northeast and Paradise Ridge areas.

Table 11: Storm Drainage DIFs prior to 4/13/20

Description Unit	Single Family Per Dwelling	Multi-family Per Acre	Commercial Per Acre	Office Per Acre	Industrial Per Acre	Institutional Per Acre
Northwest [1]	\$0	\$0	\$0	\$0	\$0	\$0
Northeast	0	0	0	0	0	0
Estrella [2]	1,278	5,112	5,112	5,112	5,112	5,112
Laveen [3]	1,277	5,108	5,108	5,108	5,108	5,108
Ahwatukee	0	0	0	0	0	0

[1] Includes the Northwest and Deer Valley areas.

[2] Includes the Estrella North and Estrella South areas within the southwest region of the City.

[3] Includes the Laveen East and Laveen West areas within the southwest region of the City.

Table 12: Storm Drainage DIFs effective 4/13/20

Description Unit	Single Family Per Dwelling	Multi-family Per Acre	Commercial Per Acre	Office Per Acre	Industrial Per Acre	Institutional Per Acre
Northwest [1]	\$0	\$0	\$0	\$0	\$0	\$0
Northeast	0	0	0	0	0	0
Paradise Ridge	1,715	6,860	6,860	6,860	6,860	6,860
Estrella [2]	770	3,080	3,080	3,080	3,080	3,080
Laveen [3]	1,037	4,148	4,148	4,148	4,148	4,148
Ahwatukee	0	0	0	0	0	0

[1] Includes the Northwest and Deer Valley areas.

[2] Includes the Estrella North and Estrella South areas within the southwest region of the City.

[3] Includes the Laveen East and Laveen West areas within the southwest region of the City.

For utility service, new development is generally responsible for purchasing capacity in the system based on potential demand. Potential demand is measured in many ways throughout the water and wastewater utility industry, with meter size serving as a relatively simple and commonly used assessment option. For the water and wastewater services identified in

Table 13 through Table 16, DIFs are based on the number of dwelling units or assessed pursuant to the water meter size and meter type. MF residential developments are assessed per dwelling unit regardless of meter size serving the connection. SF residential developments are assessed per dwelling unit for meter sizes of 1-inch and smaller and increase by meter size for 1 1/2-inch or 2-inch water meters. The City uses both meter size and type for assessment of water and wastewater DIFs for non-residential development and dedicated irrigation meters for all types of development.

Water DIFs are assessed in two service areas which are comprised of sub-areas shown in Figures 1 and 2 and summarized below:

- The Northern water service area consists of the Northwest, Deer Valley, Northeast, and Paradise Ridge areas.
- The Southern water service area consists of the Estrella North, Estrella South, Laveen East, Laveen West, and Ahwatukee sub-areas.

Table 13: Water DIFs until 4/12/20

Description	Unit	Northern Area [1]	Southern Area [2]
Multifamily (Domestic)	Dwelling	\$2,123	\$1,198
SF Less 1 1/2-inch	Dwelling	5,935	3,499
SF 1.5-inch	Meter	21,162	13,050
SF 2.0-inch	Meter	34,232	21,248
Non-res 3/4-inch	Meter	13,254	8,090
Non-res 1-inch	Meter	21,634	13,010
Non-res 1.5-inch	Meter	43,377	26,179
Non-res 2-inch displacement	Meter	69,346	41,819
Non-res 2-inch turbine	Meter	80,500	47,809
Non-res 3-inch compound	Meter	152,436	92,169
Non-res 3-inch turbine	Meter	184,686	109,803
Non-res 4-inch compound	Meter	262,084	158,798
Non-res 4-inch turbine	Meter	328,355	199,247
Non-res 6-inch compound	Meter	595,839	363,445
Non-res 6-inch turbine	Meter	701,347	425,933
Non-res 8-inch compound	Meter	690,847	415,433
Non-res 8-inch turbine	Meter	1,239,015	757,028

[1] Includes the Northwest, Deer Valley and Northeast areas.

[2] Includes the Estrella North, Estrella South, Laveen East, Laveen West and Ahwatukee areas.

Table 14: Water DIFs effective 4/13/20

Description	Unit	Northern Area [1]	Southern Area [2]
Multifamily (Domestic)	Dwelling	\$2,273	\$1,394
SF Less 1 1/2-inch	Dwelling	6,330	4,016
SF 1.5-inch	Meter	22,477	14,771
SF 2.0-inch	Meter	36,337	24,003
Non-res 3/4-inch	Meter	14,092	9,186
Non-res 1-inch	Meter	23,032	14,841
Non-res 1.5-inch	Meter	46,166	29,829
Non-res 2-inch displacement	Meter	73,809	47,661
Non-res 2-inch turbine	Meter	85,801	54,747
Non-res 3-inch compound	Meter	162,09	104,960
Non-res 3-inch turbine	Meter	196,829	125,696
Non-res 4-inch compound	Meter	278,832	180,719
Non-res 4-inch turbine	Meter	349,290	226,648
Non-res 6-inch compound	Meter	633,522	412,767
Non-res 6-inch turbine	Meter	746,006	484,385
Non-res 8-inch compound	Meter	735,506	473,885
Non-res 8-inch turbine	Meter	1,317,170	859,322

[1] Includes the Northwest, Deer Valley, Northeast, and Paradise Ridge areas.

[2] Includes the Estrella North, Estrella South, Laveen East, Laveen West and Ahwatukee areas.

Wastewater DIFs are assessed within the same service areas identified in Figures 1 and 2, with four different DIF assessment schedules as summarized below.

- The Northern Area consists of the Northwest, Northeast, and Paradise Ridge service areas.

- Deer Valley, Estrella North, Laveen East, and Ahwatukee service areas comprise the Multiple Areas shown in Table 15 and Table 16. These areas share a common fee level for wastewater treatment capacity only; the fee in these areas does not include network expansion costs.
- Estrella South and Laveen West have separate fees which include both wastewater treatment capacity as well as varying network expansion costs.

Table 15: Wastewater DIFs until 4/12/20

Description	Unit	Northern Area [1]	Multiple Areas [2]	Estrella South	Laveen West
Multifamily (Domestic)	Dwelling	\$1,468	\$532	\$1,454	\$1,378
SF Less 1 1/2-inch	Dwelling	3,130	1,221	3,102	2,947
SF 1.5-inch	Meter	11,821	5,464	11,728	11,212
SF 2.0-inch	Meter	19,281	9,106	19,132	18,306
Non-res 3/4-inch	Meter	7,793	3,497	7,730	7,381
Non-res 1-inch	Meter	12,525	5,347	12,420	11,837
Non-res 1.5-inch	Meter	25,178	10,879	24,968	23,807
Non-res 2-inch displacement	Meter	40,223	17,334	39,887	38,029
Non-res 2-inch turbine	Meter	45,915	18,731	45,516	43,309
Non-res 3-inch compound	Meter	88,710	38,579	87,975	83,904
Non-res 3-inch turbine	Meter	105,510	43,219	104,596	99,539
Non-res 4-inch compound	Meter	152,850	66,945	151,590	144,615
Non-res 4-inch turbine	Meter	191,813	84,431	190,238	181,519
Non-res 6-inch compound	Meter	350,063	156,776	347,228	331,534
Non-res 6-inch turbine	Meter	410,063	181,002	406,703	388,108
Non-res 8-inch compound	Meter	399,563	170,502	396,203	377,605
Non-res 8-inch turbine	Meter	729,263	328,392	723,383	690,835

[1] Includes the Northwest, Northeast, and Paradise Ridge service areas.

[2] Includes the Deer Valley, Estrella North, Laveen East, and Ahwatukee areas.

Table 16: Wastewater DIFs effective 4/13/20

Description	Unit	Northern Area [1]	Multiple Areas [2]	Estrella South	Laveen West
Multifamily (Domestic)	Dwelling	\$1,552	\$610	\$1,789	\$1,712
SF Less 1 1/2-inch	Dwelling	3,303	1,380	3,787	3,630
SF 1.5-inch	Meter	12,397	5,993	14,008	13,486
SF 2.0-inch	Meter	20,203	9,953	22,782	21,946
Non-res 3/4-inch	Meter	8,182	3,855	9,271	8,917
Non-res 1-inch	Meter	13,175	5,945	14,995	14,405
Non-res 1.5-inch	Meter	26,473	12,070	30,098	28,922
Non-res 2-inch displacement	Meter	42,297	19,240	48,100	46,218
Non-res 2-inch turbine	Meter	48,379	20,995	55,271	53,035
Non-res 3-inch compound	Meter	93,252	42,754	105,962	101,839
Non-res 3-inch turbine	Meter	111,155	48,407	126,948	121,825
Non-res 4-inch compound	Meter	160,635	74,100	182,415	175,350
Non-res 4-inch turbine	Meter	201,544	93,375	228,769	219,937
Non-res 6-inch compound	Meter	367,579	172,875	416,584	400,687
Non-res 6-inch turbine	Meter	430,821	200,080	488,896	470,058
Non-res 8-inch compound	Meter	420,321	189,580	478,396	459,558
Non-res 8-inch turbine	Meter	765,591	361,780	867,226	834,258

[1] Includes the Northwest, Northeast, and Paradise Ridge service areas.

