



CITY OF PHOENIX

Biennial Certified Audit of Land Use Assumptions, Infrastructure Improvements Plan and Development Fees (April 6, 2015 – June 30, 2016)

May 25, 2018



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Subject: Biennial Certified Audit of Land Use Assumptions, Infrastructure Improvements Plan and Development Fees (April 6, 2015 – June 30, 2016)

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), and development impact fee (DIF) and water resource acquisition fee (WRAF) revenues and expenditures over the period of April 2015 through June 2016 (Audit Period) per Arizona Revised Statutes (ARS) §9-463.05. This report summarizes the results of the DIF and WRAF audit.

The scope of the audit is limited to an audit of the LUA, IIP and DIF, and WRAF assessments and planned expenditures outlined in the Development Impact Fee Annual Reports for Fiscal Years 2015 and 2016 dated September 22, 2015 and September 19, 2016, respectively. All fee amounts assessed 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 April 2015 Infrastructure Financing Plan (IFP) and WRAF Report¹.

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 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. 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 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 OR the date that the first building period is issued 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,

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

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 30 unique funds following the IFP and WRAF updates completed in 2015 and 2014 respectively. 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 not broken out into individual annual forecasts. Raftelis used 15/120 (15 months to reflect the period from April 2015 through June 2016) 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 errors, 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, 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 discrepancy 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 Fiscal Years 2015 and 2016. Schedule B of the 2016 Development Impact Fee Annual Report identifies the DIF project expenditures by fee category, fund number, description, expenditure amount, and a few additional items.

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

1. The difference between growth forecasted in the LUA and the actual growth experienced by the City should be monitored but is not an area of immediate concern. Growth often occurs less linearly as certain development may occur more rapidly than others and can be influenced by various external factors. Additionally, 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 or WRAFS are assessed within Off-Project areas, growth may occur within the City, but in areas where DIFs are not assessed or within On-Project WRAF areas 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, the expenditures made throughout the Audit Period were identified in the IFP and the WRAF Report.

Raftelis is pleased to present our findings and analysis of the first Biennial Audit of the City's DIF and WRAF program to the City. Please contact Andrew Rheem or Joe Williams regarding this report.

Sincerely,

RAFTELIS FINANCIAL CONSULTANTS, INC.



Andrew Rheem
Manager



Joe Williams
Senior Consultant

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SECTION 1. INTRODUCTION & 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 April 2015 through June 2016 (Audit Period) per Arizona Revised Statutes (ARS) §9-463.05. The scope of the audit is limited to an audit of the LUA, IIP and DIF, and WRAF assessments and planned expenditures outlined in the Development Impact Fee Annual Reports for Fiscal Years 2015 and 2016 dated September 22, 2015 and September 19, 2016, 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 April 2015 Infrastructure Financing Plan (IFP) and WRAF Report².

The three initial focus items of the audit include:

- A review and comparison of the land use assumptions forecast 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 DIFs and WRAFs.
- An audit of the expenditures or use of funds from DIFs and WRAFs by fee category and/or service area were identified within the IFP and WRAF Report.

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 §9-463.05³, 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. The statutory requirements for the audit per ARS §9-463.05⁴ is detailed below,

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,

² Water Resources Acquisition Fee Update Report and Infrastructure Improvements Plan, November 14, 2014.

³ Subsection G, paragraph 1 and 2.

⁴ Subsection G, paragraph 2.

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 and 2 detail the service area boundaries for DIFs and WRAF, respectively. The WRAF applies City wide, but is currently set to \$0 per EDU within the “On-Project” fee area, as shown on Figure 2.

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.

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:

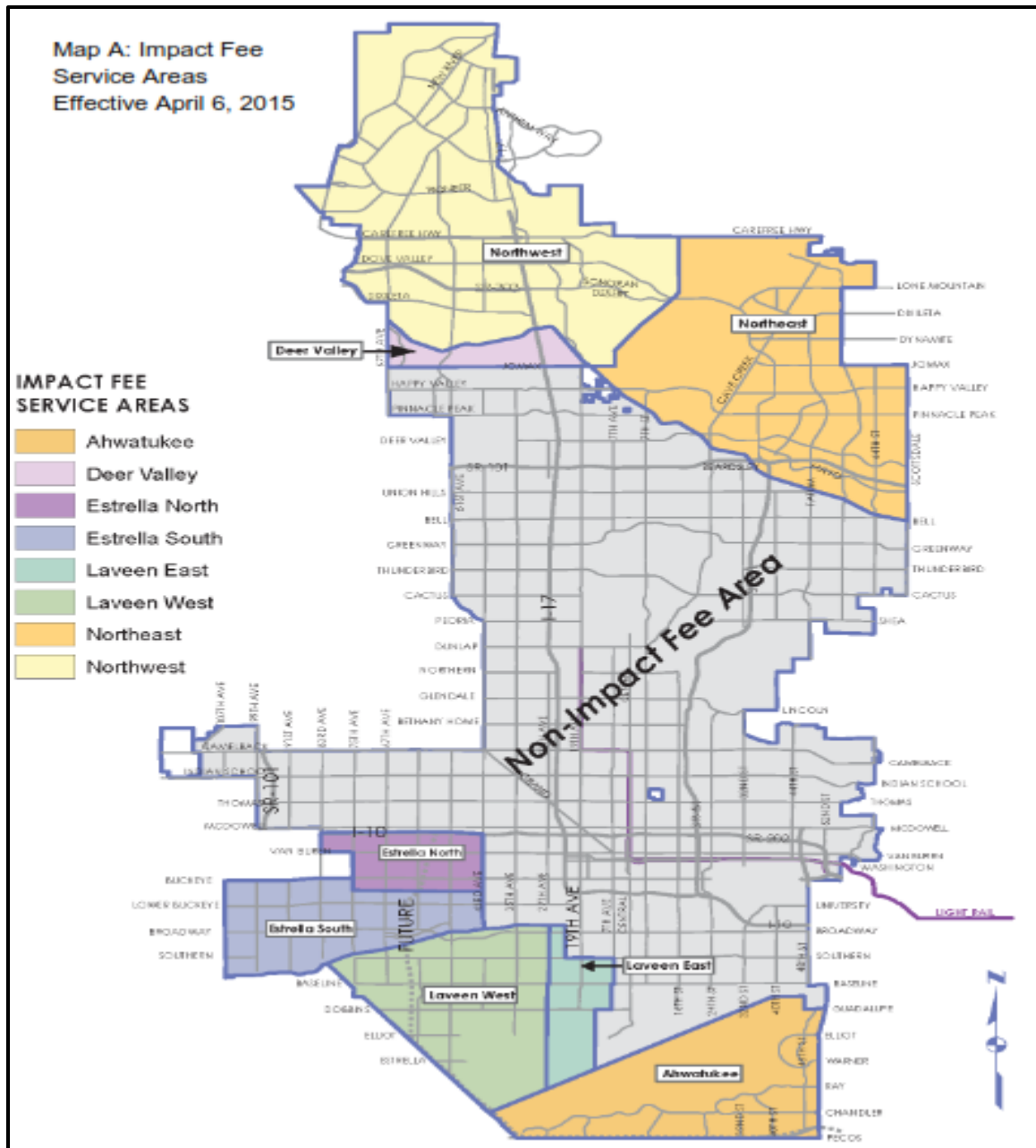
A municipality's development fee ordinance shall provide that a new development fee or an increased portion of a modified development fee shall not be assessed against a development for twenty-four months after the date that the municipality issues the final approval for a commercial, industrial or multifamily 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 30 unique funds to implementing the IFP and WRAF update.

