

CITY OF RANCHO MIRAGE, CALIFORNIA



# COMPREHENSIVE ANNUAL FINANCIAL REPORT

*prepared by:*

**THE DEPARTMENT OF  
ADMINISTRATIVE SERVICES  
FINANCE DIVISION**

**Kim Malcolm-Valente**, Director of Administrative Services

**Isaiah Hagerman**, Finance Director

**YEAR ENDED JUNE 30, 2013**

# **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**CITY OF RANCHO MIRAGE, CALIFORNIA**

**CITY OF RANCHO MIRAGE**  
**Comprehensive Annual Financial Report**  
**Year Ended June 30, 2013**  
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**OFFICE OF THE CITY MANAGER**

Randal K. Bynder

June 4, 2014

Citizens of the City of Rancho Mirage,  
Honorable Mayor and Members of the City Council

It is with great pleasure that I present to you the Comprehensive Annual Financial Report (CAFR) of the City of Rancho Mirage for the fiscal year ended June 30, 2013. This document provides an overview of the City's financial activities during the past fiscal year. It has been prepared by the Finance Division of the Department of Administrative Services for the benefit of City Council members, citizens, investors, grantors, employees and others who may have an interest in the financial well-being of the City.

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City of Rancho Mirage. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various Funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

Vavrinek, Trine, Day & Co., Certified Public Accountants, has issued an unmodified ("clean") opinion on the City of Rancho Mirage's financial statements for the fiscal year ended June 30, 2013. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

***PROFILE OF THE CITY***

The City of Rancho Mirage, located in eastern Riverside County in Southern California, was incorporated on August 3, 1973 and became a Charter City on December 25, 1997 as a result of a citywide election. According to official State estimates, the City has a permanent population of 17,745 within a boundary of approximately 25 square miles. The City sits at the base of the beautiful Santa Rosa Mountains and is an integral part of the larger, world-renowned resort and retirement area known as the Palm Springs Valley.

The City operates under the Council-Manager form of government. The five City Council members are elected to four-year terms in alternate slates every two years. Most recently, an election was held on April 8, 2014. The Mayor is appointed by the City Council for a one-year period on a rotating basis. Pursuant to the Municipal Code, the City Council member with the longest continuous service on the City Council without having served as Mayor shall be appointed Mayor. The Mayor presides over City Council meetings and represents the City at many public functions. The City Council also serves as the Board of Directors of the Successor Agency to the former Redevelopment Agency, Housing Authority, Community Services District and the Joint Powers Financing Authority component units as well as the

Library. The City Council appoints the City Manager who heads the executive branch of the government, implements policies as directed and established by the City Council and manages the administrative and operational functions through the department directors. The City Manager appoints the department directors with the exception of the City Clerk and the City Attorney who are both appointed by the City Council. The City Manager also serves as the City Treasurer and the Executive Director of the Housing Authority.

The City of Rancho Mirage provides a full range of services, including police and fire protection, affordable housing programs, a highly-regarded public library, the construction and maintenance of streets and other infrastructure as well as recreational and cultural activities.

The City's annual operating and capital improvements budgets are adopted by resolutions for the fiscal year that begin July 1<sup>st</sup>. Separate resolutions are adopted by the City Council and the Boards of Directors of the Library, Community Services District, Joint Powers Financing Authority and the Housing Authority for the specific Funds under their supervision.

The budget document is categorized according to the City of Rancho Mirage's major entities - the City and the Housing Authority. They are further subdivided into organizational units referred to as Departments/Divisions or Funds. Expenditures for General Fund Divisions cannot exceed amounts budgeted within the objects of salaries and benefits, operations and maintenance and capital such as furniture and equipment. For other Funds, expenditures cannot exceed the total amount budgeted by each Fund. The City Manager is authorized to transfer appropriations within an object of a General Fund Division and within total fund appropriations for other Funds. The City Council/Boards of Directors approve all other changes.

## ***ECONOMIC CONDITIONS AND OUTLOOK***

Rancho Mirage, like every other municipality in the State and in the nation, has been adversely affected by the slow economic recovery. Rancho Mirage is weathering the situation better than most due to our historic commitment to fiscal responsibility and the City Council's vision to attract new revenue generating businesses while maintaining the City's well known reputation for high quality residential neighborhoods. Rancho Mirage has and will continue to have an international reputation as a destination resort and medical and research center and will continue to be recognized for its ambience and the unique lifestyle it provides and where its residents enjoy a variety of cultural and recreational opportunities.

Any discussion of Rancho Mirage finances must include an acknowledgment that Rancho Mirage is considered to be a "no-property-tax" City. The City did not have a separate property tax rate prior to the voter enactment of Proposition 13 in 1978 and is, therefore, prohibited from imposing one without a vote of the citizens. Thus, additional property tax revenue generated by development projects within the City, but not within the boundaries of the former Rancho Mirage Redevelopment Agency, is not remitted to the City's General Fund. Instead, it is remitted to other taxing agencies such as Riverside County, school districts and other special districts. The only exception to this relates to land annexed to the City after June 30, 1980. In this instance, the City's General Fund receives 25% of the County's 30% share or 7.5% of the property taxes paid by those specific property owners. As a result, the City's General Fund only received approximately \$1.4 million or 7% of its total revenue from property tax.

As we all know, redevelopment activity in California effectively ceased January 31, 2012. This unfortunate action by the State removes a major "economic engine" for development and construction of infrastructure and affordable housing not only in Rancho Mirage but statewide as well. The former

Redevelopment Agency was instrumental in constructing much of the infrastructure and facilities such as the Rancho Mirage Library that have made Rancho Mirage the outstanding City that it is. The City has assumed the role of Successor Agency effective February 1, 2012 with responsibilities to oversee liquidation of the assets and liabilities of the former Redevelopment Agency.

While the residential base is the single greatest asset of the community, the prestigious image of Rancho Mirage has also been enhanced by major nonresidential uses including three resort hotels – Omni Rancho Las Palmas Resort and Spa, the Westin Mission Hills and Agua Caliente Casino•Resort•Spa - Eisenhower Medical Center, the Betty Ford Center, Annenberg Sunnylands Estate and *The River at Rancho Mirage* entertainment and retail center. These facilities are considered to be of the highest quality level with some receiving both national as well as international recognition. These land uses, in conjunction with the strong residential base, have allowed Rancho Mirage to become a prominent community within the Palm Springs Valley.

Rancho Mirage was one of the first communities in the Palm Springs Valley to capitalize on the demand for high quality residential/resort housing units in the Valley. As such, the City has traditionally had the unique advantage of widespread name recognition as one of the most affluent residential communities in the Valley. Within the context of continued growth within the Coachella Valley, the vast amount of vacant available land creates competition throughout the Valley for desirable new revenue producing development types. Rancho Mirage will also benefit from the long anticipated re-opening of the Ritz-Carlton Hotel, which is scheduled for May 15, 2014.

### ***Hotels, Sales Tax, Investments – The Big Three***

Together, the transient occupancy tax, sales tax and interest revenue (approximately \$10.6 million) made up approximately 53% of the General Fund's total revenue in FY 2012-13. Economic conditions that affect these City revenues are those factors that influence tourism, residential growth, consumer spending and investment returns. As previously noted, the current slow nationwide economic recovery has had a negative impact on the City's investment returns.

Regarding transient occupancy tax, the three hotels in the City of Rancho Mirage noted above are considered to be first-class, destination resorts. Rancho Mirage has firmly established itself in a competitive position within the Palm Springs Valley with enhanced recognition by leisure and group resort travelers throughout the world. This position will be further strengthened once the Ritz-Carlton Hotel opens on May 15, 2014. The project includes a complete renovation of the existing 244-room resort and construction of 18 spa suites plus future construction of 54 T-wing units, 57 hotel villas, and 25 tennis villas once the housing market recovers. This newly renovated resort along with the Omni Rancho Las Palmas Resort and Spa, the Westin Mission Hills Resort and Spa and the Agua Caliente Casino•Resort•Spa will keep Rancho Mirage firmly established in a competitive position within the Palm Springs Valley for recognition by leisure and group resort travelers throughout the world.

The Highway 111 corridor through Rancho Mirage is a 4½-mile-long major thoroughfare, with daily traffic exceeding 65,000 vehicles. It is recognized as the circulation and commercial axis of the Palm Springs Valley. The focus of the eastern-most portion of Highway 111 within Rancho Mirage is largely retail, restaurants and professional offices. In this area is *The River at Rancho Mirage*, the cornerstone of the City's revitalization of Highway 111. The 30-acre waterfront development offers an upscale shopping and entertainment experience in an environment that features a river, fountains and waterfalls. People from all corners of the Palm Springs Valley, Southern California and beyond enjoy the many amenities offered at *The River*. Coupled with the pending successful redevelopment of the Rancho Las Palmas

Shopping Center, the resulting ripple effect along Highway 111 has transformed this area into a unique and vibrant commercial “downtown” for the community.

### ***Long-Term Financial Planning***

The City’s General Plan is the community’s comprehensive and long-term view of its future; it is a blueprint for the City’s growth and development. The City Council and the Planning Commission use the goals and policies of the General Plan as a basis from which to make land use decisions. The General Plan is considered “long-term” since it looks 15 years or more into the future and projects conditions and needs as a basis for determining long-term objectives and policies for day-to-day decision making.

A comprehensive update to the General Plan was completed in 2005. Prior to 2005, the last comprehensive update was completed in 1997. The update in 2005 was completed to keep pace with the changing conditions in Rancho Mirage and the Coachella Valley. The update addressed maintaining and enhancing the livability of Rancho Mirage’s neighborhoods, planning for an optimal balance of land uses while enhancing economic opportunities within the City and protecting the City’s unique natural setting. The update process was a collaborative effort among City staff, the City Council, professional planners and the citizens and stakeholders of Rancho Mirage. With City Council concurrence, I intend to embark on another comprehensive General Plan update over the next few years.

Other ways in which the City ensures that its long-range goals are met are through a wide variety of Council Subcommittees. Each subcommittee is comprised of two Council members, one or more staff and, in some cases, citizens. Following are a few examples of the current nineteen subcommittees along with their assignments.