[2] Includes the Deer Valley, Estrella North, Laveen East, and Ahwatukee areas.

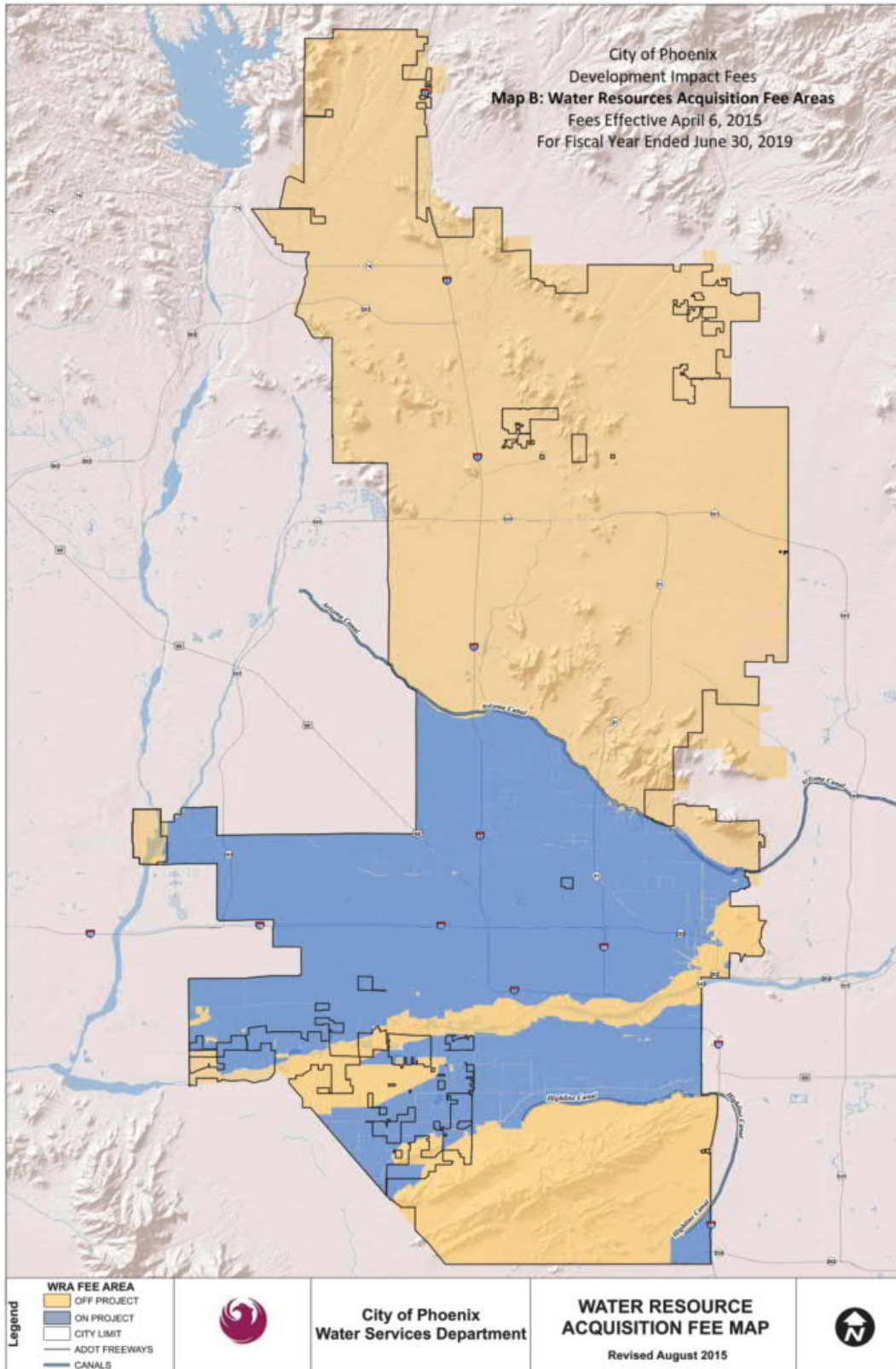
The WRAF are charged to recover funds that will be used for the acquisition of water resources and related infrastructure. The WRAF are charged to recover funds that will be used for the acquisition of water resources and related infrastructure. The City has been partitioned into two primary service areas for the WRAF as follows:

- On-Project: Areas provided water by the Salt River Project (SRP) primarily from the Salt and Verde river systems. These areas are designated as having water resources to provide a 100-year assured water supply under moderate shortage and moderate demand conditions. Development is controlled by the Salt River Water Users Association. Adequate water supplies and associated infrastructure are currently available for new development in the On-Project areas and the City is not actively developing alternative water sources to serve them.¹¹
- Off-Project areas: Areas provided water from sources other than the SRP. These areas require additional water resources to provide a 100-year assured water supply under moderate shortage and moderate demand conditions. Lands do not have prior specific water rights from the Salt and Verde rivers and associated reservoirs, and as a result, more costly water resources from sources like the Central Arizona Project are required to serve new development or additional demands by existing users.

Figure 3: WRAF Service Areas summarizes the two primary service areas.

¹¹ Water Resources Acquisition Fee Update Report and Infrastructure Improvements Plan, November 14, 2014.

Figure 3: WRAF Service Areas¹²



¹² From Annual Development Impact Fee Report FY 2018-19, September 9, 2019.

Table 17 and Table 18 summarize the WRAF assessed to Off-Project areas within the City prior to April 13, 2020 and effective April 13, 2020. Similar to water and wastewater, MF residential developments are assessed a WRAF per dwelling unit regardless of meter size serving the connection. SF residential developments are assessed per dwelling unit for meter sizes of 1-inch and smaller and increase with meter size for 1 1/2 -inch and 2-inch water meters. The City uses both meter size and type to assess WRAFs for non-residential development and dedicated irrigation meters for all types of development.

Table 17: WRAFs until April 12, 2020

Meter Type	Meter Size	Customer Type [1]	Off-Project	On-Project
Multifamily Unit	Unit	MF	\$296	\$0
Displacement	3/4-inch	SF	778	0
Displacement	1-inch	SF	778	0
Displacement	1-1/2-inch	SF	2,590	0
Displacement	2-inch	SF	4,145	0
Displacement	3/4-inch	ICIL	1,649	0
Displacement	1-inch	ICIL	2,754	0
Displacement	1-1/2-inch	ICIL	5,491	0
Displacement	2-inch	ICIL	8,788	0
Turbine Class II	2-inch	ICIL	10,437	0
Compound Class II	3-inch	ICIL	19,242	0
Turbine Class II	3-inch	ICIL	23,908	0
Compound Class II	4-inch	ICIL	32,976	0
Turbine Class II	4-inch	ICIL	41,220	0
Compound Class II	6-inch	ICIL	74,196	0
Turbine Class II	6-inch	ICIL	87,931	0
Compound Class II	8-inch	ICIL	87,931	0
Turbine Class II	8-inch	ICIL	153,883	0

[1] SF = single family; MF = multifamily and mobile home (domestic/indoor use only); ICIL = industrial, commercial, institutional and landscape meters.