The 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. The service areas are depicted within Figure 1⁵.

Figure 1: DIF Service Areas



⁵ Note: Map used in Figures 1 and 2 obtained from City of Phoenix Development Impact Fee Annual Report FY 2015-16, dated September 19, 2016.

For the purpose of assessing the following fees, residential development is assessed DIFs per dwelling unit and the non-residential classes (commercial, office, industrial and institutional) are assessed DIFs per 1,000 square feet of building space for existing:

- Fire Protection DIFs – Table 1
- Police DIFs – Table 2
- Park DIFs – Table 3
- Library DIFs – Table 4
- Major Arterials – Table 5

Storm Drainage DIFs are assessed to single family (SF) residential per dwelling unit and all other classes including multifamily (MF) residential based on the amount of acreage as summarized in Table 6.

The fees shown below are the net fees assessed against development. Offsets for the alternative revenue sources specified in the IFP are reflected in the fees below.

Table 1: Existing Fire Protection DIFs

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]	\$475	\$309	\$371	\$337	\$133	\$328
Northeast	519	337	405	368	145	358
Southwest [2]	622	404	485	442	174	429
Ahwatukee	531	345	414	377	149	366

[1] Includes the Northwest and Deer Valley areas.

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

Table 2: Existing Police DIFs

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.

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Table 3: Existing Parks DIFs

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 4: Existing Library DIFs

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 5: Existing Major Arterial DIFs

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 6: Existing Storm Drainage DIFs

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.

For the water and wastewater services identified on Tables 7 and 8, the DIF are based on the number of dwelling unit or assessed pursuant to the water meter size. MF residential developments are assessed per dwelling unit, SF residential developments are assessed per dwelling unit and meter size. 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. 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.

Water DIFs are assessed in two service areas, the Northern and Southern.

- Northern water service area is made up of the Northwest, Deer Valley, and Northeast areas.
- Southern water service area is made up of the Estrella North, Estrella South, Laveen East, Laveen West, and Ahwatukee sub-areas.

Table 7: Existing Water DIFs

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.

Wastewater DIFs are assessed in all eight services areas identified on Figure 1.

- The Northwest and Northeast service areas comprise the Northern Area column shown on Table 8.
- Deer Valley, Estrella North, Laveen East and Ahwatukee service areas comprise the Multiple Areas column shown in Table 8. The Multiple Areas share a common fee level for wastewater treatment capacity only (i.e. the fee in these areas does not include network expansion costs).
- Estrella South and Laveen West have separate fees as show in Table 8 which include both wastewater treatment capacity as well as varying network expansion costs.

Table 8: Existing Wastewater DIFs

Description	Unit	Northern Area [1]	Multiple Areas [2]	Estrella South [3]	Laveen West [3]
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 and Northeast service areas.

