

## INDEPENDENT ACCOUNTANTS' REPORT

The Honorable Mayor and the City Council  
City of Surprise, Arizona  
Surprise, Arizona

We have examined the City of Surprise, Arizona's (City) compliance as to whether highway user revenue fund monies received by the City pursuant to Arizona Revised Statutes title 28, chapter 18, article 2 and any other dedicated state transportation revenues received by the City are being used solely for the authorized transportation purposes during the fiscal year ended June 30, 2016. Management is responsible for the City of Surprise, Arizona's compliance with those requirements. Our responsibility is to express an opinion on the City of Surprise, Arizona's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the City of Surprise, Arizona's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the City of Surprise, Arizona's compliance with specified requirements.

Our procedures disclosed a finding of noncompliance with the Arizona Revised Statutes title 28, chapter 18, article 2 as listed in the following schedule as item 2016-1.

In our opinion, with the exception of item 2016-1, the City of Surprise, Arizona complied, in all material respects, with the aforementioned requirements for the fiscal year ended June 30, 2016.

*CliftonLarsonAllen LLP*

Phoenix, Arizona  
December 19, 2016

**2016-1 Highway User Revenue Fund Disbursements**

Two of twenty-five HURF disbursements tested, totaling \$126.84, were not allowable in accordance with Arizona Revised Statutes Title 28, Chapter 18, Article 2. The disbursements were made to purchase meals.

We recommend the City review the disbursements charged to the Highway User Revenue Fund to ensure they are allowable under Arizona Revised Statutes Title 28, Chapter 18, Article 2.