- Audit/Budget Subcommittee – Review and analyze financial information, audit results, budgets and all financial policies and procedures.
- Commercial Development Subcommittee – Review proposed and recently submitted commercial and other non-residential development projects, issues and topics.
- Eisenhower Medical Center Subcommittee – Work cooperatively with representatives of Eisenhower Medical Center to ensure an effective partnership between the Medical Center and the City.
- Tourism, Marketing and Special Events Subcommittee – Develop a theme for Rancho Mirage tourism, create an effective and user-friendly format to market Rancho Mirage tourism opportunities via the Internet, pursue group marketing of Rancho Mirage tourism; and promote Rancho Mirage hotels as a place to hold conferences, business meetings and other special events.
- Chamber of Commerce Subcommittee – Coordinate with members of the Board of Directors of the Chamber of Commerce and the Chamber’s Executive Director related to the services provided to the City by the Chamber.
- Section 19 Specific Plan Subcommittee – Meet with staff, consultants and invited property owners for the development and implementation of a Specific Plan for Section 19. Section 19 is approximately 268 acres located on the northeast corner of Dinah Shore Drive and Bob Hope Drive near the Agua Caliente Casino●Resort●Spa.
- Section 31 Subcommittee – Formed to discuss terms and conditions of zoning and potentially a development agreement between the City and property owners in Section 31. Section 31 is approximately 640 acres located south of section 30 and is bordered by Bob Hope Drive to the west, Gerald Ford Drive to the north, Monterey Avenue to the east and Frank Sinatra Drive to the south.

- Sphere of Influence Subcommittee – Review and analyze information and data related to the City’s Sphere of Influence (SOI), meet with property owners, tribal representatives and prospective developers.

Another way the City ensures its future financial health is its commitment to be economically prudent and sound. Perhaps the best indication of the financial stability of the City is the amount of fund balance. The City Council’s Audit/Budget Subcommittee consisting of two City Council members drafted the City’s Fund Balance Policy in accordance with Governmental Accounting Standards Board (GASB) Statement No. 54 effective July 1, 2010. The Fund Balance Policy incorporates the long-term view of the City’s resources by adopting reserves. The City Council reviews the reserves annually, which allows them to act quickly when events, whether local, state or nationwide, occur that change or may change the City’s economic stability. The following fund balance classifications are now incorporated into the financial statements: nonspendable, restricted, committed, assigned and unassigned. The footnotes to the financial statements provide detailed information over the various fund balance classifications.

### ***AWARDS AND ACKNOWLEDGEMENTS***

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Rancho Mirage for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2012. This is the twenty-second consecutive year that the City has received this award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only.

I would like to express my appreciation to the City Council for their ongoing oversight of the financial affairs of the City and their prudent fiscal, economic and land use policy and direction. I also thank City staff members with special appreciation to the Finance Division of the Department of Administrative Services for their continued effort to provide accurate financial data to City management and to Vavrinek, Trine, Day & Co., the City’s independent auditors, who assisted and contributed to the preparation of this report.

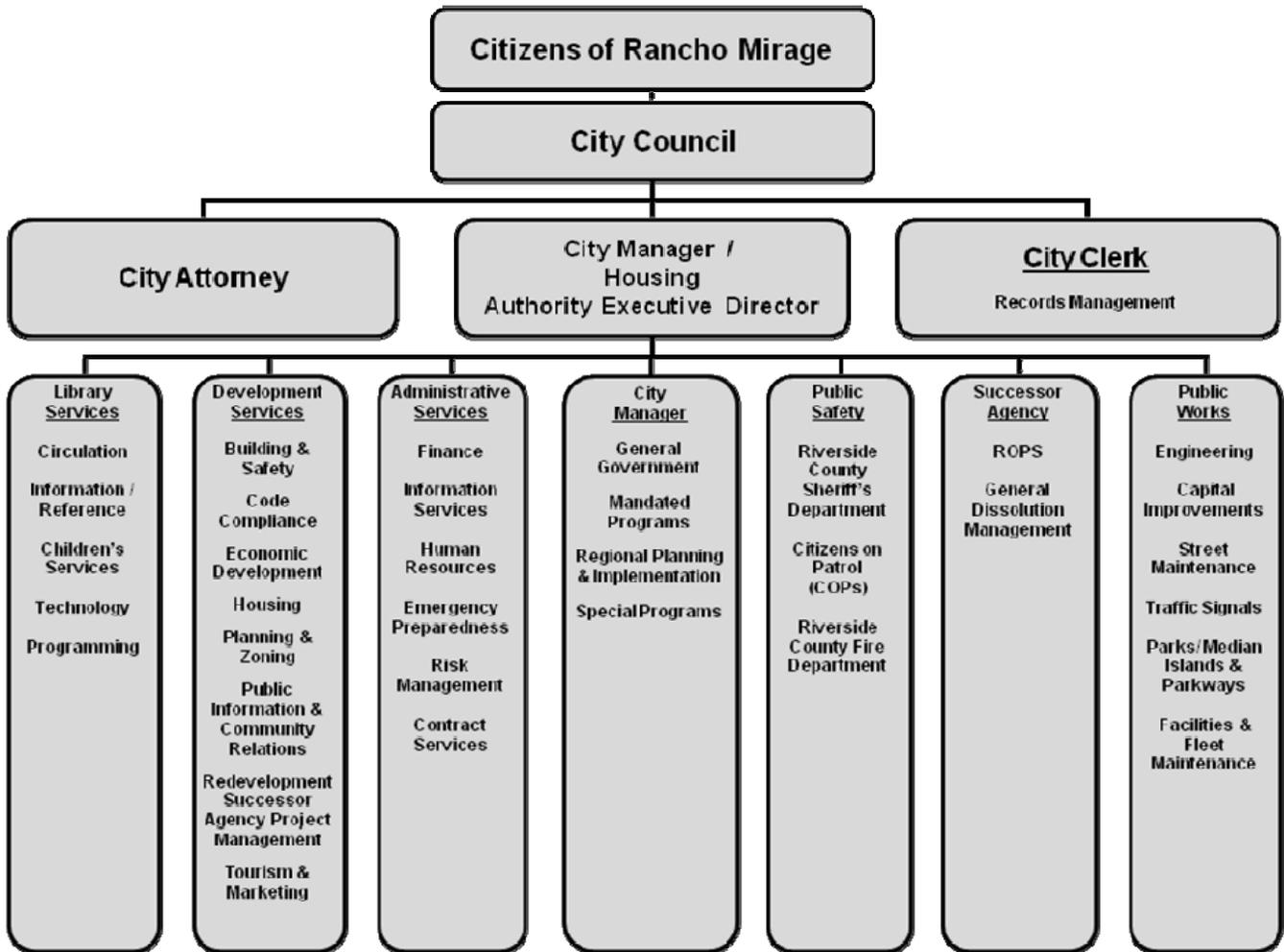
Respectfully submitted,



Randal K. Bynder  
City Manager



# ORGANIZATION CHART





**DIRECTORY OF OFFICIALS**

**June 30, 2013**

CITY COUNCIL

Iris Smotrich	Mayor
G. Dana Hobart	Mayor Pro Tem
Richard Kite	Councilmember
Charles Townsend	Councilmember
Ted Weill	Councilmember

ADMINISTRATION

Randal K Bynder	City Manager/Executive Director of the Redevelopment Agency Successor Agency
Steven B. Quintanilla	City Attorney
Cindy Scott	City Clerk
Bruce B. Harry, Jr.	Director of Public Works
David Bryant	Library Director
Kim Malcolm-Valente	Director of Administrative Services

Isaiah Hagerman	Finance Director
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Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Rancho Mirage  
California**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2012**

Executive Director/CEO



## INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and Members of City Council  
City of Rancho Mirage, California

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the City of Rancho Mirage, California, (City) as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the City as of June 30, 2013, and the respective change in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Emphasis of Matter***

As discussed in Note 1 to the financial statements, the City adopted Governmental Accounting Standards Board (GASB) Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, as of July 1, 2012. Our opinion is not modified with respect to this matter.

## ***Other Matters***

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of funding progress and budgetary comparison schedules on pages 4 through 12, 55, and 56 through 66, respectively, be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying major capital projects fund budgetary comparison schedules, and the combining and individual nonmajor fund financial statements and schedules (supplementary information) and the other information such as the introductory, statistical, and Former Redevelopment Agency Long-term Debt Information sections (other information) are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The other information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 3, 2014, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Riverside, California  
June 3, 2014

## MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the City of Rancho Mirage's financial performance provides an overview of the City's financial activities for the fiscal year (FY) ended June 30, 2013. Please read it in conjunction with the accompanying transmittal letter and the accompanying basic financial statements.

### FINANCIAL HIGHLIGHTS

- The total assets of the City exceeded its total liabilities at the close of the fiscal year 2012-13 by \$284,197,667 (net position). Of this amount, \$74,622,221 is unrestricted net position, \$37,842,120 is restricted for specific purposes and \$171,733,326 is net investment in capital assets. The City's net position from governmental activities decreased from \$287.6 million to \$284.2 million or -2% mostly as a result of the Housing Authority not receiving the 20% set-aside as a result of the RDA dissolution and a negative fair market value adjustment.
- The City's total long-term debt decreased by \$406,116 or -4.5% compared to the prior year. The decrease mostly consisted of compensated absences.

### USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position, which identifies the City's assets, liabilities and net position, and the Statement of Activities, which identifies revenues and expenses, provide summary information about the activities of the City as a whole and allow a longer-term view of the City's finances. Fund Financial Statements of the City's major and non-major governmental funds tell how City services were financed in the short term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds.

### Reporting the City as a Whole: The Statement of Net Position and the Statement of Activities

One of the most important questions asked about the City's finances is, "Is the City as a whole better off or worse off as a result of this year's activities?" The Statement of Net Position and the Statement of Activities report information about the City as a whole and about its activities in a way that helps answer this question. These statements include *all* assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. On the other hand the Fund Financial Statements are reported on the *modified accrual basis of accounting* as discussed on the next page.