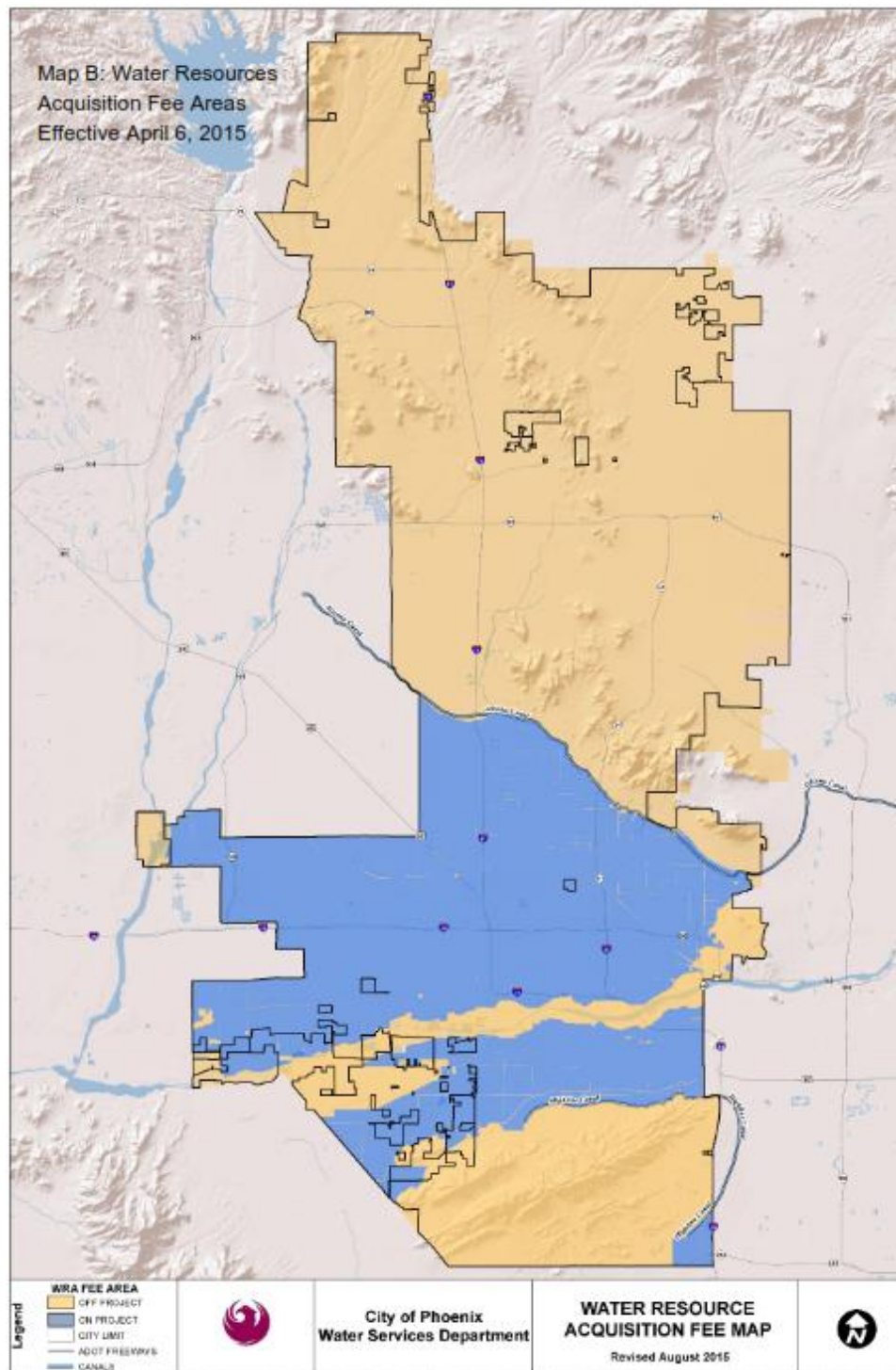
[2] Includes the Deer Valley, Estrella North, Laveen East and Ahwatukee areas. These areas only include costs for wastewater treatment.

[3] These areas include both costs for wastewater treatment as well as varying network expansion costs.

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Figure 2 summarizes the two primary service areas.⁶

Figure 2:WRAF Service Areas



⁶ Figure 2 obtained from City of Phoenix Development Impact Fee Annual Report FY 2015-16, dated September 19, 2016.

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 designated as having water resources to provide a 100-year assured water supply under moderate shortage and demand conditions. Lands are located within the Salt River Reservoir District that have water rights stored, development and controlled by the Salt River Water Users Association. Adequate water supplies are currently available for new development in the On-Project areas and the City is not actively developing alternative, most-costly, water sources to serve these areas.⁷
- Off-Project areas: Areas designated as needing to future 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 (Colorado River) or alternatives are required to serve new development (or additional demands by existing land uses).

Table 9 summarizes the WRAF assessed to Off-Project areas within the City. WRAFs are also assessed per to MF per dwelling unit, SF per dwelling unit and meter size and non-residential based on meter size and type.

Table 9: WRAFs Effective April 6, 2015

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 (domestic/internal use only);
ICIL = industrial, commercial, institutional and landscape meters

⁷ Water Resources Acquisition Fee Update Report and Infrastructure Improvements Plan, November 17, 2014.

SECTION 2. STUDY PROCESS

2.1 AUDIT APPROACH

The audit approach taken was to first review 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 a MS-Excel based report with 9,503 DIF charges for the Audit Period. This data includes, for each DIF charges, the following:

- Service area;
- Issue date;
- EDUs;
- Land Use;
- Fee category;
- Unadjusted DIF amount;
- Adjustments (including grandfathering amounts and developer credits);
- Adjusted DIF amount; and
- Other project/location related information

The DIF charges provided span across eight fee categories and total over \$20.7 million in unadjusted DIF revenues over the Audit Period. The unadjusted DIF revenue is calculated using the DIF assessment schedules identified in the IFP. DIF revenues may then be adjusted by the City to account for grandfathering provisions⁸ (per ARS §9-463.05F) and/or developer credits. The total charges, Equivalent Demand Units (EDUs⁹) and unadjusted revenue amounts by DIF category are provided on Table 10.

⁸ Per ARS §9-463.05H states that “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...”

⁹ One EDU has been established as the demand for a particular public service by one single-family home. EDUs for public services are assigned to all other land uses based on the demand as compared to one single-family home.

Table 10: Audit Period DIF Charges, EDUs and Revenues by Fee Category

Description	DIF Charges	EDUs	Unadjusted DIF Revenues
Fire	1,276	1,950	\$1,096,714
Library	1,259	1,314	157,210
Parks	1,276	1,339	2,528,765
Police	1,276	1,950	958,741
Wastewater	1,261	1,489	4,275,303
Water	1,296	1,601	7,521,907
Major Arterials	1,227	2,078	2,784,810
Storm Drainage	632	1,046	1,336,470
Total	9,503	12,765	\$20,659,920

Additionally, the City reported 1,600 charges and \$1.8 million in revenue from WRAFs over the Audit Period. Table 11 presents the number of charges, EDUs and unadjusted revenue amounts for the WRAFs.

