

City of Palm Springs Measure D Sales Tax Fund

Palm Springs, California

**Independent Accountants' Report
On Applying Agreed-Upon Procedures to
Ordinance No. 1945,
Imposing a Transaction and Use Tax
to be Administered by the State Board of Equalization**

For the Year Ended June 30, 2022





**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES**



To the Honorable Mayor and Members of the City Council
of the City of Palm Springs
Palm Springs, California

We have performed the procedures enumerated below on evaluation the Measure D Sales Tax Fund (the "Measure D") Compliance in accordance with Ordinance No. 1945, Imposing a Transaction and Use Tax to be Administered by the California Department of Tax and Fee Administration (the "CDTFA") for the fiscal year ended June 30, 2022. City of Palm Springs' (the "City") management is responsible for the Measure D.

The City has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of evaluating compliance of the Measure D. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

1. We verified Measure D are collected by the CDTFA and remitted to the City on a monthly basis. Cash receipts from Measure D are recorded in a separate general ledger account in the City's General Fund when received. We also verified no significant deficiencies or material weaknesses was identified on the City's financial statement audit. We inspected the general ledger and noted the Measure D revenue is used for General Fund expenditures.

Finding: No exception noted based on procedures performed.

2. We traced 100% of the sales tax remittance advices from the CDTFA to the general ledger and verified the collection and recording of Measure "D" revenues is accurate.

Finding: No exception noted based on procedure performed.

3. We verified the City used the Measure D tax revenue for general governmental purposes, such as fire and police protection, paramedic service, community programs (such as addressing homelessness, and providing senior and youth services), street, park and public facility cleaning, repair and maintenance, police and fire equipment, and other unfunded public needs.

Finding: No exception noted based on procedures performed.

4. We verified the City has completed its annual financial statement audit performed by an independent certified public accounting firm and included revenues and expenditures related to measure "D" in the fiscal year in accordance with Section 14 and Section 15 of the ordinance.

Finding: No exception noted based on procedures performed.

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We were engaged by the City of to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on Measure D. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of City Council and the management of the City and is not intended to be and should not be used by anyone other than those specified parties.

The PwC Group, LLP

Santa Ana, California
December 23, 2022