These two statements report the City's *net position* and changes in them. The City's net position, the difference between assets and liabilities, are one way to measure the City's financial health or *financial position*. Over time, *increases or decreases* in the City's net position indicate whether its *financial health* is improving or deteriorating. However, consideration should also be given to other non-financial factors, such as changes in the economy that may cause a decrease in consumer spending. The City's net position decreased this year by approximately \$3.4 million from June 30, 2012 to June 30, 2013, primarily due to the following: the Housing Authority not receiving the 20% set-aside as a result of the RDA dissolution and a negative fair market value adjustment.

## **Reporting the City's Most Significant Funds: Fund Financial Statements**

The Fund Financial Statements provide detailed information about the most significant Funds and not the City as a whole. Included are the General, Library, Fire Tax, and Housing Authority, as well as lesser Funds reported collectively as Non-major Governmental Funds. Some Funds are required to be established by State law. However, management establishes many other Funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money. The City currently has just one type of fund—*governmental*—which uses the following accounting approach.

*Governmental funds* focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. All of the City's services are reported in governmental funds. These funds are reported using an accounting method called the *modified accrual* accounting. Under this method of accounting, revenues are recognized in the accounting period in which they become measurable and available to finance expenditures of the current fiscal period while expenditures are generally recognized in the accounting period in which the liability is incurred with certain exceptions. For example, the issuance of long-term debt results in the recording of an other financing source in governmental funds and as principal and interest payments are made, an expenditure is recorded.

The governmental fund statements provide a detailed *short-term view* of the City's general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation following the balance sheet of the governmental funds.

## **The City as Trustee: Reporting the City's Fiduciary Responsibilities**

The City is the trustee, or *fiduciary*, for certain amounts held on behalf of developers, property owners, and others. The City's fiduciary activities are reported in a separate Statement of Fiduciary Net Position. We exclude these activities from the City's other financial statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes. The private-purpose trust fund is used to account for activity related to the dissolution of the former RDA. The accounting used for fiduciary funds is the same as the Statement of Net Position and Statement of Activities.

**THE CITY AS A WHOLE**

The City’s net position at June 30, 2013 was approximately \$284.2 million as shown in Table 1. Table 2 shows changes in net position of approximately \$3.4 million due to the reasons previously listed.

**Table 1**  
**Net Position**  
**As of June 30, 2013 and 2012**

	Governmental Activities	
	2013	2012
Current and other assets	\$ 122,142,305	\$127,148,705
Capital assets	174,000,722	176,195,744
<b>Total Assets</b>	<b>296,143,027</b>	<b>303,344,449</b>
Long-term debt outstanding	8,571,350	8,977,466
Other liabilities	3,374,010	6,717,956
<b>Total Liabilities</b>	<b>11,945,360</b>	<b>15,695,422</b>
Net position:		
Net investment in capital assets	171,733,326	175,897,018
Restricted	37,842,120	10,251,089
Unrestricted	74,622,221	101,500,924
<b>Total Net Position</b>	<b>\$284,197,667</b>	<b>\$287,649,031</b>

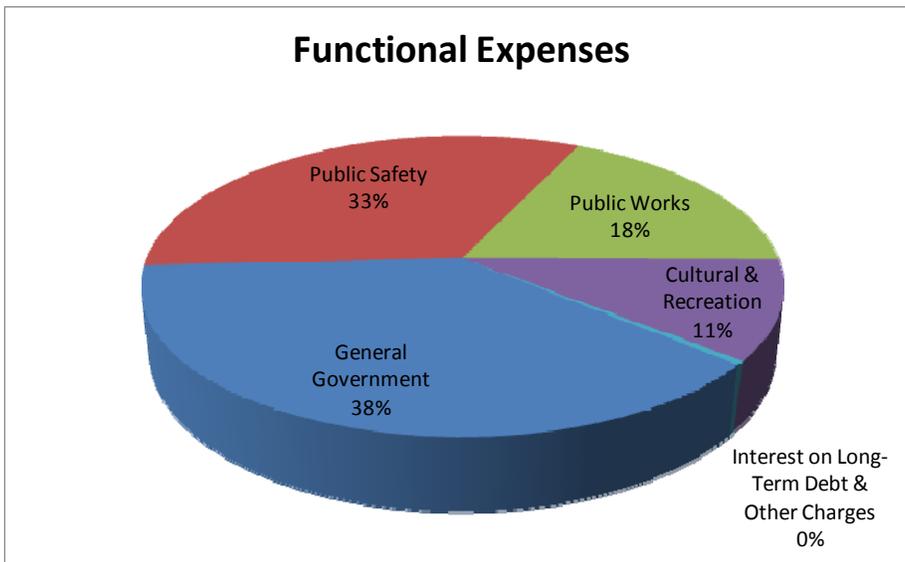
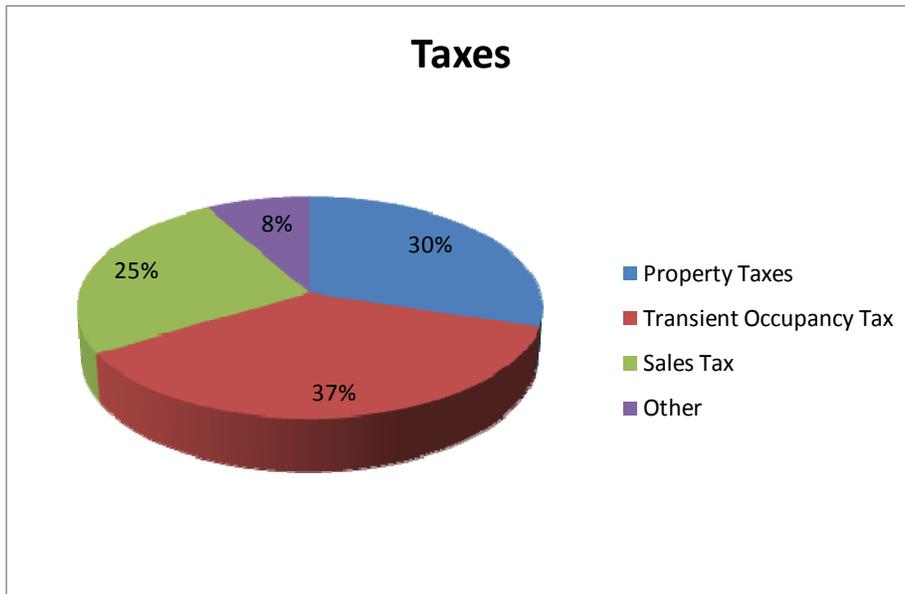
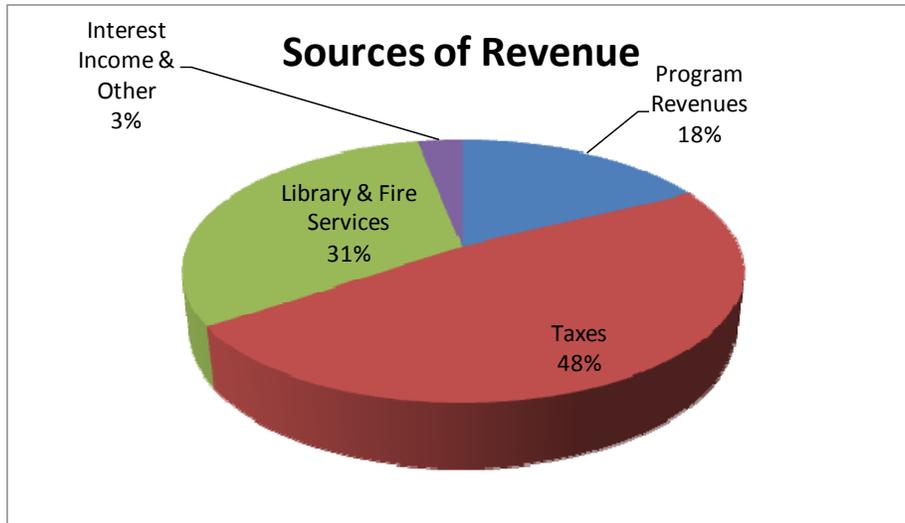
The other liabilities decrease of \$3.4 million is primarily due to a decrease of \$2.4 million in Due to Other Governments and regularly scheduled debt service payments. At June 30, 2012 the Housing Authority had a disallowed transfer as a result of the RDA dissolution. This amount was paid by the Housing Authority in Fiscal Year 2012-13.

The City’s Net Position is made up of three components: Net Investment in Capital Assets, Restricted and Unrestricted. Unrestricted net position, the part of net position that can be used to finance day-to-day operations, account for approximately 26% of the total net position.

**Table 2**  
**Changes in Net Position**  
**For the Year Ended June 30, 2013 and 2012**

	Governmental Activities	
	2013	2012
<b>Revenues</b>		
Program Revenues		
Charges for services	\$3,797,042	\$3,685,002
Operating grants and contributions	864,205	2,098,306
Capital and grants contributions	936,367	1,448,786
Taxes		
Property Taxes (Net of Pass-Through Payments and SERAF)	4,571,549	15,227,258
Transient occupancy taxes	5,606,679	5,356,152
Sales tax	3,882,102	3,970,239
Franchise taxes	1,244,971	1,239,565
Motor Vehicle In-Lieu tax	7,483	17,612
Library and fire services tax	10,039,639	7,702,636
Interest income, net of change in fair value	154,797	2,371,476
Other	832,364	483,148
Total Revenues	<u>\$31,937,198</u>	<u>\$43,600,180</u>
<b>Expenses</b>		
General government	13,496,119	16,759,819
Public safety	11,617,269	11,171,851
Public works	6,388,990	8,848,181
Cultural and recreation	3,734,569	3,911,881
Interest on long-term debt and Other charges	151,615	4,690,367
Total Expenses	<u>35,388,562</u>	<u>45,382,099</u>
Extraordinary gain- Dissolution of redevelopment agency	<u>-</u>	<u>98,551,208</u>
<b>Increase (decrease) in net position</b>	<b><u><u>\$ (3,451,364)</u></u></b>	<b><u><u>\$96,769,289</u></u></b>

Summarized information for fiscal year 2013 is as follows:



The City's total governmental activities revenues decreased from \$43,600,180 to \$31,937,198. Taxes, which include property taxes, transient occupancy tax, sales tax, franchise tax, and motor vehicle in-lieu tax accounts for approximately 48% of the total revenues for the current year. Other major revenue sources include library and fire services tax at 31% and program revenues at 18%.