Table 18: WRAFs effective April 13, 2020

Meter Type	Meter Size	Customer Type [1]	Off-Project	On-Project
Multifamily Unit	Unit	MF	\$221	\$0
Displacement	3/4-inch	SF	583	0
Displacement	1-inch	SF	583	0
Displacement	1-1/2-inch	SF	1,940	0
Displacement	2-inch	SF	3,106	0
Displacement	3/4-inch	ICIL	1,235	0
Displacement	1-inch	ICIL	2,063	0
Displacement	1-1/2-inch	ICIL	4,114	0
Displacement	2-inch	ICIL	6,584	0
Turbine Class II	2-inch	ICIL	7,820	0
Compound Class II	3-inch	ICIL	14,416	0
Turbine Class II	3-inch	ICIL	17,912	0
Compound Class II	4-inch	ICIL	24,707	0
Turbine Class II	4-inch	ICIL	30,884	0
Compound Class II	6-inch	ICIL	55,590	0
Turbine Class II	6-inch	ICIL	65,881	0
Compound Class II	8-inch	ICIL	65,881	0
Turbine Class II	8-inch	ICIL	115,295	0

[1] SF = single family; MF = multifamily and mobile home (domestic/indoor use only);
 ICIL = industrial, commercial, institutional and landscape meters

2. Study Process

2.1. Audit Approach

Raftelis first reviewed the DIF and WRAF revenues reported against independently calculated amounts based on the appropriate criteria to check the accuracy of assessed charges. Next, the actual expenditures reported over the Audit Period were compared against the IFP and WRAF Report to verify that funded projects were included. Finally, the reported Audit Period growth by each land use classification was reviewed against the categories provided for in the IFP and WRAF Report.

2.2. Data Provided by City

To assist with the review of the DIF charges, the City provided an MS-Excel based report with DIF charges for the Audit Period. For each DIF charge, this data includes:

- Service area
- Issue date
- Calculated date
- Equivalent demand units (EDUs¹³)
- Land Use
- Fee category
- Unadjusted DIF amount
- Adjusted DIF amount
- Developer credits
- Permit status

The DIF charges provided span eight fee categories and total over \$78.6 million in unadjusted DIF revenues over the Audit Period. The unadjusted DIF revenue was calculated using the DIF assessment schedules identified in the IFP. DIF revenues may then be adjusted by the City to account for grandfathering provisions (per ARS §9-463.05F) and/or developer credits. The total charges, EDUs, and unadjusted revenue amounts by DIF category are provided in Table 19.

¹³ One EDU has been established as the demand for a public service by one single-family home. EDUs are assigned to all other land uses based on the demand as compared to one single-family home.

Table 19: Audit Period DIF Charges, EDUs, and Revenues by Fee Category

<u>Description</u>	<u>DIF Charges</u>	<u>EDUs</u>	<u>Unadjusted DIF Revenues</u>
Fire	4,287	7,352	\$4,008,168
Library	4,128	5,207	799,084
Major Arterials	4,139	8,015	12,251,363
Parks	4,287	5,529	10,229,560
Police	4,287	7,352	3,533,465
Storm Drainage	2,130	3,294	3,954,102
Wastewater	4,125	5,398	15,552,693
Water	4,265	5,952	28,282,795
Total	31,648	48,099	\$78,611,230

Additionally, the City reported 3,786 charges and \$4.8 million in revenue from WRAFs over the Audit Period. Table 20 presents the number of charges, EDUs, and unadjusted revenue amounts for the WRAFs.

Table 20: Audit Period WRAF Charges, EDUs, and Revenues

<u>Description</u>	<u>Charges</u>	<u>EDUs</u>	<u>Unadjusted WRAF Revenues</u>
WRA Fees	3,786	6,831	\$4,804,159

2.3. Land Use Assumptions Audit

The permit data provided by the City were used to compare actual growth over the Audit Period to the forecasted level of growth in the City’s IFP and WRAF Report. The growth identified in the IFP was provided for a 10-year period and not broken out into annual forecasts. Raftelis used 2/10 (two years to reflect the period from July 2018 through June 2020) of the LUA forecasted growth as a baseline of what might be expected over the Audit Period. A table is provided for each fee category that compares the actual growth in EDUs, EDUs forecast by the LUA, and the actual growth as a percentage of the LUA forecast growth. The Storm Drainage and WRAF growth forecasts are different as the fees are not broken out by the various land uses. Appendix C provides more detailed information related to actual and projected growth for each service area.

The LUA forecast is compared to actual development over the two-year Audit Period for the following:

- Fire Protection and Police – Table 21
- Library – Table 22
- Parks – Table 23
- Major Arterials – Table 24
- Storm Drainage – Table 25
- Water – Table 26
- Wastewater – Table 27
- WRAF – Table 28

Table 21: Fire Protection and Police LUA Audit

Description	Actual EDUs	LUA Forecast EDUs	Actual as % of LUA
Single Family	4,020	10,786	37.3%
Multi-family	1,362	1,380	98.7%
Commercial	283	712	39.8%
Institutional	221	374	59.2%
Office	267	323	82.8%
Industrial ¹⁴	<u>1,198</u>	<u>592</u>	202.6%
Total	7,352	14,167	51.9%

Table 22: Library LUA Audit

Description	Actual EDUs	LUA Forecast EDUs	Actual as % of LUA
Single Family	4,017	10,786	37.2%
Multi-family	1,068	1,380	74.3%
Commercial	8	46	17.5%
Institutional	5	27	18.5%
Office	26	32	81.8%
Industrial ¹²	<u>82</u>	<u>42</u>	194.5%
Total	5,207	12,313	42.3%

Table 23: Parks LUA Audit

Description	Actual EDUs	LUA Forecast EDUs	Actual as % of LUA
Single Family	4,020	10,786	37.3%
Multi-family	1,362	1,380	98.7%
Commercial	18	46	39.5%
Institutional	16	27	59.3%
Office	26	32	81.8%
Industrial ¹²	<u>86</u>	<u>42</u>	203.8%
Total	5,529	12,313	44.9%

Table 24: Major Arterials LUA Audit

Description	Actual EDUs	LUA Forecast EDUs	Actual as % of LUA
Single Family	3,876	10,552	36.7%
Multi-family	1,462	1,389	105.3%
Commercial	467	1,213	38.5%
Institutional	193	324	59.6%
Office	237	258	91.9%
Industrial ¹²	<u>1,780</u>	<u>929</u>	191.6%
Total	8,015	14,664	54.7%

¹⁴ Includes permits with land use designation of "Mini warehouse"; this designation was created after the publication of the IFP and was therefore not considered in original projections.

Table 25: Storm Drainage LUA Audit

Description	Actual EDUs	LUA Forecast EDUs	Actual as % of LUA
All Classes	3,294	11,736	28.1%

Table 26: Water LUA Audit

Description	Actual EDUs	LUA Forecast EDUs	Actual as % of LUA
Single Family	4,087	10,786	37.9%
Multi-family	703	1,104	63.7%
Commercial	695	392	177.3%
Institutional	131	119	110.1%
Office	40	127	31.5%
Industrial ¹³	<u>296</u>	<u>465</u>	63.7%
Total	5,952	12,994	45.8%

Table 27: Wastewater LUA Audit

Description	Actual EDUs	LUA Forecast EDUs	Actual as % of LUA
Single Family	4,021	10,786	37.3%
Multi-family	850	1,040	81.7%
Commercial	138	365	37.8%
Institutional	121	119	101.7%
Office	36	114	31.6%
Industrial ¹⁵	<u>227</u>	<u>465</u>	48.8%
Total	5,393	12,889	41.8%

Table 28: WRAF Growth Audit

Description	Actual EDUs	Forecast EDUs	Actual as % of Forecast
All Classes	6,831	7,465	91.5%

As shown in Table 21 through Table 28, the overall growth in EDUs for the study period is lower than the forecast provided in the City's IFP for an average 2-year period. Actual growth in single family land use ranged from approximately 36.7% to 37.9% of forecast for all fee categories.

Despite this trend, several fee programs and land use categories experienced more growth than anticipated. Growth in institutional land use ranged from lower than forecast (18.5% for library) to over forecasted growth (110.1% for water). Similarly, growth in multifamily land use ranged from 63.7% for water permits to 105.3% for major arterials.

¹⁵ Includes permits with land use designation of "Mini warehouse"; this designation was created after the publication of the IFP and was therefore not considered in original projections.

The differences in actual and forecast growth are not a cause for immediate concern or action as growth is not always consistent. The previous audit reported a much greater difference from forecast to actual growth; this analysis demonstrates that this gap has closed slightly for most categories and noticeably for other categories. The City has monitored these trends and adjusted anticipated EDU growth accordingly. As part of the 2020 IFP, the City adjusted the LUA and growth forecast for 2020 through 2029 recognizing differences in growth patterns observed during this and previous Audit Periods. This includes overall lower rates of growth as well as proportionally less SF growth and more MF and non-residential growth.

2.4. Infrastructure Improvements Plan Audit

Multiple elements are required to be included as part of the IIP per ARS §9-463.05. These elements include identifying existing facilities with available capacity to serve new customers, documenting the respective service levels, and identifying future improvements and capacity added which may also be necessary to serve future customers over a 10- to 15-year period. The City met the requirements of the IIP as part of the IFP and WRAF Report previously identified which support the DIFs and WRAFs in place over the Audit Period.