Table 11: Audit Period WRAF Charges, EDUs and Revenues

Description	Charges	EDUs	Unadjusted WRAF Revenues
WRA Fees	1,600	3,067	\$1,833,840

2.3 LAND USE ASSUMPTIONS 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 was provided for a 10-year period and not broken out into individual annual forecasts. Raftelis used 15/120 (15 months to reflect the period from April 2015 through June 2016) 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 equivalent dwelling units EDUs, the LUA forecast of EDUs 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 15-month Audit Period for the following:

- Fire Protection – Table 12
- Police – Table 13
- Parks – Table 14
- Library – Table 15

- Major Arterials – Table 16
- Storm Drainage – Table 17
- Water – Table 18
- Wastewater – Table 19
- WRAF – Table 20

Table 12: Fire Protection LUA Audit

Description	Actual EDUs	LUA Forecast EDUs	Actual as % of LUA
Single Family	1,234	6,743	18.3%
Multi-family	59	863	6.9%
Commercial	237	443	53.4%
Institutional	152	234	64.9%
Office	1	203	0.7%
Industrial	267	369	72.2%

Table 13: Police LUA Audit

Description	Actual EDUs	LUA Forecast EDUs	Actual as % of LUA
Single Family	1,234	6,743	18.3%
Multi-family	59	863	6.9%
Commercial	237	443	53.4%
Institutional	152	234	64.9%
Office	1	203	0.7%
Industrial	267	369	72.2%

Table 14: Parks LUA Audit

Description	Actual EDUs	LUA Forecast EDUs	Actual as % of LUA
Single Family	1,234	5,276	23.4%
Multi-family	59	518	11.4%
Commercial	15	24	63.4%
Institutional	11	16	68.8%
Office	0	12	1.2%
Industrial	19	25	76.1%

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Table 15: Library LUA Audit

Description	Actual EDUs	LUA Forecast EDUs	Actual as % of LUA
Single Family	928	5,276	17.6%
Multi-family	49	518	9.4%
Commercial	8	24	34.9%
Institutional	1	16	6.9%
Office	0	12	1.2%
Industrial	29	25	114.1%

Table 16: Major Arterials LUA Audit

Description	Actual EDUs	LUA Forecast EDUs	Actual as % of LUA
Single Family	1,191	6,596	18.1%
Multi-family	60	867	6.9%
Commercial	394	758	51.9%
Institutional	13	202	6.6%
Office	1	160	0.8%
Industrial	419	580	72.2%

Table 17: Storm Drainage LUA Audit

Description	Actual EDUs	LUA Forecast EDUs	Actual as % of LUA
All Classes	1,046	7,085	14.8%

Table 18: Water LUA Audit

Description	Actual EDUs	LUA Forecast EDUs	Actual as % of LUA
Single Family	1,244	6,742	18.5%
Multi-family	32	690	4.7%
Commercial	135	245	55.1%
Institutional	66	72	92.2%
Office	11	78	14.5%
Industrial	37	292	12.6%

Table 19: Wastewater LUA Audit

Description	Actual EDUs	LUA Forecast EDUs	Actual as % of LUA
Single Family	1,231	6,742	18.3%
Multi-family	42	650	6.5%
Commercial	118	229	51.4%
Institutional	47	76	62.1%
Office	12	70	17.1%
Industrial	39	291	13.4%

Table 20: WRAF Growth Audit

Description	Actual EDUs	Forecast EDUs	Actual as % of Forecast
All Classes	3,067	9,899	31.0%

As can be seen in Table 12 through 20 the actual growth in EDUs for the first 15 months is significantly lower than the forecast provided in the City's IFP, except for the industrial land use. This is not a cause for immediate concern or action as growth is not always consistent. However, this trend should be monitored in future audits and if the actual growth continues to happen significantly slower than anticipated in the IFP, the City should consider updating the IFP to reflect more appropriate growth levels.

2.4 INFRASTRUCTURE IMPROVEMENTS PLAN AUDIT

Multiple elements are required to be included as part of the IIP necessary to meet the requirements of ARS §9-463.05 in supporting the development of the respective fees and provides the listing of the future capital improvements for which DIFs and the WRAF are intended to fund over the City's 10-year planning period. 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. 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, but are not necessary to be part of this study which is focused around auditing 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 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 adopted IIP. Raftelis compared DIF and WRAF revenues and expenses against the IIP section of the IFP and WRAF Report. Please refer Sections 2.5 and 2.6 for the results of the revenue and expense audits.

2.5 DIF AND WRAF REVENUE AUDIT

Using the DIF charges discussed in Section 2.2, the unadjusted DIF amount for each of the 9,503 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, fee 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 error, subject to additional review and validation. Similar

information was provided for the WRAFs as for the DIFs. Using this data and the adopted fee schedule, the WRAF revenue audit was completed using the same process.

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

The grandfathering provision was applied to 2,280 charges, representing 24.0% of the total 9,503 charges and amounting to \$1.4 million in total reductions. Developer credits were applied to 818 charges, representing 8.6% of the total charges and amounting to \$1.9 million in total credits. As shown in Table 21, 29 DIF records, representing approximately 0.3% of all DIF charges, were initially identified for additional review and are primarily grouped in Water, Wastewater and Major Arterials DIFs. For the WRAF records, 185 were initially identified for additional review in the preliminary review.