The increase of \$2.3 million in Library and Fire Services tax was a result of the dissolution of the RDA. The Library and Fire Services Tax received one time payments as a result of the Due Diligence Reviews.

The decrease of \$2.2 million in interest income was a result of the fair market value adjustment.

The overall net decrease of approximately \$11.6 million is due to a reduction in property tax of \$10.6 million resulting from the dissolution of the former Redevelopment Agency in 2012.

Total cost of all governmental activities was \$35,388,562 compared to \$45,382,099 for last year. The decrease of \$9.9 million was primarily the result of the dissolution of the RDA and a related decrease in debt service. Fiscal Year 2012-13 was the first full fiscal year without the former RDA.

### Governmental Activities

Table 3 presents the cost of each of the City's activities—general government, public safety, and public works—as well as each program's *net* cost (total cost less revenues generated by the activities). The net costs show the extent to which the City's general revenues support each of the City's programs.

**Table 3**  
**Net Cost of Governmental Activities**  
**As of June 30, 2013 and 2012**

	2013		2012	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
General Government	\$13,469,119	\$10,006,021	\$16,759,819	\$12,632,726
Public Safety	11,617,269	11,457,217	11,171,851	10,321,999
Public Works	6,388,990	5,120,857	8,848,181	7,414,944
Cultural and recreation	3,734,569	3,058,175	3,911,881	3,089,969
Interest on long-term debt & other charges	151,615	148,678	4,690,367	4,690,367
<b>Totals</b>	<u><u>\$35,361,562</u></u>	<u><u>\$29,790,948</u></u>	<u><u>\$45,382,099</u></u>	<u><u>\$38,150,005</u></u>

### FINANCIAL ANALYSIS OF THE CITY'S FUNDS

At year-end the City's Governmental Funds reported a combined fund balance of \$118,392,902. This includes the General Fund's total fund balance of \$80,152,789 of which \$69,050,503 is committed, \$9,644,859 is unassigned and \$1,457,427 is in non-spendable form. The General Fund's fund balance decreased by \$1,157,811 due primarily to a negative fair market value adjustment of \$1.2 million.

The General Fund's financial statements include the financial activities of the License Tax Fund, the two COPS (Citizens Option for Public Safety) Funds, the Agua Caliente Band of Cahuilla Indians (ACBCI) Fee Fund, traffic safety fund, community service district fund and community facilities district fund.

The General Fund's fund balance includes committed fund balance for prudent reserve, disaster recovery, capital projects, Library, Ritz Spa Suite, Section 19 Water and economic development reserve. For more information refer to footnote #15.

Other major funds:

- The Library Fund's fund balance decreased slightly to \$2,805,315 from \$2,726,556. It has always been known that, with the opening of the new and larger Library in January 2006, the General Fund would eventually have to provide an operating subsidy to the Library because expenditures would exceed taxes for the library. Currently it is anticipated that the operating subsidy will begin in FY 2018-19.
- The Fire Tax Fund's total fund balance increased from \$432,169 to \$728,343 due to transfers in of \$904,510 primarily from the general fund.
- The Housing Authority's total fund balance decreased from \$18,222,249 to \$16,164,875 primarily due to the loss of the 20% set aside from the former RDA.

### **General Fund Budgetary Highlights**

**Revenues:** As the economy continues to stabilize, few mid-year budget adjustments were needed to be approved by Council. See the Budgetary Comparison Schedule for details. Final year-end expenditures exceeded revenues and transfers by approximately \$2.3 million. The primary reason was the budgeted \$2.1 million for various capital projects.

**Expenditures:** Various expenditure budget adjustments were approved by Council at mid-year and year-end. See the Budgetary Comparison Schedule as identified in the table of contents. Actual expenditures and transfers out of were \$1,762,972 less than the final budget primarily due to budgeted capital improvement projects not being completed by the end of the fiscal year (approximately \$1 million) and reduced expenditures in all General Fund divisions (approximately \$700,000).

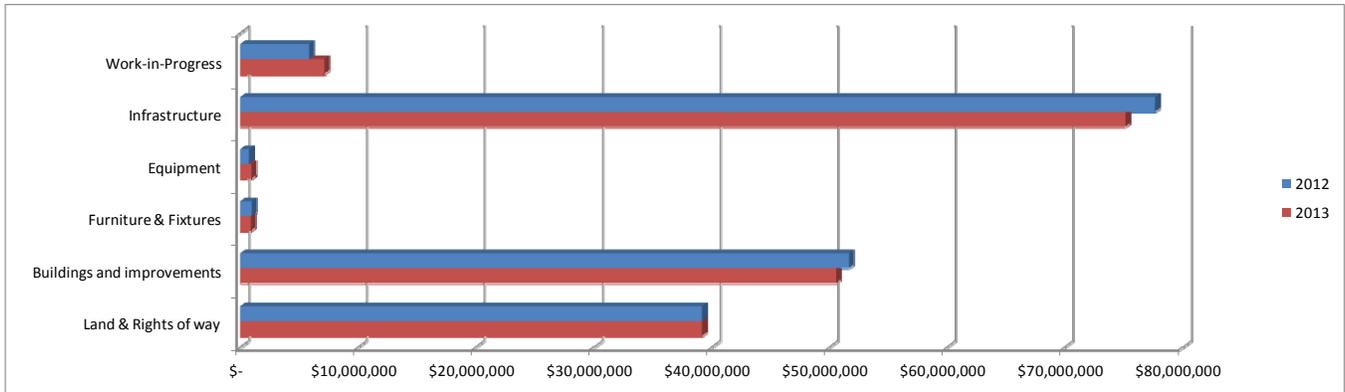
### **CAPITAL ASSET AND DEBT ADMINISTRATION**

#### **Capital Assets**

At the end of Fiscal Year 2013, the City had \$174 million invested in a broad range of capital assets, including land, buildings, park facilities, streets, traffic signals, vehicles and equipment. This amount represents a net decrease (including additions and deletions) of approximately \$2.2 million over last year. More detailed information regarding the activity for the year ended June 30, 2013 can be found in the notes to the financial statements section (note 6).

**Table 4**  
**Capital Assets at Year-End**  
**(Net of Depreciation)**  
**As of June 30, 2013 and 2012**

	Government Activities	
	2013	2012
Land & Rights of way	\$ 39,187,508	\$ 39,187,508
Buildings and improvements	50,606,631	51,720,886
Furniture & Fixtures	922,528	990,150
Equipment	969,895	761,464
Infrastructure	75,164,048	77,700,296
Work-in-Progress	7,150,112	5,835,440
<b>Totals</b>	<b><u>\$ 174,000,722</u></b>	<b><u>\$ 176,195,744</u></b>



## Debt

At year-end the City's governmental activities had \$8,571,350 in bonds, loans, claims payable, ACBCI liability, deferrals on refunding and compensated absences compared to \$8,977,466 at the prior year-end. The decrease of approximately \$406,000 is primarily due to the retirement of \$185,000 in revenue bonds. There was also a decrease of \$100,422 in compensated absences. More detailed information can be found in note 7 to the basic financial statements.

**Table 5**  
**Outstanding Debt at Year-End**  
**As of June 30, 2013 and 2012**

	Government Activities	
	2013	2012
Revenue Bonds	\$ 4,605,000	\$ 4,790,000
ARRA- DOE Loan	278,743	298,726
Claims Payable	375,506	434,255
ACBCI Liability	1,988,653	2,015,840
Compensated Absences	1,072,295	1,172,718
Deferrals on Refunding and (Discounts)/Premiums	251,153	265,927
Totals	<u>\$ 8,571,350</u>	<u>\$ 8,977,466</u>

## ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Current economic projections continue to project gradual improvement in economic growth. California continues to struggle with high unemployment rates and slight projected growth in sales tax.

The City closed the fiscal year with healthy general fund balance of \$80,152,789 and decrease of \$1,157,810 from the prior year. The General Fund budget for fiscal year 2013-14 has budgeted operating revenues of \$21,585,306 and operating expenditures of \$21,410,042. The status of revenues and expenditures will also be reviewed during the mid-year budget review in February 2014. The City has committed fund balance for several large scale capital projects over the next few years.

## CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the City's Finance Department at the City of Rancho Mirage, 69-825 Highway 111, Rancho Mirage, California 92270, (760) 770-3207 or visit the City's website at [www.ranchoirageca.gov](http://www.ranchoirageca.gov).

**CITY OF RANCHO MIRAGE  
STATEMENT OF NET POSITION  
JUNE 30, 2013**

	<u><b>Governmental Activities</b></u>
<b>Assets:</b>	
Cash and investments (note 2)	\$ 102,800,428
Cash and investments with fiscal agent (note 2)	4,138,157
Receivables:	
Interest	14,562
Accounts	565,721
Loans	3,156,699
Due from other governments	1,610,889
Prepaid items	2,237
Advances to RDA Successor Agency (note 4)	9,666,379
Deferred cost of issuance	187,233
Capital assets (note 6):	
Non-depreciable capital assets	46,337,620
Depreciable capital assets	200,034,449
Accumulated depreciation	<u>(72,371,347)</u>
Total assets	<u>296,143,027</u>
<b>Liabilities:</b>	
Accounts payable	3,073,617
Accrued salaries and benefits	200,979
Accrued interest payable	49,694
Due to other governments	244
Deposits payable	49,476
Long-term liabilities (note 7):	
Due within one year	528,922
Due in more than one year	<u>8,042,428</u>
Total liabilities	<u>11,945,360</u>
<b>Net position:</b>	
Net investment in capital assets	171,733,326
Restricted for:	
Public safety	817,810
Public works	12,553,111
Cultural and recreation	8,306,324
Affordable housing	16,164,875
Unrestricted	<u>74,622,221</u>
Total net position	<u><u>\$ 284,197,667</u></u>

See accompanying notes to basic financial statements.