Many aspects of the IIP will be updated in future DIF and WRAF updates as required by ARS §9-463.05, similar to the process the City completed as documented within the 2020 IFP. This audit is focused on how the City has administered the DIF and WRAF in assessing new and increased development consistent with the adopted fee schedules and using the restricted revenues for the purpose stated within the adopted reports. As a result, the IIP-related audit requirements are limited to:

1. DIFs were assessed to development by fee category and service area as detailed within the adopted IIP and
2. Confirming that actual uses of DIF and WRAF revenues over the Audit Period were consistent with the improvements identified. Raftelis compared DIF and WRAF revenues and expenses against the IIP section of the IFP and WRAF report.

2.5. IFP and WRAF Expense Audit

During the Audit Period, there were several expenditures from both the DIF and WRAF funds associated with the IFP and WRAF Report, respectively. The expenditures are identified in the Development Impact Fee Annual Reports for FY 2018-19 and FY 2019-20. Schedule B of the FY 2019-20 Development Impact Fee Annual Report identifies the DIF project expenditures by fee category, fund number, description, expenditure amount, and a few additional items. A footnote to Schedule B identifies that any funds numbered 3001-3078 reflect the funds collected and used pursuant to the IFP. These DIF funds are the focus of this audit. The expenses listed in the FY 2018-19 and FY 2019-20 Annual Development Impact Fee Reports are shown below.

Table 29: Expenditures in Funds 3001 – 3078, FY 2018 - 2019

Program Area	Service Area	Fund	Project Number	Project Description	Total Impact Fee Fund Uses
Fire	Northwest	3001	FD57100021	Fire Station 55	\$987,786
		3043	ST85100413	Roadway Widening, Bikeways, and Pedestrian Safety Improvements	1,765,490
Major Arterials	Southwest	3052	ST83110073	72-Inch Storm Drain Construction	<u>1,171,263</u>
Storm Drainage	Laveen				
Total					\$3,924,539

Table 30: Expenditures in Funds 3001 – 3078, FY 2019 - 2020

Program Area	Service Area	Fund	Project Number	Project Description	Total Impact Fee Fund Uses
Fire	Northwest	3001	FD57100021	Fire Station 55	\$89,562
Fire	Southwest	3003	FD57100024	Fire Station 58	251,213
			PA75200624	Tierra Montana Park	
Parks	Southwest	3032		Development	632,240
Storm Drainage	Laveen	3052	ST83110073	72-inch Storm Drain Construction (Olney Avenue)	151,766
Water	Southern	3062	WS85500428	Water Main Construction (Dobbins Road)	127,657
Water	Southern	3062	WS85500429	Water Main Construction (Dobbins Road)	147,806
Water	Southern	3062	WS85500436	Water Main Construction (Dobbins Road)	124,023
Water	Southern	3062	WS85500440	Water Main Construction (Carver Road)	216,522
Wastewater	Deer Valley 4	3072	-	Wastewater Treatment Plant Debt Repayment	420,834
Wastewater	Estrella North	3074	-	Wastewater Treatment Plant Debt Repayment	375,314
Wastewater	Laveen East	3077	-	Wastewater Treatment Plant Debt Repayment	682,368
Wastewater	Ahwatukee	3078	-	Wastewater Treatment Plant Debt Repayment	<u>590,984</u>
Total					\$3,810,289

Schedule E of the Annual Development Impact Fee Reports identifies the WRAF project expenditures by project description, location, and expenditure amount net of recoveries. Expenditures reported in the FY 2018-19 and FY 2019-20 Reports are shown below.

Table 31: WRAF Expenditures, FY 2018 - 2019

Program	Fund	Project	Location	WRA Expenditures Net of Recoveries
Water	0050	Aquifer Storage Recover Well 314	4002 East Dynamite Road	<u>(545,822)</u>
Total				\$(545,822)

Table 32: WRAF Expenditures, FY 2019 - 2020

Program	Fund	Project	Location	WRA Expenditures Net of Recoveries
Water	0050	Aquifer Storage Recover Well 314	4002 East Dynamite Road	<u>(6,010,084)</u>
Total				\$(6,010,084)

Expenses totaling \$14,400 that are listed in the FY 2018-19 Report were for internal project costs for the future Superblock 8 ARS well site. These expenditures are probably eligible for WRA funds. However, out of an abundance of caution, the City reimbursed the WRA fund for these expenditures from a non-impact fee revenue

source. Future expenditures for design and construction (including project management) of the Superblock 8 ARS Well are expected to be paid with WRA funds.

2.6. DIF and WRAF Revenue Audit

Using the DIF charges discussed in Section 2.2, the unadjusted DIF amount for each of the 31,648 charges provided was re-calculated by Raftelis and compared to the amount reported. To test for revenue assessment errors, the DIFs identified in the IFP were applied to each of the charges by Raftelis, based on the service area, DIF category, EDUs, and land use classification provided. These calculated DIF revenues were compared to the unadjusted DIF amount reported. Any record showing a discrepancy was considered a potential inaccuracy subject to additional review and validation. Similar information was provided for the WRAFs. Raftelis completed the WRAF revenue audit using the same process and the appropriate fee schedule.

Because the City has a significant number of developer agreements and ongoing developments that have outstanding credits and/or qualify for the grandfathering provisions, Raftelis used the amount calculated before adjustments for comparison. The application of developer credits and grandfathering provisions is beyond the scope of the Biennial Audit requirements.

As shown in Table 33, 124 DIF records or approximately 0.38% of all DIF charges were initially identified for additional review within Water and Wastewater DIFs. For the WRAF records, 23 were initially identified for additional review in the preliminary review.

Table 33: DIF and WRAF Records for Additional Review

Description	Number of Records
Fire	0
Library	0
Major Arterials	0
Parks	0
Police	0
Storm Drainage	0
Wastewater	57
Water	67
WRAF	<u>23</u>
Total	147

As previously discussed, Raftelis compared independent calculations of DIF and WRAF amounts to the unadjusted amount provided by the City. The preliminary records identified for further review for both DIFs and WRAFs have been discussed with the City and addressed in further detail in the “Adjustments and Feedback from City” subsection. Appendix A includes the validation for all records subject to additional review.

2.7. Adjustments and Feedback from City

A majority of water and wastewater permit records subject to additional review were the result of lack of data used by Raftelis to calculate the appropriate charges. Although the data provided by the City included land use type, unit or meter type was unavailable. This is particularly problematic with water and wastewater DIFs, which are

calculated based on unit or meter type. Appendix A details each DIF record subject to additional review and includes City feedback and comments.

With this response from the City, Raftelis could validate each of the 147 records identified for additional review.

WRAF – 23 records subject to review

- Five WRAF records were determined to have incorrect charges.
- Two records were related to meter size upgrades.
- Two records were related to fee corrections that occurred prior to the audit.
- 13 records were related to lack of data used by Raftelis to assess a fee. These records were verified by Raftelis as additional data was provided.
- One record was related to a new fee that has yet to be paid.

Water – 67 records subject to review

- All records were related to lack of data used by Raftelis to assess a fee. These records were verified by Raftelis as additional data was provided.

Wastewater – 57 records subject to review

- All records were related to lack of data used by Raftelis to assess a fee. These records were verified by Raftelis as additional data was provided.

2.8. Additional WRAF Feedback from City

Upon receipt of the WRAF permits deemed to have been inaccurately charged, the City sought to determine the source of the inaccuracy, issue refunds where permit fees were overpaid, and apply payment from an internal fund when the permit fee had been under collected. This effort from the City resulted in the following findings.

1. Five records were determined to have inaccurately used the old fee instead of the new fees, resulting in an overcharge to customers a total of \$8,151. The City acted to correct the fee in the KIVA billing system and issue refunds to customers.

Appendix B details each WRA record subject to additional review and includes City feedback and comments.

2.9. Overall Findings

Pursuant to the discussion above the following findings are provided:

1. The difference between growth forecasted in the LUA as part of the 2020 IFP and the actual growth experienced by the City should be monitored but is not an area of immediate concern. As previously discussed, the City adjusted the LUA EDU growth forecasts as part of the 2020 IFP. This adjustment illustrates the self-correcting aspect of the LUA forecasts as part of comprehensive DIF and WRAF updates completed at least every five years. Additionally, growth often occurs less linearly as certain development may occur more rapidly than others and can be influenced by various external factors. Lastly, as the City DIFs are assessed within certain service areas where new development is anticipated that will require expansions to facilities providing necessary public services and WRAFs assessed only within Off-Project areas, growth may occur within the City, but in areas where DIFs and/or WRAFs are not currently assessed increasing the difficulty in projecting where future growth may occur in a given year.
2. The completed revenue audit has not found any material discrepancies when compared to the DIFs identified in the IFP and the WRAFs identified in the WRAF Report.