Table 21: DIF Records for Additional Review

Description	Number of Records
Fire	1
Library	3
Parks	0
Police	0
Wastewater	4
Water	8
WRAF	185
Major Arterials	13
Storm Drainage	0
Total	214

As previously discussed, the approach taken was to compare an independent calculation 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.

2.6 IFP AND WRAF EXPENSE AUDIT

During the Audit Period, there was not a significant level of expenditures from 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 Fiscal Years 2015 and 2016. Schedule B of the 2016 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 2015 Development Impact Fee Annual Report does not identify any project expenditures in these 3000 level funds. The 2016 Development Impact Fee Annual Report identifies \$438,216 of project expenditures in these 3000 level funds, all of which was for either Police or Fire services detailed in Table 22.

Table 22: 2016 Development Impact Fee Annual Report Expenditures in Funds 3001 through 3078

Description	Project No.	Fund(s)	Expenditures	Expenditure Details
Fire	FS57100024	3003	\$62,360	Fire Station 58. Per the IFP this is a planned Fire Station, but where the City has the land.
Police	PD00000050	3011,3012, 3013,3014	\$375,856	Police Automated Computer Entry Upgrade/Replacement. The IFP identified a Records Management System as part of the police DIF cost basis.

Schedule F of the 2015 Impact Fee Report and Schedule G of the 2016 Development Impact Fee Annual Report identify the WRAF project expenditures by fee category, project number, description, location and expenditure amount. There were no expenditures reported in the 2016 Development Impact Fee Annual Report, but there was a small recovery. Table 23 below provides the expenditure identified in the 2015 Impact Fee Report.

Table 23: 2015 Development Impact Fee Annual Report Expenditures for WRAFs

Description	Project No.	Expenditures	Impact Fee Report Year	Expenditure Details
WRAF	WS85010049	\$243,179	FY 2015	Groundwater well field and conveyance pipeline. The WRAF Report identifies Aquifer Storage and Recovery Well projects as the primary need.

2.7 ADJUSTMENTS AND FEEDBACK FROM CITY

City staff has indicated that a majority of records subject to additional review were the result of a software reporting glitch. Additional responses by the City indicated this software reporting glitch was tied to the 17 records identified for the Fire, Library and Major Arterials' DIFs. Appendix A details each DIF record subject to additional review and includes City feedback and comments.

With the final response from the City, Raftelis could validate each of the 29 records identified for additional review. Four of the water and two of the wastewater records were related to the DIF Offset, which is increased for connections outside of the City limits that was not ascertainable from the initial data fields provided. For the remaining six water and wastewater DIF records, the City identified that each included DIF assessments for more than one meter, which was not ascertainable from the permit data provided for this study. The City provided the number of meters and the meter sizes for each record initially identified for further review. The DIF amounts were subsequently calculated using this updated information and were verified to match the amounts initially reported.

The WRAF records identified on Table 21 are all associated with a unique arrangement associated with Peninsula-Horowitz contract lands. The formula for the WRAF provides that the development occurring in the Off-Project areas will have their fee reduced by 65% of the difference between the Off-Project area WRAFs and the On-Project area WRAFs per City staff. Appendix B details each WRAF record subject to additional review and includes City feedback and comments.

2.8 FINDINGS

Pursuant to the discussion above the following findings are provided:

1. The difference between growth forecasted in the LUA and the actual growth experienced by the City should be monitored but is not an area of immediate concern. Growth often occurs less linearly as certain development may occur more rapidly than others and can be influenced by various external factors. Additionally, 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, the expenditures made throughout the Audit Period were identified in the IFP and the WRAF Report.