**CITY OF RANCHO MIRAGE  
STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2013**

	Program Revenues				Total Program Revenues	Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		Governmental Activities
Governmental activities:						
General government	\$ (13,496,119)	\$ 2,789,596	\$ 629,062	\$ 44,253	\$ 3,462,911	\$ (10,033,208)
Public safety	(11,617,269)	133,530	26,522	-	160,052	(11,457,217)
Public works	(6,388,990)	378,281	46,375	870,664	1,295,320	(5,093,670)
Cultural and recreation	(3,734,569)	495,635	162,246	21,450	679,331	(3,055,238)
Interest on long-term debt and other charges	(151,615)	-	-	-	-	(151,615)
Total governmental activities	<u>\$ (35,388,562)</u>	<u>\$ 3,797,042</u>	<u>\$ 864,205</u>	<u>\$ 936,367</u>	<u>\$ 5,597,614</u>	<u>(29,790,948)</u>
General revenues:						
Taxes:						
Property taxes						4,571,549
Transient occupancy taxes						5,606,679
Sales taxes						3,882,102
Franchise taxes						1,244,971
Motor vehicle in lieu tax, unrestricted intergovernmental						7,483
Library and fire services tax						10,039,639
Interest income, net of increase (decrease) in fair value						154,797
Other						832,364
Total general revenues						<u>26,339,584</u>
Change in net position						(3,451,364)
Net position at beginning of year, as restated						<u>287,649,031</u>
Net position at end of year						<u>\$ 284,197,667</u>

See accompanying notes to basic financial statements.

**CITY OF RANCHO MIRAGE  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2013**

	<u>Special Revenue Funds</u>			
	<u>General Fund</u>	<u>Library Fund</u>	<u>Fire Tax Fund</u>	<u>Housing Authority Fund</u>
<b>Assets</b>				
Cash and investments	\$ 75,628,715	\$ 2,864,811	\$ 1,494,363	\$ 4,855,159
Cash and investments with fiscal agent	3,639,677	-	-	-
Receivables:				
Interest	11,257	133	8	665
Accounts	476,777	10,638	-	-
Loans	1,455,190	-	-	1,701,509
Due from other governments	922,519	106,012	315,941	-
Due from other funds	-	4,840	22,513	-
Advances to RDA Successor Agency	-	-	-	9,666,379
Prepaid items	2,237	-	-	-
Total assets	<u>\$ 82,136,372</u>	<u>\$ 2,986,434</u>	<u>\$ 1,832,825</u>	<u>\$ 16,223,712</u>
<b>Liabilities</b>				
Liabilities:				
Accounts payable	\$ 1,798,981	\$ 32,611	\$ 943,732	\$ 43,248
Accrued salaries and benefits	128,598	59,261	-	10,178
Due to other governments	36	208	-	-
Due to other funds	27,353	-	-	-
Deposits payable	28,615	11,935	-	5,411
Deferred revenue	-	77,104	160,750	-
Total liabilities	<u>1,983,583</u>	<u>181,119</u>	<u>1,104,482</u>	<u>58,837</u>
<b>Fund balances</b>				
Non-spendable	1,457,427	-	-	-
Restricted	-	2,805,315	728,343	16,164,875
Committed	69,050,503	-	-	-
Unassigned	9,644,859	-	-	-
Total fund balance	<u>80,152,789</u>	<u>2,805,315</u>	<u>728,343</u>	<u>16,164,875</u>
Total liabilities and fund balances	<u>\$ 82,136,372</u>	<u>\$ 2,986,434</u>	<u>\$ 1,832,825</u>	<u>\$ 16,223,712</u>

See accompanying notes to basic financial statements.

<b>Non major Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 17,957,380	\$ 102,800,428
498,480	4,138,157
2,499	14,562
78,306	565,721
-	3,156,699
266,417	1,610,889
-	27,353
-	9,666,379
-	2,237
<u>\$ 18,803,082</u>	<u>\$ 121,982,425</u>
\$ 255,045	\$ 3,073,617
2,942	200,979
-	244
-	27,353
3,515	49,476
-	237,854
<u>261,502</u>	<u>3,589,523</u>
-	1,457,427
18,541,580	38,240,113
-	69,050,503
-	9,644,859
<u>18,541,580</u>	<u>118,392,902</u>
<u>\$ 18,803,082</u>	<u>\$ 121,982,425</u>

**CITY OF RANCHO MIRAGE  
GOVERNMENTAL FUNDS  
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION  
JUNE 30, 2013**

Fund balances of governmental funds \$ 118,392,902

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets net of related accumulated depreciation have not been included as financial resources in governmental fund activity:

Non-depreciable capital assets	46,337,620
Depreciable capital assets	200,034,449
Accumulated depreciation	(72,371,347)

Long term debt and related balances, and compensated absences have not been included in the governmental fund activity:

Revenue bonds payable	(4,605,000)
ACBCI loan payable	(1,988,653)
DOE ARRA loan payable	(278,743)
Claims payable	(375,506)
Compensated absences	(1,072,295)
Deferred gain/(loss) on refunding	(251,153)
Deferred cost of issuance	187,233

Accrued interest payable for the current portion of interest due on debt service has not been reported in the governmental funds. (49,694)

Certain revenues will be collected after year end, but are not available soon enough to pay for current period's expenditures, and are therefore reported as deferred revenue in governmental funds.

237,854

Net position of governmental activities

\$ 284,197,667

See accompanying notes to basic financial statements.

**CITY OF RANCHO MIRAGE  
STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
For the Year Ended June 30, 2013**

	Special Revenue Funds			
	General Fund	Library Fund	Fire Tax Fund	Housing Authority Fund
<b>Revenues:</b>				
Taxes	\$ 13,498,252	\$ 761,558	\$ 1,831,158	\$ -
Intergovernmental	1,361,870	1,590,214	1,171,903	44,363
Licenses and permits	390,571	-	-	4,480
Charges for services	731,744	408	16,250	1,453,281
Fines and forfeitures	118,819	53,187	-	-
Special assessments	3,330,765	265,819	1,088,222	-
Developer fees	60,731	-	-	-
Interest income	1,357,641	28,733	4,426	119,625
Net increase (decrease) in fair value of investments	(1,230,526)	(38,707)	(5,777)	(119,356)
Miscellaneous	386,913	98,167	-	203,513
<b>Total revenues</b>	<b>20,006,780</b>	<b>2,759,379</b>	<b>4,106,182</b>	<b>1,705,906</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	10,413,176	-	-	2,201,997
Public safety	6,819,960	-	4,714,518	-
Public works	3,499,397	-	-	-
Cultural and recreation	-	2,690,540	-	-
Capital outlay	1,074,497	-	-	6,589
<b>Debt service:</b>				
Principal	-	19,983	-	-
Interest	-	2,937	-	-
<b>Total expenditures</b>	<b>21,807,030</b>	<b>2,713,460</b>	<b>4,714,518</b>	<b>2,208,586</b>
Excess (deficiency) of revenues over (under) expenditures	(1,800,250)	45,919	(608,336)	(502,680)
<b>Other financing sources (uses):</b>				
Transfers in (note 5)	1,530,082	70,074	904,510	-
Transfers out (note 5)	(887,643)	(37,234)	-	(1,554,694)
<b>Total other financing sources (uses)</b>	<b>642,439</b>	<b>32,840</b>	<b>904,510</b>	<b>(1,554,694)</b>
<b>Net change in fund balances</b>	<b>(1,157,811)</b>	<b>78,759</b>	<b>296,174</b>	<b>(2,057,374)</b>
Fund balances, beginning of year	81,310,600	2,726,556	432,169	18,222,249
Fund balances, end of year	<u>\$ 80,152,789</u>	<u>\$ 2,805,315</u>	<u>\$ 728,343</u>	<u>\$ 16,164,875</u>

See accompanying notes to basic financial statements.

	<b>Non major Governmental Funds</b>	<b>Total Governmental Funds</b>
\$	828,392	\$ 16,919,360
	492,347	4,660,697
	-	395,051
	177,275	2,378,958
	-	172,006
	952,562	5,637,368
	272,751	333,482
	296,593	1,807,018
	(257,856)	(1,652,222)
	<u>596,887</u>	<u>1,285,480</u>
	<u>3,358,951</u>	<u>31,937,198</u>
	370,949	12,986,122
	-	11,534,478
	715,314	4,214,711
	510,016	3,200,556
	184,144	1,265,230
	212,187	232,170
	<u>205,483</u>	<u>208,420</u>
	<u>2,198,093</u>	<u>33,641,687</u>
	<u>1,160,858</u>	<u>(1,704,489)</u>
	50,340	2,555,006
	<u>(75,435)</u>	<u>(2,555,006)</u>
	<u>(25,095)</u>	<u>-</u>
	1,135,763	(1,704,489)
	<u>17,405,817</u>	<u>120,097,391</u>
\$	<u><u>18,541,580</u></u>	<u><u>\$ 118,392,902</u></u>

**CITY OF RANCHO MIRAGE**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF ACTIVITIES**  
**For the Year Ended June 30, 2013**

Net change in fund balances - total governmental funds	\$ (1,704,489)
Amounts reported for governmental activities in the statement of activities differs from the amounts reported in the governmental funds because:	
Governmental funds report capital projects (outlays) as expenditures. However, in the statement of activities, the costs of those assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period	
Capital outlay, net of adjustments for deletions	2,467,018
Depreciation expense, net of adjustments for deletions	(4,662,040)
Repayment of debt service principal is an expenditure in the governmental funds, however, the repayment reduces long-term liabilities in the statement of net position.	
2005A lease refunding revenue bonds	185,000
ACBCI liability	27,187
DOE-ARRA Loan	19,983
Compensated absences, claims payable and deferred bond issue costs reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. The following represents the net change for the current period:	
Compensated absences	100,423
Claims payable	58,749
Amortization of deferral on refunding	14,774
Amortization of deferred costs of issuance	(11,014)
Accrued interest for the current period	53,045
Change in net position of governmental activities	\$ (3,451,364)

See accompanying notes to basic financial statements.