3. Based on the information obtained through the City's annual DIF reports, there are no discrepancies between expenditures identified in the IFP and WRAF reports and the IFP.

APPENDIX A:

**DIF Records Subject to
Additional Review with Response
from City**

Appendix A
DIF Records Subject to Additional Review with Response from City

Line No.	Permit Number	Impact Fee Service Area2	Issue Date	Total EDUs	Land Use	DIF Category	Unadjusted DIF	Adjusted DIF	City Comments
1	19006372	Northeast	02/28/2019	7.06	MF	WATER-L	46,137	46,137	Correct see attached REM 20016006, same calculation.
2	20011887	Northeast	02/11/2020	7.06	COM-RET	WATER-D	41,997	41,997	Correct see attached.
3	19016265	Laveen East	05/23/2019	7.06	COM-RET	WATER-D	41,997	41,997	Correct see attached.
4	19016265	Northwest	05/23/2019	22.60	COM-RET	WATER-D	134,191	134,191	Correct see attached. 2 meter for 2"
5	19012172	Deer Valley	04/18/2019	50.54	MF	WATER-D	282,399	282,399	Correct, 133 units, multifamily land use.
6	19001775	Northeast	01/17/2019	1.90	MF	WATER-D	10,616	10,616	Correct. See attached BLD 19012174. Multifamily land use
7	19001776	Laveen West	01/17/2019	1.90	MF	WATER-D	10,616	10,616	Correct. See attached BLD 19012174. Multifamily land use
8	19001777	Northeast	01/17/2019	1.90	MF	WATER-D	10,616	10,616	Correct. See attached BLD 19012174. Multifamily land use
9	19006485	Northeast	03/01/2019	1.90	MF	WATER-D	10,616	10,616	Correct. See attached BLD 19012174. Multifamily land use
10	19006486	Northeast	03/01/2019	1.90	MF	WATER-D	10,616	10,616	Correct. See attached BLD 19012174. Multifamily land use
11	19006488	Northeast	03/01/2019	1.90	MF	WATER-D	10,616	10,616	Correct. See attached BLD 19012174. Multifamily land use
12	20009706	Northeast	01/22/2020	1.90	MF	WATER-D	10,616	10,616	Correct. See attached BLD 19012174. Multifamily land use
13	20009709	Northeast	01/22/2020	1.90	MF	WATER-D	10,616	10,616	Correct. See attached BLD 19012174. Multifamily land use
14	20009710	Northeast	01/22/2020	1.90	MF	WATER-D	10,616	10,616	Correct. See attached BLD 19012174. Multifamily land use
15	20009711	Northeast	01/22/2020	1.90	MF	WATER-D	10,616	10,616	Correct. See attached BLD 19012174. Multifamily land use
16	20014295	Northeast	03/03/2020	1.90	MF	WATER-D	10,616	10,616	Correct. See attached BLD 19012174. Multifamily land use
17	20014299	Northeast	03/03/2020	1.90	MF	WATER-D	10,616	10,616	Correct. See attached BLD 19012174. Multifamily land use
18	20014300	Northeast	03/03/2020	1.90	MF	WATER-D	10,616	10,616	Correct. See attached BLD 19012174. Multifamily land use
19	18038142	Northeast	12/13/2018	1.90	MF	WATER-D	10,616	10,616	Correct. See attached BLD 19012174. Multifamily land use
20	18038143	Northeast	12/13/2018	1.90	MF	WATER-D	10,616	10,616	Correct. See attached BLD 19012174. Multifamily land use
21	18038144	Northeast	12/13/2018	1.90	MF	WATER-D	10,616	10,616	Correct. See attached BLD 19012174. Multifamily land use
22	18038145	Northeast	12/13/2018	1.90	MF	WATER-D	10,616	10,616	Correct. See attached BLD 19012174. Multifamily land use
23	18038147	Northwest	12/13/2018	1.90	MF	WATER-D	10,616	10,616	Correct. See attached BLD 19012174. Multifamily land use
24	20024897	Northwest	06/18/2020	9.12	MF	WATER-D	33,458	28,743	Correct. See attached BLD 20024896, same calculation.
25	20024899	Northwest	06/18/2020	9.12	MF	WATER-D	33,458	28,743	Correct. See attached BLD 20024896, same calculation.
26	20024900	Northwest	06/18/2020	9.12	MF	WATER-D	33,458	28,743	Correct. See attached BLD 20024896, same calculation.
27	19023925	Northwest	07/26/2019	9.12	MF	WATER-D	50,959	50,959	Correct. See attached BLD 20024896, same calculation.
28	19023926	Northeast	07/26/2019	9.12	MF	WATER-D	50,959	50,959	Correct. See attached BLD 20024896, same calculation.
29	19023927	Northeast	07/26/2019	9.12	MF	WATER-D	50,959	50,959	Correct. See attached BLD 20024896, same calculation.
30	19023928	Northeast	07/26/2019	9.12	MF	WATER-D	50,959	50,959	Correct. See attached BLD 20024896, same calculation.
31	19023929	Northeast	07/26/2019	9.12	MF	WATER-D	50,959	50,959	Correct. See attached BLD 20024896, same calculation.
32	19023930	Northeast	07/26/2019	9.12	MF	WATER-D	50,959	50,959	Correct. See attached BLD 20024896, same calculation.
33	19023931	Northeast	07/26/2019	9.12	MF	WATER-D	50,959	50,959	Correct. See attached BLD 20024896, same calculation.
34	19023932	Northeast	07/26/2019	9.12	MF	WATER-D	50,959	50,959	Correct. See attached BLD 20024896, same calculation.
35	19023933	Northeast	07/26/2019	9.12	MF	WATER-D	50,959	50,959	Correct. See attached BLD 20024896, same calculation.
36	19039919	Northwest	12/11/2019	3.54	COM-RET	WATER-D	20,884	20,884	Correct. See attached WSOC 19016265. Same calculation
37	19016265	Northwest	05/23/2019	3.54	COM-RET	WATER-L	20,884	20,884	Correct. See attached.
38	20016006	Northwest	03/17/2020	7.06	COM-RET	WATER-L	-46,137	-46,137	Correct. See attached.
39	18038452	Northwest	12/17/2018	11.30	MF	WATER-L	73,846	73,846	Correct. See attached.
40	20022005	Northwest	05/18/2020	11.30	MF	WATER-L	52,161	52,161	Correct. See attached.
41	19020827	Northwest	07/01/2019	7.06	IND-WH	WATER-D	24,799	24,799	Correct. See attached.
42	18029451	Northwest	09/24/2018	3.42	MF	WATER-D	19,110	19,110	Correct. See attached.
43	20008750	Northwest	01/14/2020	4.94	MF	WATER-D	27,603	27,603	Correct. See attached.
44	19007735	Northwest	03/13/2019	6.46	MF	WATER-D	36,096	36,096	Correct. See attached.
45	20024896	Northwest	06/18/2020	9.12	MF	WATER-D	33,458	28,743	Correct. See attached.
46	19029990	Northwest	09/17/2019	11.40	MF	WATER-D	63,699	63,699	Correct. See attached.
47	19029991	Northeast	09/17/2019	13.30	MF	WATER-D	74,316	74,316	Correct. See attached.
48	19012173	Northeast	04/18/2019	23.94	MF	WATER-D	133,768	133,768	Correct. See attached.
49	19007736	Northeast	03/13/2019	30.40	MF	WATER-D	169,864	169,864	Correct. See attached.
50	18021632	Northeast	07/16/2018	34.96	MF	WATER-D	195,343	195,343	Correct. See attached.
51	18034472	Northeast	11/08/2018	38.00	MF	WATER-D	212,330	212,330	Correct. See attached.
52	19005344	Northeast	02/20/2019	3.42	MF	WATER-D	19,110	19,110	Correct. See attached. BLD 18029451. Multifamily land use.
53	19015925	Northeast	05/21/2019	3.42	MF	WATER-D	19,110	19,110	Correct. See attached. BLD 18029451. Multifamily land use.
54	19020581	Northeast	06/28/2019	3.42	MF	WATER-D	19,110	19,110	Correct. See attached. BLD 18029451. Multifamily land use.
55	19020582	Deer Valley	06/28/2019	3.42	MF	WATER-D	19,110	19,110	Correct. See attached. BLD 18029451. Multifamily land use.
56	19012174	Northeast	04/18/2019	1.90	MF	WATER-D	10,616	10,616	Correct. See attached. Multifamily land use
57	20024895	Northeast	06/18/2020	3.54	MF	WATER-L	16,341	14,510	Correct. See attached. Qualifies for grandfather fee.
60	19012174	Northeast	04/18/2019	2.45	MF	WASTEWATER-M	7,338	7,338	Correct. See attached.
61	19012175	Northeast	04/18/2019	2.45	MF	WASTEWATER-M	7,338	7,338	Correct. See attached. Bld 19012174, same calculation.
62	19001775	Northeast	01/17/2019	2.45	MF	WASTEWATER-M	7,338	7,338	Correct. See attached. Bld 19012174, same calculation.
63	19001776	Northeast	01/17/2019	2.45	MF	WASTEWATER-M	7,338	7,338	Correct. See attached. Bld 19012174, same calculation.