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 Number	Permit Number	Impact Fee Service Area	Issue Date	Total EDUs	Land Use	DIF Category	Unadjusted DIF	Grandfathered Amount	Developer Credits	Adjusted DIF	DB Correction made	City Comment
1	15022441	Deer Valley	09/10/2015	1.00	Single Family	LIBRARY	(\$83)	\$0	\$0	\$0	\$0	Calculation error did not effect final charge/payment. Modified Kiva.
2	15020512	Deer Valley	08/19/2015	1.00	Single Family	LIBRARY	(\$83)	\$0	\$0	\$0	\$0	Calculation error did not effect final charge/payment. Modified Kiva.
3	15022769	Deer Valley	09/14/2015	1.00	Single Family	LIBRARY	(\$83)	\$0	\$0	\$0	\$0	Calculation error did not effect final charge/payment. Modified Kiva.
4	15019452	Estrella South	08/10/2015	1.00	Single Family	MAJ ART	\$835	\$0	\$0	\$573	\$573	Data prior to form modification in Jan 2017. Correction made now.
5	15019453	Estrella South	08/10/2015	1.00	Single Family	MAJ ART	\$835	\$0	\$0	\$573	\$573	Data prior to form modification in Jan 2017. Correction made now.
6	15020372	Estrella South	08/18/2015	1.00	Single Family	MAJ ART	\$835	\$0	\$0	\$573	\$573	Data prior to form modification in Jan 2017. Correction made now.
7	15020373	Estrella South	08/18/2015	1.00	Single Family	MAJ ART	\$835	\$0	\$0	\$573	\$573	Data prior to form modification in Jan 2017. Correction made now.
8	15020374	Estrella South	08/18/2015	1.00	Single Family	MAJ ART	\$835	\$0	\$0	\$573	\$573	Data prior to form modification in Jan 2017. Correction made now.
9	15019147	Laveen West	08/06/2015	1.00	Single Family	MAJ ART	\$835	\$0	\$0	\$573	\$573	Data prior to form modification in Jan 2017. Correction made now.
10	15019670	Laveen West	08/11/2015	1.00	Single Family	MAJ ART	\$835	\$0	\$0	\$573	\$573	Data prior to form modification in Jan 2017. Correction made now.
11	15019284	Laveen West	08/07/2015	1.00	Single Family	MAJ ART	\$835	\$0	\$0	\$573	\$573	Data prior to form modification in Jan 2017. Correction made now.
12	15019285	Laveen West	08/07/2015	1.00	Single Family	MAJ ART	\$835	\$0	\$0	(\$573)	\$573	Data prior to form modification in Jan 2017. Correction made now.
13	15019286	Laveen West	08/07/2015	1.00	Single Family	MAJ ART	\$835	\$0	\$0	\$573	\$573	Data prior to form modification in Jan 2017. Correction made now.
14	15019287	Laveen West	08/07/2015	1.00	Single Family	MAJ ART	\$835	\$0	\$0	\$573	\$573	Data prior to form modification in Jan 2017. Correction made now.
15	15019288	Laveen West	08/07/2015	1.00	Single Family	MAJ ART	\$835	\$0	\$573	\$0	\$573	Data prior to form modification in Jan 2017. Correction made now.
16	15019289	Laveen West	08/07/2015	1.00	Single Family	MAJ ART	\$835	\$0	\$573	\$0	\$573	Data prior to form modification in Jan 2017. Correction made now.
17	15024748	Ahwatukee	10/05/2015	33.90	Institutional	WATER-D	\$125,456	\$0	\$0	\$125,456		Permit incl three (3) 2" meters at \$41,819. Possible rounding discrepancy btwn COP and RFC
18	15024748	Ahwatukee	10/05/2015	35.97	Institutional	WASTEWATER-M	\$52,001	\$0	\$0	\$52,001		Permit incl three (3) 2" meters at \$17,334. Possible rounding discrepancy btwn COP and RFC
19	16008480	Northeast	03/24/2016	1.00	Single Family	WASTEWATER-M	\$2,830	\$0	\$0	\$2,830		\$900 DOF Offset - outside City limit
20	15029932	Laveen West	12/03/2015	1.00	Single Family	WASTEWATER-M	\$2,647	\$0	\$0	\$2,647		\$900 DOF Offset - outside City limit
21	15029932	Laveen West	12/03/2015	1.00	Single Family	WATER-D	\$3,199	\$0	\$0	\$3,199		\$900 DOF Offset - outside City limit
22	16015499	Laveen West	06/02/2016	1.00	Single Family	WATER-D	\$3,199	\$0	\$0	\$3,199		\$900 DOF Offset - outside City limit
23	16014934	Laveen West	05/26/2016	1.00	Single Family	WATER-D	\$3,199	\$0	\$0	\$3,199		\$900 DOF Offset - outside City limit
24	16016715	Northwest	06/14/2016	7.08	Commercial	WATER-L	\$43,268	\$0	\$0	\$43,268		Permit incl two (2) 1" meters at \$21,634. Possible rounding discrepancy btwn COP and RFC
25	16008479	Northeast	03/24/2016	3.54	Commercial	WATER-L	\$23,134	\$8,859	\$0	\$14,275		Permit incl GF deduction of \$8,859 and \$0 DOF Offset per PCC Chp 19 re: landscape meter serving residential development
26	16002776	Northeast	02/01/2016	1.00	Single Family	WATER-D	\$5,635	\$0	\$0	\$5,635		\$900 DOF Offset - outside City limit
27	16008479	Northeast	03/24/2016	23.98	Commercial	WASTEWATER-M	\$80,446	\$0	\$0	\$80,446		Permit incl two (2) 2" meters at \$40,223. Possible rounding discrepancy btwn COP and RFC
28	16008479	Northeast	03/24/2016	22.60	Commercial	WATER-D	\$138,691	\$56,331	\$0	\$82,360		Permit incl two (2) 2" meters at \$69,346 and GF deduction. Possible rounding discrepancy btwn COP and RFC
29	16014371	Estrella South	05/20/2016	2.22	Commercial	FIRE	\$1,368	\$0	\$0	\$1,368		Two impact fee calc recd's on permit (recd with incorrect Fire IF was exported). Correct charge of \$1,381 was applied to permit.

Appendix B

WRAF Records Subject to Additional Review with Response from City

Appendix B

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Appendix B

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Appendix C

LUA Audit Tables by Service Area

Appendix C
LUA Audit Tables by Service Area

Single Family

Fire Protection

	Audit	IFP
Service Area	Period	Forecast
Ahwatukee	43	147
Deer Valley	25	25
Estrella North	5	91
Estrella South	136	1,099
Laveen East	50	527
Laveen West	425	1,581
Northeast	312	1,978
Northwest	238	1,295
Total	1,234	6,743

Police

	Audit	IFP
Service Area	Period	Forecast
Ahwatukee	43	147
Deer Valley	25	25
Estrella North	5	91
Estrella South	136	1,099
Laveen East	50	527
Laveen West	425	1,581
Northeast	312	1,978
Northwest	238	1,295
Total	1,234	6,743

Libraries

	Audit	IFP
Service Area	Period	Forecast
Ahwatukee	0	0
Deer Valley	0	0
Estrella North	5	91
Estrella South	136	1,099
Laveen East	50	527
Laveen West	425	1,581
Northeast	312	1,978
Northwest	0	0
Total	928	5,276

Parks

	Audit	IFP
Service Area	Period	Forecast
Ahwatukee	43	0
Deer Valley	25	0
Estrella North	5	91
Estrella South	136	1,099
Laveen East	50	527
Laveen West	425	1,581
Northeast	312	1,978
Northwest	238	0
Total	1,234	5,276

Multi-family

Fire Protection

	Audit	IFP
Service Area	Period	Forecast
Ahwatukee	4	57
Deer Valley	0	0
Estrella North	0	57
Estrella South	0	15
Laveen East	0	4
Laveen West	0	56
Northeast	49	386
Northwest	7	288
Total	59	863