**CITY OF RANCHO MIRAGE**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**JUNE 30, 2013**

	<b>Redevelopment Successor Agency Private-purpose Trust Fund</b>	<b>Agency Fund</b>
<b>Assets:</b>		
Cash and investments (note 2)	\$ 6,773,003	\$ 4,155,785
Cash and investments with fiscal agent (note 2)	54,125,616	1,260,811
Receivables:		
Interest	1,207	245
Accounts		25,000
Loans	17,336	-
Due from other governments	-	26,386
Land held for resale	255,000	-
Deferred cost of issuance	2,548,816	-
Capital assets:		
Non-depreciable capital assets	500,000	-
Total assets	<u>64,220,978</u>	<u>\$ 5,468,227</u>
<b>Liabilities:</b>		
Accounts payable	9,306	\$ 850,127
Advances payable to City of Rancho Mirage	9,666,379	-
Deposits payable	-	1,753,623
Due to bondholders	-	2,864,477
Interest payable	1,769,004	-
Long-term liabilities:		
Due within one year	6,028,960	-
Due in more than one year	142,004,799	-
Total liabilities	<u>159,478,448</u>	<u>\$ 5,468,227</u>
<b>Net Position (Deficit):</b>		
Held in trust for beneficiaries	<u>\$ (95,257,470)</u>	

See accompanying notes to basic financial statements.

**CITY OF RANCHO MIRAGE  
FIDUCIARY FUNDS  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2013**

	<b>Redevelopment Successor Agency Private-purpose Trust Fund</b>
<b>Additions:</b>	
Property taxes	\$ 13,615,007
Investment earnings	188,948
Net increase (decrease) in fair value of investments	(192,428)
Total Additions	13,611,527
<b>Deductions:</b>	
General government	5,503,055
Interest and fiscal charges	7,262,185
Deferred issuance cost amortization	149,951
Total Deductions	12,915,191
<b>Change in Net Position</b>	696,336
<b>Net Position, Beginning of Year</b>	(95,953,806)
<b>Net Position, End of Year</b>	\$ (95,257,470)

See accompanying notes to basic financial statements.

**CITY OF RANCHO MIRAGE**

**NOTES TO BASIC FINANCIAL STATEMENTS  
(IN ORDER OF PRESENTATION)**

**JUNE 30, 2013**

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**CITY OF RANCHO MIRAGE**

**NOTES TO BASIC FINANCIAL STATEMENTS  
(CONTINUED)**

**JUNE 30, 2013**

*NOTE #1 – REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*

**A. Summary of Significant Accounting Policies**

The basic financial statements of the City of Rancho Mirage (City) have been prepared in conformity with generally accepted accounting principles as applicable to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

**The Financial Reporting Entity**

The City was incorporated August 3, 1973, as a general law city under the government code of the State of California. Effective December 25, 1997, the City became a charter city which was approved by the citizens of the City. The City operates under a council-manager form of government and the City Council is composed of five elected members. Among the services provided by the City are the following: public works, parks and recreation, library, planning, building and safety, code compliance, and contracted fire and law enforcement services.

As required by generally accepted accounting principles, these financial statements present the government and its component units, entities for which the government is considered to be financially accountable. The City is considered to be financially accountable for an organization if the City appoints a voting majority of that organization's governing body and the City is either able to impose its will on that organization or there is a potential for that organization to provide specific financial benefits to or impose specific financial burdens on the City. The City is also considered to be financially accountable if an organization is fiscally dependent upon the City (i.e., it is unable to adopt its budget, levy taxes, set rates or charges, or issue bonded debt without approval from the City) and there is a financial benefit or burden relationship between the primary government and the component unit. In certain cases, other organizations are included as component units if the nature and significance of their relationship with the City are such that their exclusion would cause the City's financial statements to be misleading or incomplete.

All of the City's component units are considered to be blended component units. Blended component units, although legally separate entities, are in substance, part of the government's operations and so data from these units are reported with the interfund data of the primary government. The following organizations are considered to be component units of the City:

**Rancho Mirage Joint Powers Financing Authority**

The Rancho Mirage Joint Powers Financing Authority was established pursuant to a Joint Exercise of Powers Agreement dated December 1, 1989, between the City and the Rancho Mirage Redevelopment Agency (the "Members"). The Authority was created for the purpose of providing financing for public capital improvements for the Members. Even though it is legally separate, it is reported as if it were part of the City because the City Council also serves as the governing board of the Authority and there is a financial benefit or burden relationship between the primary government and the component unit. Separate financial statements of the Financing Authority are not issued.

**CITY OF RANCHO MIRAGE**

**NOTES TO BASIC FINANCIAL STATEMENTS  
(CONTINUED)**

**JUNE 30, 2013**

*NOTE #1 – REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)*

A. Summary of Significant Accounting Policies (Continued)

Rancho Mirage Housing Authority

The Housing Authority was established October 6, 1994, to promote and encourage the retention, rehabilitation and development of "affordable" housing units. "Affordable" housing units are those units occupied by households not exceeding the "affordable" income limits as established by the Department of Housing and Urban Development ("HUD"). Income limits are revised on a yearly basis. Even though the Housing Authority is legally separate, it is reported as if it were part of the City because the City Council also serves as the governing board and there is a financial benefit or burden relationship between the primary government and the component unit. Separate financial statements of the Housing Authority are not issued.

Community Services District (CSD)

The CSD was created on July 15, 1999, to collect property taxes for the Library and Fire Tax Funds. A transfer of property tax revenues collected by the CSD is made by the CSD to the Library and Fire Tax Funds for their respective operations. Even though the CSD is a legally separate entity, it is reported as if it were part of the City because the City Council also serves as the governing board and there is a financial benefit or burden relationship between the primary government and the component unit. Separate financial statements are not prepared for the CSD.

Library Foundation

The Library Foundation was created in September 2010, to raise funds on behalf of the Library. The Foundation is a legally separate entity but is reported as if it were part of the City because the Foundation almost exclusively benefits the primary government and, as such, is considered a blended component unit. Separate financial statements of the Foundation are available at City Hall, 69-825 Highway 111, Rancho Mirage, California 92270.

B. Basis of Accounting and Measurement Focus

The basic financial statements of the City are composed of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to basic financial statements

**CITY OF RANCHO MIRAGE**

**NOTES TO BASIC FINANCIAL STATEMENTS  
(CONTINUED)**

**JUNE 30, 2013**

*NOTE #1 – REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)*

**B. Basis of Accounting and Measurement Focus (Continued)**

Government-wide Financial Statements

Government-wide financial statements display information about the reporting government as a whole, except for its fiduciary activities. These statements include separate columns for the governmental activities of the primary government (including its blended component units). Eliminations have been made in the Statement of Activities so that certain allocated expenses are recorded only once (by the function to which they were allocated). However, general government expenses have not been allocated as indirect expenses to the various functions of the City.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as eligibility requirements imposed by the provider have been met.

Program revenues include charges for services, special assessments, and payments made by parties outside of the reporting government's citizenry if that money is restricted to a particular program. Program revenues are netted with program expenses in the statement of activities to present the net cost of each program.

Amounts paid to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as an expenditure. Proceeds of long-term debt are recorded as a liability in the government-wide financial statements, rather than as an other financing source. Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability, rather than as an expenditure.

Fund Financial Statements

The underlying accounting system of the City is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Fund financial statements for the primary government's governmental, and fiduciary funds are presented after the government-wide financial statements. These statements display information about major funds individually and non-major funds in the aggregate for governmental funds. Fiduciary statements include financial information for fiduciary funds. Fiduciary funds of the City primarily represent assets held by the City in a custodial capacity for other individuals or organizations.

CITY OF RANCHO MIRAGE

NOTES TO BASIC FINANCIAL STATEMENTS  
(CONTINUED)

JUNE 30, 2013

NOTE #1 – REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Accounting and Measurement Focus (Continued)

Governmental Funds

In the fund financial statements, governmental funds are presented using the *modified-accrual basis of accounting*. Their revenues are recognized when they become *measurable* and *available*. *Measurable* means that the amounts can be estimated, or otherwise determined. *Available* means that the amounts were collected during the reporting period or soon enough thereafter to be available to finance the expenditures accrued for the reporting period. The City uses an availability period of 60 days.

Sales taxes, property taxes, franchise taxes, gas taxes, motor vehicle in lieu, transient occupancy taxes, grants and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period to the extent normally collected within the availability period. Other revenue items are considered to be measurable and available when cash is received by the government.

Revenue recognition is subject to the *measurable* and *availability* criteria for the governmental funds in the fund financial statements. *Exchange transactions* are recognized as revenues in the period in which they are earned (i.e., the related goods or services are provided). *Locally imposed derived tax revenues* are recognized as revenues in the period in which the underlying exchange transaction upon which they are based takes place. *Imposed non-exchange* transactions are recognized as revenues in the period for which they were imposed. If the period of use is not specified, they are recognized as revenues when an enforceable legal claim to the revenues arises or when they are received, whichever occurs first. *Government-mandated and voluntary non-exchange transactions* are recognized as revenues when all applicable eligibility requirements have been met.

In the fund financial statements, governmental funds are presented using the *current financial resources measurement focus*. This means that only current assets and current liabilities are generally included on their balance sheets. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in fund balance.

Non-current portions of long-term receivables due to governmental funds are reported on their balance sheets in spite of their spending measurement focus. Recognition of governmental fund type revenues represented by non-current receivables are deferred until they become measurable and available.

Due to their nature of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by non-current liabilities such as long-term debt. Such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities until they become due and payable.