Line No.	Permit Number	Impact Fee Service Area2	Issue Date	Total EDUs	Land Use	DIF Category	Unadjusted DIF	Adjusted DIF	City Comments
64	19001777	Northeast	01/17/2019	2.45	MF	WASTEWATER-M	7,338	7,338	Correct. See attached. Bid 19012174, same calculation.
65	19006485	Northeast	03/01/2019	2.45	MF	WASTEWATER-M	7,338	7,338	Correct. See attached. Bid 19012174, same calculation.
66	19006486	Northeast	03/01/2019	2.45	MF	WASTEWATER-M	7,338	7,338	Correct. See attached. Bid 19012174, same calculation.
67	19006488	Northeast	03/01/2019	2.45	MF	WASTEWATER-M	7,338	7,338	Correct. See attached. Bid 19012174, same calculation.
68	20009706	Northeast	01/22/2020	2.45	MF	WASTEWATER-M	7,338	7,338	Correct. See attached. Bid 19012174, same calculation.
69	20009709	Northeast	01/22/2020	2.45	MF	WASTEWATER-M	7,338	7,338	Correct. See attached. Bid 19012174, same calculation.
70	20009710	Northeast	01/22/2020	2.45	MF	WASTEWATER-M	7,338	7,338	Correct. See attached. Bid 19012174, same calculation.
71	20009711	Northeast	01/22/2020	2.45	MF	WASTEWATER-M	7,338	7,338	Correct. See attached. Bid 19012174, same calculation.
72	20014295	Northeast	03/03/2020	2.45	MF	WASTEWATER-M	7,338	7,338	Correct. See attached. Bid 19012174, same calculation.
73	20014299	Northeast	03/03/2020	2.45	MF	WASTEWATER-M	7,338	7,338	Correct. See attached. Bid 19012174, same calculation.
74	20014300	Northeast	03/03/2020	2.45	MF	WASTEWATER-M	7,338	7,338	Correct. See attached. Bid 19012174, same calculation.
75	18038142	Northwest	12/13/2018	2.45	MF	WASTEWATER-M	7,338	7,338	Correct. See attached. Bid 19012174, same calculation.
76	18038143	Northwest	12/13/2018	2.45	MF	WASTEWATER-M	7,338	7,338	Correct. See attached. Bid 19012174, same calculation.
77	18038144	Northwest	12/13/2018	2.45	MF	WASTEWATER-M	7,338	7,338	Correct. See attached. Bid 19012174, same calculation.
78	18038145	Northwest	12/13/2018	2.45	MF	WASTEWATER-M	7,338	7,338	Correct. See attached. Bid 19012174, same calculation.
79	18038147	Northwest	12/13/2018	2.45	MF	WASTEWATER-M	7,338	7,338	Correct. See attached. Bid 19012174, same calculation.
80	18029451	Northeast	09/24/2018	4.41	MF	WASTEWATER-M	13,209	13,209	Correct, 9 units, multifamily land use.
81	19005344	Northeast	02/20/2019	4.41	MF	WASTEWATER-M	13,209	13,209	Correct, 9 units, multifamily land use.
82	19015925	Northeast	05/21/2019	4.41	MF	WASTEWATER-M	13,209	13,209	Correct, 9 units, multifamily land use.
83	19020581	Northeast	06/28/2019	4.41	MF	WASTEWATER-M	13,209	13,209	Correct, 9 units, multifamily land use.
84	19020582	Northeast	06/28/2019	4.41	MF	WASTEWATER-M	13,209	13,209	Correct, 9 units, multifamily land use.
85	20008750	Northeast	01/14/2020	6.37	MF	WASTEWATER-M	19,080	19,080	Correct, 13 units, multifamily land use.
86	20008751	Northeast	01/14/2020	6.37	MF	WASTEWATER-M	19,080	19,080	Correct, 13 units, multifamily land use.
87	19008481	Estrella South	03/20/2019	7.49	IND-WH	WASTEWATER-M	10,879	10,879	Correct. See attached.
88	19020827	Laveen West	07/01/2019	7.49	IND-WH	WASTEWATER-M	22,427	22,427	Correct. See attached above permit, same calculation.
89	19007735	Northeast	03/13/2019	8.33	MF	WASTEWATER-M	24,951	24,951	Correct, 17 units, multifamily land use.
90	20024896	Laveen East	06/18/2020	11.76	MF	WASTEWATER-M	14,645	12,775	Correct. See attached.
91	20024897	Laveen East	06/18/2020	11.76	MF	WASTEWATER-M	14,645	12,775	Correct. See attached BLD 20024896, same calculation.
92	20024899	Laveen East	06/18/2020	11.76	MF	WASTEWATER-M	14,645	12,775	Correct. See attached BLD 20024896, same calculation.
93	20024900	Laveen East	06/18/2020	11.76	MF	WASTEWATER-M	14,645	12,775	Correct. See attached BLD 20024896, same calculation.
94	19023925	Northwest	07/26/2019	11.76	MF	WASTEWATER-M	35,225	35,225	Correct, 24 units, multifamily land use.
95	19023926	Northwest	07/26/2019	11.76	MF	WASTEWATER-M	35,225	35,225	Correct, 24 units, multifamily land use.
96	19023927	Northwest	07/26/2019	11.76	MF	WASTEWATER-M	35,225	35,225	Correct, 24 units, multifamily land use.
97	19023928	Northwest	07/26/2019	11.76	MF	WASTEWATER-M	35,225	35,225	Correct, 24 units, multifamily land use.
98	19023929	Northwest	07/26/2019	11.76	MF	WASTEWATER-M	35,225	35,225	Correct, 24 units, multifamily land use.
99	19023930	Northwest	07/26/2019	11.76	MF	WASTEWATER-M	35,225	35,225	Correct, 24 units, multifamily land use.
100	19023931	Northwest	07/26/2019	11.76	MF	WASTEWATER-M	35,225	35,225	Correct, 24 units, multifamily land use.
101	19023932	Northwest	07/26/2019	11.76	MF	WASTEWATER-M	35,225	35,225	Correct, 24 units, multifamily land use.
102	19023933	Northwest	07/26/2019	11.76	MF	WASTEWATER-M	35,225	35,225	Correct, 24 units, multifamily land use.
103	19023934	Northwest	07/26/2019	11.76	MF	WASTEWATER-M	35,225	35,225	Correct, 24 units, multifamily land use.
104	19023935	Northwest	07/26/2019	11.76	MF	WASTEWATER-M	35,225	35,225	Correct, 24 units, multifamily land use.
105	19023946	Northwest	07/26/2019	11.76	MF	WASTEWATER-M	35,225	35,225	Correct, 24 units, multifamily land use.
106	19029990	Northeast	09/17/2019	14.70	MF	WASTEWATER-M	44,031	44,031	Correct, 30 units, multifamily land use.
107	19029991	Northeast	09/17/2019	17.15	MF	WASTEWATER-M	51,370	51,370	Correct, 35 units, multifamily land use.
108	19012173	Northeast	04/18/2019	30.87	MF	WASTEWATER-M	92,465	92,465	Correct, 65 units, multifamily land use.
109	19007736	Northeast	03/13/2019	39.20	MF	WASTEWATER-M	117,416	117,416	Correct, 80 units, multifamily land use.
110	18021632	Northeast	07/16/2018	45.08	MF	WASTEWATER-M	135,028	135,028	Correct, 92 units, multifamily land use.
111	18034472	Northeast	11/08/2018	49.00	MF	WASTEWATER-M	146,770	146,770	Correct, 100 units, multifamily land use.
112	19012172	Northeast	04/18/2019	65.17	MF	WASTEWATER-M	195,204	195,204	Correct, 133 units, multifamily land use.
113	19012169	Northeast	04/18/2019	67.13	MF	WASTEWATER-M	201,075	201,075	Correct, 137 units, multifamily land use.
114	18038452	Deer Valley	12/17/2018	69.09	MF	WASTEWATER-M	75,053	75,053	Correct, 141 units, multifamily land use.
115	20008749	Northeast	01/14/2020	75.95	MF	WASTEWATER-M	227,493	227,493	Correct, 155 units, multifamily land use.
116	19001408	Northeast	01/14/2019	96.04	MF	WASTEWATER-M	287,669	287,669	Correct, 196 units, multifamily land use.

