

CITY OF PALM DESERT STAFF REPORT

MEETING DATE: February 15, 2024

PREPARED BY: Liberty Urban, Deputy Director of Finance

REQUEST: RECEIVE AND FILE THE INDEPENDENT ACCOUNTANTS' REPORT ON AGREED-UPON PROCEDURES PERFORMED ON THE MEASURE A TRANSPORTATION FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2023

RECOMMENDATION:

Receive and file the Independent Accountants' Report on Agreed-Upon Procedures Performed on the Measure A Transportation Fund for the fiscal year ended June 30, 2023.

BACKGROUND/ANALYSIS:

The Measure A fund is a special revenue fund that was created to keep track of funds received by the Riverside County Transportation Commission. In 1988, Riverside County voters approved a half cent sales tax, known as Measure A, to fund a variety of highway improvements, local streets and roads maintenance, commuter assistance and specialized transit projects.

Conrad LLP performed the procedures that were agreed to by the Riverside County Transportation Commission, Riverside, California (RCTC) solely to assist RCTC with respect to an evaluation of the City of Palm Desert's Measure A Transportation Fund and degree of the City's compliance with RCTC requirements for the year ended June 30, 2023.

The agreed-upon procedures report issued by Conrad LLP found the City in compliance with its Maintenance of Effort (MOE) requirements but noted an accumulated excess fund balance of \$6.9 million from prior year revenues. The City has budgeted \$19.1 million in Measure A expenditures in Fiscal Year 2023-24, which are anticipated to draw down the \$6.9 million excess along with \$12.2 million in additional accumulated fund balance.

Staff requests that the City Council receive and file the Independent Accountants' Report on Agreed-Upon Procedures Performed on the Measure A Transportation Fund for the fiscal year ended June 30, 2023.

Legal Review:

This report has been reviewed by the City Attorney's office.

Appointed Body Recommendation:

The Finance Committee received the Independent Accountants' Report at their meeting on January 22, 2024, and made a recommendation to receive and file the report as presented.

FINANCIAL IMPACT:

There is no fiscal impact associated with this action.

ATTACHMENT:

Independent Accountants' Report on Agreed-Upon Procedures