CITY OF RANCHO MIRAGE

NOTES TO BASIC FINANCIAL STATEMENTS  
(CONTINUED)

JUNE 30, 2013

NOTE #1 – REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Accounting and Measurement Focus (Continued)

Governmental Funds (Continued)

Amounts expended to acquire capital assets are recorded as *expenditures* in the year that resources were expended, rather than as fund assets. The proceeds of long-term debt are recorded as an *other financing sources* rather than as a fund liability. Amounts paid to reduce long-term indebtedness are reported as fund expenditures.

When expenditures are incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) fund balances are available, the City's policy is to first apply restricted fund balance. When expenditures are incurred for purposes for which committed, assigned, or unassigned fund balances are available, the City's policy is to first apply committed fund balance, then assigned fund balance, and finally unassigned fund balance. The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

Fiduciary Funds

Fiduciary funds, including the private-purpose trust fund, use the economic resources measurement focus and the accrual basis of accounting.

C. Fund Classifications

The City reports the following major governmental funds.

Major Funds

**General Fund.** The General Fund is the general operating fund of the City. All general tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. This fund pays the general operating expenditures and capital improvement costs which are not paid through other Funds.

**Library Special Revenue Fund.** The Library Fund is used to account for revenues and expenditures associated with the provision of public library services. Special Assessment tax revenue is restricted for funding of library services and programs.

**Fire Tax Special Revenue Fund.** The Fire Tax Fund is used to account for the revenues and expenditures associated with the provisions of fire protection services. Special Assessment tax revenue is restricted for funding of fire services.

**Housing Authority Special Revenue Fund.** The Housing Authority Fund is used to account for monies restricted for assistance to low and moderate income households. Revenues are restricted by government code for funding of housing units to benefit low and moderate income households.

CITY OF RANCHO MIRAGE

NOTES TO BASIC FINANCIAL STATEMENTS  
(CONTINUED)

JUNE 30, 2013

NOTE #1 – REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Fund Classifications (Continued)

Additionally, the City reports the following funds:

Fiduciary Funds

**Redevelopment Successor Agency Private-purpose Trust Fund.** This fund was created as part of the dissolution of Redevelopment Agency. The fund accounts for the assets, liabilities, and activities of the former Redevelopment Agency of the City in a trustee capacity to pay for enforceable obligations of the former Redevelopment Agency. In accordance with Assembly Bill (AB) X1 26 and AB 1484, the Redevelopment Agency was dissolved February 1, 2012.

**Agency Fund.** The City's Agency Fund is used to account for refundable customer deposits and assessment collections and debt service payments of assessment districts whose debt is not an obligation of the City. Agency funds are custodial in nature (assets equal liabilities) and do not involve the recording of City revenues and expenses.

D. New Accounting Pronouncements

Adopted in the Current Year

**GASB Statement No. 63** – In June 2011, GASB issued Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of resources, and Net Position*. This statement provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources. The City implemented this pronouncement, effective July 1, 2012.

Effective in Future Years

**GASB Statement No. 65** – In March 2012, GASB issued Statement No. 65, *Items Previously Reported as Assets and Liabilities*. This Statement provides guidance on proper classification of certain items previously reported as assets and liabilities as deferred outflows or inflows of resources. This Statement also provides guidance on recognition of certain items that were previously reported as assets and liabilities as outflows or inflows of resources. This statement is effective as of July 1, 2013. The City has not determined the effect on the financial statements.

**GASB Statement No. 66** – In March 2012, GASB issued Statement No. 66, *Technical Corrections—2012— an Amendment of GASB Statements No. 10 and No. 62*. The objective of this Statement is to resolve conflicting guidance that resulted from the issuance of two pronouncements, Statements No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, and No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. This statement is effective as of July 1, 2013. The City has not determined the effect on the financial statements.

**CITY OF RANCHO MIRAGE**

**NOTES TO BASIC FINANCIAL STATEMENTS  
(CONTINUED)**

**JUNE 30, 2013**

*NOTE #1 – REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)*

D. New Accounting Pronouncements (Continued)

Effective in Future Years (Continued)

**GASB Statement No. 67** – In June 2012, GASB issued Statement No. 67, *Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement No. 25*. This statement establishes accounting and financial reporting requirements related to pensions for governments whose employees are provided with pensions through pension plans that are covered by the scope of this Statement, as well as for nonemployer governments that have a legal obligation to contribute to those plans. This Statement also addresses accounting and financial reporting for the activities of pension plans that are administered through trusts. This Statement is effective as of July 1, 2013. The City has not determined the effect on the financial statements.

**GASB Statement No. 68** – In June 2012, GASB issued Statement No. 67, *Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement No. 27*. This Statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit pensions, this Statement identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. This Statement is effective as of July 1, 2014. The City has not determined the effect on the financial statements.

**GASB Statement No. 69** – In January 2013, GASB issued Statement No. 69, *Government Combinations and Disposals of Government Operations*. The objective of this Statement is to establish reporting standards related to governmental combinations and disposals of government operations. The Statement is effective for periods beginning after December 15, 2013, or the 2014-2015 fiscal year. The City has not determined the effect on the financial statements.

**GASB Statement No. 70** – In April 2013, GASB issued Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*. The objective of this Statement is to improve the recognition, measurement, and disclosure guidance for state and local governments that have extended or received financial guarantees that are nonexchange transactions. The Statement is effective for periods beginning after June 15, 2013, or the 2013-2014 fiscal year. The City has not determined the effect on the financial statements.

**GASB Statement No. 71** – In November 2013, GASB issued Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68*. The objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68, *Accounting and Financial Reporting for Pensions*. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability. This Statement is effective as of July 1, 2014. The City has not determined the effect on the financial statements.

**CITY OF RANCHO MIRAGE**

**NOTES TO BASIC FINANCIAL STATEMENTS  
(CONTINUED)**

**JUNE 30, 2013**

*NOTE #1 – REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)*

**E. Fund Balance**

The following classifications describe the relative strength of the constraints placed on the purposes for which resources can be used:

Nonspendable

Amounts that cannot be spent either because they are in nonspendable form or are legally or contractually required to be maintained intact (e.g. prepaid assets, inventory).

Restricted

Amounts that are constrained to specific purposes by state or federal laws, enabling legislation, or externally imposed conditions by grantors or creditors.

Committed

Amounts that can only be used for specific purposes pursuant to constraints imposed by the City Council, the City's highest level of decision-making authority, through formal actions taken, such as a resolution. These committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use through the same type of formal action taken to establish the commitment. Council action to commit fund balance needs to occur within the fiscal reporting period; but the amount, if any, which will be subject to the constraint, may be determined at a subsequent period.

Assigned

Amounts that are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. The City Council retains the authority to assign fund balance for specific purposes.

Unassigned

The unassigned classification is to be used when there are negative residual resources in excess of what can be properly classified as nonspendable, restricted, committed or assigned in funds outside of the General Fund. Within the General Fund, the unassigned classification represents the residual amounts not classified in one of the four previous classifications.

**F. Cash and Investments**

Investments are reported in the accompanying balance sheet at fair value, except for negotiated certificates of deposit and investment contracts that are reported at cost because they are not transferable and they have terms that are not affected by changes in market interest rates.

*Interest income* reports interest earnings. *Net increase (decrease) in investment fair value* reports changes in fair value, and any gains or losses realized upon the liquidation, maturity or sale of investments.

The City pools cash and investments of all funds, except for assets held by fiscal agents. Each fund's share in this pool is displayed in the accompanying financial statements as *cash and investments*. Interest income earned by the pooled investments is allocated to the various funds based on each fund's average cash and investment balance.

**CITY OF RANCHO MIRAGE**

**NOTES TO BASIC FINANCIAL STATEMENTS  
(CONTINUED)**

**JUNE 30, 2013**

*NOTE #1 – REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)*

**G. Capital Assets**

Capital assets (including infrastructure) are recorded at cost where historical records are available and at an estimated original cost where no historical records exist. Contributed capital assets are valued at their estimated fair market value at the date of the contribution. Generally, capital asset purchases in excess of \$500 are capitalized if they have an expected useful life of three years or more.

Capital assets include public domain (infrastructure) general capital assets consisting of certain improvements including roads, streets, sidewalks, medians, and storm drains.

Capital assets used in operations are depreciated over their estimated useful lives using the straight-line method in the government—wide financial statements and fiduciary funds. Depreciation is charged as an expense against operations and accumulated depreciation is reported on the statement of net position. The ranges of lives used for depreciation purposes for each capital asset class are as follows:

Building and improvements	30-50 years
Furniture and fixtures	3-15 years
Equipment	3-15 years
Infrastructure:	
Pavement	25 years
Curbs and gutters	50 years
Sidewalks	50 years
Bridges	50 years
Medians	50 years
Traffic signals	15 years
Storm drain system	75 years

**H. Property Taxes**

Property taxes are assessed and collected each fiscal year according to the following property tax calendar:

Lien Date	January 1
Levy Date	July 1
Due Date	November 1 (first installment) February 1 (second installment)
Delinquent Date	December 10 (first installment) April 10 (second installment)

**CITY OF RANCHO MIRAGE**

**NOTES TO BASIC FINANCIAL STATEMENTS  
(CONTINUED)**

**JUNE 30, 2013**

*NOTE #1 – REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)*

H. Property Taxes (Continued)

Under California law, property taxes are assessed and collected by the counties up to 1 percent of assessed value, plus other increases approved by the voters. The property taxes go into a pool, and are then allocated to the cities based on complex formulas prescribed by the state statutes. A delinquency penalty of 10 percent is assessed by the County of Riverside. If taxes become delinquent, subject properties may be deeded to the State and may be sold by the County for taxes plus a 1.5 percent per month redemption fee.

The City accrues as a receivable all property taxes normally received from the County within sixty days of the end of the fiscal year.

I. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in governmental funds. Encumbrances outstanding at June 30, 2013 were \$115,529.

J. Self-Insurance

The City is self-insured for the first \$250,000 of each workers' compensation claim. Losses in excess of these amounts up to \$5 million are covered by outside insurance. The City is completely self-insured for unemployment claims.