APPENDIX B:

**WRAF Records Subject to
Additional Review with Response
from the City**

Appendix B
WRAF Records Subject to Additional Review with Response from City

Line No.	Permit Number	Issue Date	Fee Code	Fee		Fee Amount		City Comment
				Quantity	Amount	Total		
1	19008685	03/21/2019	WRAOFF2"	1	6,584	6,584		correct paid on 05.05.2020
2	19010432	04/04/2019	WRAOFF1"	1	2,063	2,063		Fee not paid yet, new fee should be applied. See attached.
3	19027735	08/28/2019	WRAOFFCC4"	1	24,707	24,707		correct paid on 05.01.2020
4	19029202	09/10/2019	WRAOFF1"	1	2,063	2,063		correct paid on 04.30.2021
5	20010130	01/27/2020	WRAOFF1"	1	2,063	2,063		correct paid on 04.22.2022
6	20018514	04/14/2020	WRAOFFSF34	1	-778	-778		You are misisng one more line for this permit
7	20018514	04/14/2020	WRAOFFSF34	1	778	778		You are misisng one more line for this permit
8	20018952	04/17/2020	WRAOFSF3/4	1	778	778		Refund in process
9	20019360	04/22/2020	WRAOFF2"	1	8,788	8,788		Refund in process
10	20019361	04/22/2020	WRAOFF2"	1	8,788	8,788		Refund in process
11	20013709	04/24/2020	WRAOFF1"	1	2,063	2,063		correct, this is for a landscape meter
12	20020146	04/30/2020	WRAOFF1"	1	2,063	2,063		correct this is a commercial 1" water meter
13	20022196	05/20/2020	WRAOFF1"	1	2,754	2,754		Refund in process
14	20022196	05/20/2020	WRAOFF1.5"	1	5,491	5,491		Refund in process
15	20023305	06/03/2020	WRAOFF1"	1	2,063	2,063		correct, this is for a landscape meter
16	20023695	06/08/2020	WRAOFF1"	1	2,063	2,063		correct this is a commercial 1" water meter
17	20025003	06/19/2020	WRAOFF1"	1	2,063	2,063		correct, this is for a landscape meter
18	20024978	06/19/2020	WRAOFF1"	1	2,063	2,063		correct this is a commercial 1" water meter
19	19003211	01/30/2019	WRAOFFSF15	1	1,812	1,812		correct meter upgrade from 5/8 inch to 1.5" – (\$2590 WRA for new 1.5" - \$778 WRA for old 5/8= \$1812)
20	19007588	03/12/2019	WRAOFF1"CL	1	778	778		correct, it is for 1" single family home
21	19010827	04/08/2019	WRAOFF1"CL	1	778	778		correct, it is for 1" single family home
22	19020827	07/01/2019	WRAOFFSF15	1	5,491	5,491		Correct, it is for 1.5" commercial
23	20025577	06/24/2020	WRAOFSF1.5	1	1,357	1,357		Correct this is a upgrade from 1" to 1.5" SF (\$1940 WRA for 1.5" -\$583 WRA for old 1"=\$1357.00)

APPENDIX C:
**LUA Audit Tables by Service
Area**

Appendix C
 LUA Audit Tables by Service Area

Single Family
 Fire Protection

Service Area	Audit Period	IFP Forecast
Ahwatukee	169	234
Deer Valley	73	40
Estrella North	0	145
Estrella South	1,136	1,758
Laveen East	242	843
Laveen West	601	2,530
Northeast	1,427	3,164
Northwest	372	2,072
Total	4,020	10,786

Police

Service Area	Audit Period	IFP
		Forecast
Ahwatukee	169	234
Deer Valley	73	40
Estrella North	0	145
Estrella South	1,136	1,758
Laveen East	242	843
Laveen West	601	2,530
Northeast	1,427	3,164
Northwest	372	2,072
Total	4,020	10,786

Libraries

Service Area	Audit	IFP
	Period	Forecast
Ahwatukee	167	234
Deer Valley	73	40
Estrella North	0	145
Estrella South	1,136	1,758
Laveen East	242	843
Laveen West	601	2,530
Northeast	1,427	3,164
Northwest	371	2,072
Total	4,017	10,786

Parks

Service Area	Audit	IFP
	Period	Forecast
Ahwatukee	169	234
Deer Valley	73	40
Estrella North	0	145
Estrella South	1,136	1,758
Laveen East	242	843
Laveen West	601	2,530
Northeast	1,427	3,164
Northwest	372	2,072
Total	4,020	10,786

Multi-family
 Fire Protection

Service Area	Audit Period	IFP Forecast
Ahwatukee	0	90
Deer Valley	90	0
Estrella North	0	91
Estrella South	0	24
Laveen East	72	7
Laveen West	0	90
Northeast	996	618
Northwest	203	460
Total	1,362	1,380

Police

Service Area	Audit Period	IFP
		Forecast
Ahwatukee	0	90
Deer Valley	90	0
Estrella North	0	91
Estrella South	0	24
Laveen East	72	7
Laveen West	0	90
Northeast	996	618
Northwest	203	460
Total	1,362	1,380

Libraries

Service Area	Audit	IFP
	Period	Forecast
Ahwatukee	0	90
Deer Valley	0	0
Estrella North	0	91
Estrella South	0	24
Laveen East	72	7
Laveen West	0	90
Northeast	996	618
Northwest	0	460
Total	1,068	1,380

Parks

Service Area	Audit	IFP
	Period	Forecast
Ahwatukee	0	90
Deer Valley	90	0
Estrella North	0	91
Estrella South	0	24
Laveen East	72	7
Laveen West	0	90
Northeast	996	618
Northwest	203	460
Total	1,362	1,380

Commercial
 Fire Protection

Service Area	Audit Period	IFP Forecast
Ahwatukee	18	21
Deer Valley	0	0
Estrella North	0	0
Estrella South	14	98
Laveen East	8	51
Laveen West	102	63
Northeast	1	372
Northwest	141	106
Total	283	711

Police

Service Area	Audit Period	IFP
		Forecast
Ahwatukee	18	21
Deer Valley	0	0
Estrella North	0	0
Estrella South	14	98
Laveen East	8	51
Laveen West	102	63
Northeast	1	372
Northwest	141	106
Total	283	711

Libraries

Service Area	Audit	IFP
	Period	Forecast
Ahwatukee	0	1
Deer Valley	0	0
Estrella North	0	0
Estrella South	1	6
Laveen East	1	3
Laveen West	7	4
Northeast	0	24
Northwest	0	7
Total	8	45

Parks

Service Area	Audit	IFP
	Period	Forecast
Ahwatukee	1	1
Deer Valley	0	0
Estrella North	0	0
Estrella South	1	6
Laveen East	1	3
Laveen West	7	4
Northeast	0	24
Northwest	9	7
Total	18	45

Appendix C
LUA Audit Tables by Service Area

Single Family
Major Arterials

Service Area	IFP	
	Audit Period	Forecast
Ahwatukee		
Deer Valley	73	40
Estrella North	0	145
Estrella South	1,136	1,758
Laveen East	242	843
Laveen West	601	2,530
Northeast	1,427	3,164
Northwest	372	2,072
Total	3,851	10,552

Water

Service Area	IFP	
	Audit Period	Forecast
Ahwatukee	177.1	1,102
Deer Valley	72.0	1,759
Estrella North	0.0	1,102
Estrella South	1,136.0	1,102
Laveen East	245.5	1,102
Laveen West	616.0	1,102
Northeast	1,460.7	1,759
Northwest	380.1	1,759
Total	4,087	10,787