Police

	Audit	IFP
Service Area	Period	Forecast
Ahwatukee	4	57
Deer Valley	0	0
Estrella North	0	57
Estrella South	0	15
Laveen East	0	4
Laveen West	0	56
Northeast	49	386
Northwest	7	288
Total	59	863

Libraries

	Audit	IFP
Service Area	Period	Forecast
Ahwatukee	0	0
Deer Valley	0	0
Estrella North	0	57
Estrella South	0	15
Laveen East	0	4
Laveen West	0	56
Northeast	49	386
Northwest	0	0
Total	49	518

Parks

	Audit	IFP
Service Area	Period	Forecast
Ahwatukee	4	0
Deer Valley	0	0
Estrella North	0	57
Estrella South	0	15
Laveen East	0	4
Laveen West	0	56
Northeast	49	386
Northwest	7	0
Total	59	518

Commercial

Fire Protection

	Audit	IFP
Service Area	Period	Forecast
Ahwatukee	12	13
Deer Valley	0	0
Estrella North	2	0
Estrella South	13	61
Laveen East	18	32
Laveen West	31	39
Northeast	60	232
Northwest	100	66
Total	237	443

Police

	Audit	IFP
Service Area	Period	Forecast
Ahwatukee	12	13
Deer Valley	0	0
Estrella North	2	0
Estrella South	13	61
Laveen East	18	32
Laveen West	31	39
Northeast	60	232
Northwest	100	66
Total	237	443

Libraries

	Audit	IFP
Service Area	Period	Forecast
Ahwatukee	0	0
Deer Valley	0	0
Estrella North	0	0
Estrella South	1	4
Laveen East	1	2
Laveen West	2	3
Northeast	4	15
Northwest	0	0
Total	8	24

Parks

	Audit	IFP
Service Area	Period	Forecast
Ahwatukee	1	0
Deer Valley	0	0
Estrella North	0	0
Estrella South	1	4
Laveen East	1	2
Laveen West	2	3
Northeast	4	15
Northwest	6	0
Total	15	24

Appendix C
LUA Audit Tables by Service Area

Single Family

Major Arterials

	Audit	IFP
Service Area	Period	Forecast
Ahwatukee		
Deer Valley	25	25
Estrella North	5	91
Estrella South	136	1,099
Laveen East	50	527
Laveen West	425	1,581
Northeast	312	1,978
Northwest	238	1,295
Total	1,191	6,596

Water

	Audit	IFP
Service Area	Period	Forecast
Ahwatukee	47	689
Deer Valley	25	1,099
Estrella North	5	689
Estrella South	136	689
Laveen East	50	689
Laveen West	428	689
Northeast	348	1,099
Northwest	258	1,099
Total	1,244	6,742

Wastewater

	Audit	IFP
Service Area	Period	Forecast
Ahwatukee	43	147
Deer Valley	23	25
Estrella North	5	91
Estrella South	136	1,099
Laveen East	49	527
Laveen West	426	1,581
Northeast	311	1,636
Northwest	238	1,636
Total	1,231	6,742

Multi-family

Major Arterials

	Audit	IFP
Service Area	Period	Forecast
Ahwatukee		
Deer Valley	0	0
Estrella North	0	61
Estrella South	0	16
Laveen East	0	4
Laveen West	0	60
Northeast	53	416
Northwest	7	310
Total	60	867

Water

	Audit	IFP
Service Area	Period	Forecast
Ahwatukee	2	30
Deer Valley	0	180
Estrella North	0	30
Estrella South	0	30
Laveen East	0	30
Laveen West	0	30
Northeast	27	180
Northwest	4	180
Total	32	690

Wastewater

	Audit	IFP
Service Area	Period	Forecast
Ahwatukee	3	43
Deer Valley	0	0
Estrella North	0	43
Estrella South	0	11
Laveen East	0	3
Laveen West	0	42
Northeast	35	254
Northwest	5	254
Total	42	650

Commercial

Major Arterials

	Audit	IFP
Service Area	Period	Forecast
Ahwatukee		
Deer Valley	0	0
Estrella North	4	0
Estrella South	21	108
Laveen East	32	56
Laveen West	55	69
Northeast	106	408
Northwest	175	117
Total	394	758

Water

	Audit	IFP
Service Area	Period	Forecast
Ahwatukee	0	16
Deer Valley	0	55
Estrella North	8	16
Estrella South	18	16
Laveen East	11	16
Laveen West	21	16
Northeast	26	55
Northwest	50	55
Total	135	245

Wastewater

	Audit	IFP
Service Area	Period	Forecast
Ahwatukee	0	7
Deer Valley	0	0
Estrella North	0	0
Estrella South	17	32
Laveen East	12	16
Laveen West	19	20
Northeast	24	77
Northwest	46	77
Total	118	229

Appendix C
LUA Audit Tables by Service Area

Institutional

Fire Protection

	Audit	IFP
Service Area	Period	Forecast
Ahwatukee	137	5
Deer Valley	0	0
Estrella North	0	0
Estrella South	11	0
Laveen East	0	0
Laveen West	0	143
Northeast	4	86
Northwest	0	0
Total	152	234

Police

	Audit	IFP
Service Area	Period	Forecast
Ahwatukee	137	5
Deer Valley	0	0
Estrella North	0	0
Estrella South	11	0
Laveen East	0	0
Laveen West	0	143
Northeast	4	86
Northwest	0	0
Total	152	234

Libraries

	Audit	IFP
Service Area	Period	Forecast
Ahwatukee	0	0
Deer Valley	0	0
Estrella North	0	0
Estrella South	1	0
Laveen East	0	0
Laveen West	0	10
Northeast	0	6
Northwest	0	0
Total	1	16

Parks

	Audit	IFP
Service Area	Period	Forecast
Ahwatukee	10	0
Deer Valley	0	0
Estrella North	0	0
Estrella South	1	0
Laveen East	0	0
Laveen West	0	10
Northeast	0	6
Northwest	0	0
Total	11	16

Office

Fire Protection

	Audit	IFP
Service Area	Period	Forecast
Ahwatukee	0	20
Deer Valley	0	0
Estrella North	1	0
Estrella South	0	20
Laveen East	0	0
Laveen West	0	1
Northeast	0	101
Northwest	0	61
Total	1	203

Police

	Audit	IFP
Service Area	Period	Forecast
Ahwatukee	0	20
Deer Valley	0	0
Estrella North	1	0
Estrella South	0	20
Laveen East	0	0
Laveen West	0	1
Northeast	0	101
Northwest	0	61
Total	1	203

Libraries

	Audit	IFP
Service Area	Period	Forecast
Ahwatukee	0	0
Deer Valley	0	0
Estrella North	0	0
Estrella South	0	2
Laveen East	0	0
Laveen West	0	0
Northeast	0	10
Northwest	0	0
Total	0	12

Parks

	Audit	IFP
Service Area	Period	Forecast
Ahwatukee	0	0
Deer Valley	0	0
Estrella North	0	0
Estrella South	0	2
Laveen East	0	0
Laveen West	0	0
Northeast	0	10
Northwest	0	0
Total	0	12

Industrial

Fire Protection

	Audit	IFP
Service Area	Period	Forecast
Ahwatukee	0	0
Deer Valley	0	0
Estrella North	63	149
Estrella South	204	168
Laveen East	0	0
Laveen West	0	0
Northeast	0	26
Northwest	0	26
Total	267	369

Police

	Audit	IFP
Service Area	Period	Forecast
Ahwatukee	0	0
Deer Valley	0	0
Estrella North	63	149
Estrella South	204	168
Laveen East	0	0
Laveen West	0	0
Northeast	0	26
Northwest	0	26
Total	267	369

Libraries

	Audit	IFP
Service Area	Period	Forecast
Ahwatukee	0	0
Deer Valley	0	0
Estrella North	7	11
Estrella South	22	12
Laveen East	0	0
Laveen West	0	0
Northeast	0	2
Northwest	0	0
Total	29	25

Parks

	Audit	IFP
Service Area	Period	Forecast
Ahwatukee	0	0
Deer Valley	0	0
Estrella North	4	11
Estrella South	15	12
Laveen East	0	0
Laveen West	0	0
Northeast	0	2
Northwest	0	0
Total	19	25

Appendix C
LUA Audit Tables by Service Area

Institutional

Major Arterials

	Audit	IFP
Service Area	Period	Forecast
Ahwatukee		
Deer Valley	0	0
Estrella North	0	0
Estrella South	10	0
Laveen East	0	0
Laveen West	0	126
Northeast	3	76
Northwest	0	0
Total	13	202

Water

	Audit	IFP
Service Area	Period	Forecast
Ahwatukee	45	9
Deer Valley	0	9
Estrella North	0	9
Estrella South	21	9
Laveen East	0	9
Laveen West	0	9
Northeast	0	9
Northwest	0	9
Total	66	72

Wastewater

	Audit	IFP
Service Area	Period	Forecast
Ahwatukee	36	2
Deer Valley	0	0
Estrella North	0	0
Estrella South	11	0
Laveen East	0	0
Laveen West	0	46
Northeast	0	14
Northwest	0	14
Total	47	76

Office

Major Arterials

	Audit	IFP
Service Area	Period	Forecast
Ahwatukee		
Deer Valley	0	0
Estrella North	1	0
Estrella South	0	17
Laveen East	0	0
Laveen West	0	0
Northeast	0	89
Northwest	0	54
Total	1	160

Water

	Audit	IFP
Service Area	Period	Forecast
Ahwatukee	0	3
Deer Valley	0	21
Estrella North	0	3
Estrella South	0	3
Laveen East	0	3
Laveen West	0	3
Northeast	11	21
Northwest	0	21
Total	11	78

Wastewater

	Audit	IFP
Service Area	Period	Forecast
Ahwatukee	0	7
Deer Valley	0	0
Estrella North	0	0
Estrella South	0	7
Laveen East	0	0
Laveen West	0	0
Northeast	12	28
Northwest	0	28
Total	12	70

Industrial

Major Arterials

	Audit	IFP
Service Area	Period	Forecast
Ahwatukee		
Deer Valley	0	0
Estrella North	99	234
Estrella South	320	264
Laveen East	0	0
Laveen West	0	0
Northeast	0	41
Northwest	0	41
Total	419	580

Water

	Audit	IFP
Service Area	Period	Forecast
Ahwatukee	0	50
Deer Valley	0	14
Estrella North	20	50
Estrella South	38	50
Laveen East	0	50
Laveen West	0	50
Northeast	0	14
Northwest	0	14
Total	37	292

Wastewater

	Audit	IFP
Service Area	Period	Forecast
Ahwatukee	0	0
Deer Valley	0	0
Estrella North	12	117
Estrella South	27	132
Laveen East	0	0
Laveen West	0	0
Northeast	0	21
Northwest	0	21
Total	39	291

Appendix C
LUA Audit Tables by Service Area

Storm Drainage

All Classes

Service Area	Audit Period	IFP Forecast
Ahwatukee		
Deer Valley		
Estrella North	72	1,693
Estrella South	451	1,693
Laveen East	63	1,974
Laveen West	460	1,974
Northeast		
Northwest		
Total	1,046	7,334

WRAF Growth (EDUs)

All Classes

Service Area	Audit Period	WRA Forecast
Off Project	3,067	4,666
Total	3,067	4,666