Wastewater

Service Area	IFP	
	Audit Period	Forecast
Ahwatukee	170	234
Deer Valley	72	40
Estrella North	0	145
Estrella South	1,136	1,758
Laveen East	242	843
Laveen West	602	2,530
Northeast	1,428	5,236
Northwest	371	0
Total	4,021	10,786

Multi-family
Major Arterials

Service Area	IFP	
	Audit Period	Forecast
Ahwatukee		
Deer Valley	97	0
Estrella North	0	98
Estrella South	0	25
Laveen East	72	7
Laveen West	0	97
Northeast	1,073	666
Northwest	219	496
Total	1,462	1,389

Water

Service Area	IFP	
	Audit Period	Forecast
Ahwatukee	0	48
Deer Valley	65	288
Estrella North	0	48
Estrella South	0	48
Laveen East	40	48
Laveen West	11	48
Northeast	461	288
Northwest	126	288
Total	703	1,104

Wastewater

Service Area	IFP	
	Audit Period	Forecast
Ahwatukee	0	68
Deer Valley	69	0
Estrella North	0	69
Estrella South	0	18
Laveen East	47	5
Laveen West	0	68
Northeast	580	813
Northwest	153	0
Total	850	1,041

Commercial
Major Arterials

Service Area	IFP	
	Audit Period	Forecast
Ahwatukee		
Deer Valley	0	0
Estrella North	0	0
Estrella South	25	173
Laveen East	15	90
Laveen West	178	111
Northeast	1	653
Northwest	248	187
Total	467	1,214

Water

Service Area	IFP	
	Audit Period	Forecast
Ahwatukee	73	26
Deer Valley	2	88
Estrella North	15	26
Estrella South	187	26
Laveen East	40	26
Laveen West	206	26
Northeast	148	88
Northwest	25	88
Total	695	394

Wastewater

Service Area	IFP	
	Audit Period	Forecast
Ahwatukee	23	11
Deer Valley	2	0
Estrella North	4	0
Estrella South	16	50
Laveen East	11	26
Laveen West	56	32
Northeast	0	245
Northwest	26	0
Total	138	364

Appendix C
LUA Audit Tables by Service Area

Institutional
Fire Protection

Service Area	Audit Period	IFP Forecast
Ahwatukee	0	8
Deer Valley	0	0
Estrella North	0	0
Estrella South	0	0
Laveen East	6	0
Laveen West	0	229
Northeast	60	137
Northwest	155	0
Total	221	374

Police

Service Area	Audit Period	IFP
		Forecast
Ahwatukee	0	8
Deer Valley	0	0
Estrella North	0	0
Estrella South	0	0
Laveen East	6	0
Laveen West	0	229
Northeast	60	137
Northwest	155	0
Total	221	374

Libraries

Service Area	Audit Period	IFP
		Forecast
Ahwatukee	0	1
Deer Valley	0	0
Estrella North	0	0
Estrella South	0	0
Laveen East	0	0
Laveen West	0	17
Northeast	5	10
Northwest	0	0
Total	5	28

Parks

Service Area	Audit Period	IFP
		Forecast
Ahwatukee	0	1
Deer Valley	0	0
Estrella North	0	0
Estrella South	0	0
Laveen East	0	0
Laveen West	0	17
Northeast	5	10
Northwest	11	0
Total	16	28

Office
Fire Protection

Service Area	Audit Period	IFP Forecast
Ahwatukee	0	32
Deer Valley	0	0
Estrella North	1	0
Estrella South	0	32
Laveen East	0	0
Laveen West	23	1
Northeast	243	161
Northwest	0	97
Total	267	323

Police

Service Area	Audit Period	IFP
		Forecast
Ahwatukee	0	32
Deer Valley	0	0
Estrella North	1	0
Estrella South	0	32
Laveen East	0	0
Laveen West	23	1
Northeast	243	161
Northwest	0	97
Total	267	323

Libraries

Service Area	Audit Period	IFP
		Forecast
Ahwatukee	0	3
Deer Valley	0	0
Estrella North	0	0
Estrella South	0	3
Laveen East	0	0
Laveen West	2	0
Northeast	24	16
Northwest	0	10
Total	26	32

Parks

Service Area	Audit Period	IFP
		Forecast
Ahwatukee	0	3
Deer Valley	0	0
Estrella North	0	0
Estrella South	0	3
Laveen East	0	0
Laveen West	2	0
Northeast	24	16
Northwest	0	10
Total	26	32

Industrial
Fire Protection

Service Area	Audit Period	IFP Forecast
Ahwatukee	0	0
Deer Valley	0	0
Estrella North	293	238
Estrella South	781	269
Laveen East	7	0
Laveen West	0	0
Northeast	69	42
Northwest	49	42
Total	1,198	591

Police

Service Area	Audit Period	IFP
		Forecast
Ahwatukee	0	0
Deer Valley	0	0
Estrella North	293	238
Estrella South	781	269
Laveen East	7	0
Laveen West	0	0
Northeast	69	42
Northwest	49	42
Total	1,198	591

Libraries

Service Area	Audit Period	IFP
		Forecast
Ahwatukee	0	0
Deer Valley	0	0
Estrella North	21	17
Estrella South	56	19
Laveen East	1	0
Laveen West	0	0
Northeast	5	3
Northwest	0	3
Total	82	42

Parks

Service Area	Audit Period	IFP
		Forecast
Ahwatukee	0	0
Deer Valley	0	0
Estrella North	21	17
Estrella South	56	19
Laveen East	1	0
Laveen West	0	0
Northeast	5	3
Northwest	3	3
Total	86	42

Appendix C
LUA Audit Tables by Service Area

Institutional
Major Arterials

Service Area	IFP	
	Audit Period	Forecast
Ahwatukee		
Deer Valley	0	0
Estrella North	0	0
Estrella South	0	0
Laveen East	6	0
Laveen West	0	202
Northeast	50	122
Northwest	137	0
Total	193	324

Water

Service Area	IFP	
	Audit Period	Forecast
Ahwatukee	0	15
Deer Valley	0	15
Estrella North	0	15
Estrella South	0	15
Laveen East	9	15
Laveen West	0	15
Northeast	0	15
Northwest	122	15
Total	131	120

Wastewater

Service Area	IFP	
	Audit Period	Forecast
Ahwatukee	0	2
Deer Valley	0	0
Estrella North	0	0
Estrella South	0	0
Laveen East	7	0
Laveen West	0	73
Northeast	0	44
Northwest	114	0
Total	121	119

Office
Major Arterials

Service Area	IFP	
	Audit Period	Forecast
Ahwatukee		
Deer Valley	0	0
Estrella North	1	0
Estrella South	0	28
Laveen East	0	0
Laveen West	20	1
Northeast	216	143
Northwest	0	86
Total	237	258

Water

Service Area	IFP	
	Audit Period	Forecast
Ahwatukee	0	5
Deer Valley	0	34
Estrella North	0	5
Estrella South	0	5
Laveen East	0	5
Laveen West	40	5
Northeast	0	34
Northwest	0	34
Total	40	127

Wastewater

Service Area	IFP	
	Audit Period	Forecast
Ahwatukee	0	11
Deer Valley	0	0
Estrella North	0	0
Estrella South	0	11
Laveen East	0	0
Laveen West	36	0
Northeast	0	91
Northwest	0	0
Total	36	113

Industrial
Major Arterials

Service Area	IFP	
	Audit Period	Forecast
Ahwatukee		
Deer Valley	0	0
Estrella North	459	374
Estrella South	1,227	423
Laveen East	5	0
Laveen West	0	0
Northeast	40	66
Northwest	49	66
Total	1,780	929

Water

Service Area	IFP	
	Audit Period	Forecast
Ahwatukee	0	80
Deer Valley	0	22
Estrella North	99	80
Estrella South	165	80
Laveen East	0	80
Laveen West	7	80
Northeast	25	22
Northwest	0	22
Total	296	466

Wastewater

Service Area	IFP	
	Audit Period	Forecast
Ahwatukee	0	0
Deer Valley	0	0
Estrella North	75	187
Estrella South	130	211
Laveen East	0	0
Laveen West	7	0
Northeast	19	66
Northwest	0	0
Total	232	464

Appendix C
LUA Audit Tables by Service Area

Storm Drainage
All Classes

Service Area	Audit Period	IFP Forecast
Ahwatukee		
Deer Valley		
Estrella North	246	2,709
Estrella South	1,931	2,709
Laveen East	300	3,159
Laveen West	710	3,159
Northeast		
Northwest		
Total	3,186	11,736