K. Accounting for Self-Insurance Activities

The City records a liability for litigation, judgments, and claims (including claims incurred, but not reported) when it is probable that an asset has been impaired or a liability has been incurred prior to year end and the probable amount of loss (net of any insurance recovery) can be reasonably estimated. Liabilities resulting from self-insurance activities are recorded as claims payable in the government-wide financial statements since these liabilities are funded on a pay-as-you-go basis in the funds and are not payable from currently available financial resources.

L. Interfund Borrowing

Due from and Due to other funds represent short term borrowings.

M. Land Held for Resale

Land held for resale represents land, structures and their related improvements that were acquired for resale in accordance with the objectives of the Housing Authority. Property held for resale is valued at the lower of historical cost or estimated resale value.

**CITY OF RANCHO MIRAGE**

**NOTES TO BASIC FINANCIAL STATEMENTS  
(CONTINUED)**

**JUNE 30, 2013**

*NOTE #1 – REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)*

N. Transient Occupancy Tax

Approximately 26.8 percent of General Fund revenue is derived from transient occupancy tax collected within the City.

O. Compensated Absences

A liability is recorded for unused vacation and similar compensatory leave balances since the employees' entitlement to these balances are attributable to services already rendered and it is probably that virtually all of these balances will be liquidated by either paid time off or payments upon termination or retirement.

A liability is recorded for unused sick leave balances only to the extent that it is probable that the unused balances will result in termination payments. Other amounts of unused sick leave are excluded from the liability since their payment is contingent solely upon the occurrence of a future event (illness) which is outside the control of the City and the employee.

In governmental funds, compensated absences (unpaid vacation and sick leave) are recorded as expenditures in the year they are paid. The balance of unpaid vacation and vested sick leave at year end is recorded in the government-wide financial statements as these amounts will be liquidated from future resources.

Depending upon the length of employment, full-time City employees earn 10 to 18 vacation days per year. Employees' vacation may not exceed 30 working days during any calendar year without the approval of the City Manager.

Full-time City employees are provided with 12 sick days a year. A maximum of 120 days of sick leave may be accumulated.

Upon termination, full-time employees are entitled to receive compensation at their current base salary for all unused vacation leave, administrative leave, compensatory time and floating holidays. Upon termination, full-time employees receive 50 percent of their accrued sick leave at their current pay rate. Upon retirement, full-time employees are eligible to receive up to 50 percent of their accrued sick leave at their current pay rate and the remaining 50 percent converted to service credit with the California Public Employees Retirement System or convert 100 percent of accrued sick leave to service credit or a combination of the two.

P. Interfund Transfers

Transfers are reported as other financing sources and uses in the statement of revenues, expenditures and changes in fund balances in the fund financial statements.

Q. Prepaid Items

Prepaid items are reported using the consumption method.

**CITY OF RANCHO MIRAGE**

**NOTES TO BASIC FINANCIAL STATEMENTS  
(CONTINUED)**

**JUNE 30, 2013**

*NOTE #1 – REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)*

**R. Receivables**

At fiscal year end the collectability of parcel charges due from the County of Riverside in the Storm Water Quality fund was unknown. An allowance has been recorded as follows:

**Storm Water Quality Fund**

Due from other governments	\$	158,000
Allowance		(158,000)
Due from other governments, net	\$	-

**S. Use of Estimates**

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from those estimates.

*NOTE #2 – CASH AND INVESTMENTS*

Cash and investments as of June 30, 2013 are classified in the accompanying financial statements as follows:

Statement of net position:

Cash and investments	\$	102,800,428
Cash and investments with fiscal agent		4,138,157

Fiduciary funds:

Cash and investments		10,928,788
Cash and investments with fiscal agent		55,386,427
Total cash and investments	\$	173,253,800

Total City deposits and investments at fair value as of June 30, 2013 are reported as follows:

Cash on hand	\$	2,554
Deposits with financial institutions		541,513
Investments		172,709,733
Total cash and investments	\$	173,253,800

**CITY OF RANCHO MIRAGE**

**NOTES TO BASIC FINANCIAL STATEMENTS  
(CONTINUED)**

**JUNE 30, 2013**

*NOTE #2 – CASH AND INVESTMENTS (Continued)*

Investments Authorized by the California Government Code and the City's Investment Policy

The table below identifies the investment types that are authorized for the City by the California Government Code and the City's investment policy. The table also identifies certain provisions of the California Government Code (or the City's investment policy, if more restrictive) that address interest rate risk and concentration of credit risk. This table does not address investments of debt proceeds held by fiscal agent that are governed by the provisions of debt agreements of the City, rather than the general provisions of the California Government Code or the City's investment policy.

<u>Investment Types</u>	<u>*Maximum Maturity</u>	<u>*Maximum Percentage Allowed</u>	<u>Maximum Investment in One Issuer</u>
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Certificates of Deposit	N/A	None	15%
Negotiable Certificates of Deposit	5 years	30%	\$1,000,000
Repurchase Agreements	1 year	None	None
Money Market Mutual Funds	N/A	20%	10%
Local Agency Investment Fund (LAIF)	N/A	None	None

Based on state law requirements or investment policy requirement, whichever is more restrictive. In accordance with the City's investment policy, a maximum of 25% of the City's investment portfolio may be invested for more than 5 years, not to exceed 10 years.

Investments Authorized by Debt Agreements

Investment of debt proceeds held by fiscal agent are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City's investment policy.

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

**CITY OF RANCHO MIRAGE**

**NOTES TO BASIC FINANCIAL STATEMENTS  
(CONTINUED)**

**JUNE 30, 2013**

*NOTE #2 – CASH AND INVESTMENTS (Continued)*

Information about the sensitivity of the fair values of the City's investments (including investments held by fiscal agent) to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity:

Investment Type	Total	Remaining Maturity (in Months)					
		12 Months Or Less	13 to 24 Months	25 to 36 Months	37 to 48 Months	49 to 60 Months	More than 60 Months
Investments held by City:							
U.S. Treasury Notes	\$ 6,327,052	\$ 137,104	\$ 1,501,459	\$ 2,065,375	\$ 2,623,114	\$ -	\$ -
Federal Agency Securities	73,992,758	1,049,023	17,131,870	19,064,037	12,410,149	6,802,041	17,535,638
State Investment Pool (LAIF)	33,750,159	33,750,159	-	-	-	-	-
Investments held by fiscal Agent:							
U.S. Treasury Notes	11,576,355	10,448,783	-	776,351	351,221	-	-
Certificates of Deposit	100,487	100,487	-	-	-	-	-
Federal Agency Securities	391,028	-	-	-	-	391,028	-
Money Market Funds	46,571,894	46,571,894	-	-	-	-	-
<b>Total</b>	<b>\$ 172,709,733</b>	<b>\$ 92,057,450</b>	<b>\$ 18,633,329</b>	<b>\$ 21,905,763</b>	<b>\$ 15,384,484</b>	<b>\$ 7,193,069</b>	<b>\$ 17,535,638</b>

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the Moody's actual rating as of year-end for each investment type.

Investment Type	Total	Exempt From Disclosure		Not Rated
		Aaa		
U.S. Treasury notes	\$ 6,327,052	\$ 6,327,052	\$ -	\$ -
Federal agency securities	73,992,758	-	73,992,758	-
State investment pool (LAIF)	33,750,159	-	-	33,750,159
Held by fiscal agent:				
U.S. Treasury notes	11,576,355	11,576,355	-	-
Certificates of deposit	100,487	100,487	-	-
Federal agency securities	391,028	-	391,028	-
Money market funds	46,571,894	-	46,571,894	-
<b>Total</b>	<b>\$ 172,709,733</b>	<b>\$ 18,003,894</b>	<b>\$ 120,955,680</b>	<b>\$ 33,750,159</b>

CITY OF RANCHO MIRAGE

NOTES TO BASIC FINANCIAL STATEMENTS  
(CONTINUED)

JUNE 30, 2013

NOTE #2 – CASH AND INVESTMENTS (Continued)

Concentration of Credit Risk

The investment policy of the City contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. Investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represented 5 percent or more of total City investments are as follows:

<u>Reporting Unit</u>	<u>Issuer</u>	<u>Investment Type</u>	<u>Reported Amount</u>
*	Federal National Mortgage Association (FNMA)	Federal agency securities	\$ 35,056,201
*	Federal Home Loan Bank (FHLB)	Federal agency securities	13,714,558
*	Federal Farm Credit Bank (FFCB)	Federal agency securities	19,186,266

\*These investments exceed 5 percent of total pooled investments held in the City’s investment pool for both governmental and fiduciary fund types.

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits. Of the City’s deposits with financial institutions, \$207,651 was in excess of federal depository insurance limits and subject to custodial credit risk as described above.

For investments identified herein as held by fiscal agent, the fiscal agent holds the investment on behalf of the City.

Investment in State Investment Pool (LAIF)

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based upon the City's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. LAIF is not registered with the Securities and Exchange Commission and is not rated.

**CITY OF RANCHO MIRAGE**

**NOTES TO BASIC FINANCIAL STATEMENTS  
(CONTINUED)**

**JUNE 30, 2013**

*NOTE #3 – DUE FROM AND DUE TO OTHER FUNDS*

Current interfund receivables and payables balances at June 30, 2013 are as follows:

Due to	Due From General Fund	Total
Library Fund	\$ 4,840	\$ 4,840
Fire Tax Fund	22,513	22,513
Total	\$ 27,353	\$ 27,353

The Library Fund receivable of \$4,840 is accrued revenue from the General Fund for special assessment tax disbursements. The Fire Tax Fund receivable of \$22,513 is accrued revenue from the General Fund for special assessment tax disbursements.

*NOTE #4 – ADVANCES TO AND ADVANCES FROM OTHER FUNDS/REDEVELOPMENT SUCCESSOR AGENCY PRIVATE-PURPOSE TRUST*

Advances to Other Funds	Advances from Other Funds
RDA Successor Agency Private-purpose Trust Fund	Housing Authority Fund <u>\$ 9,666,379</u>

In May 2010 and May 2011, the former Redevelopment Agency made payments of approximately \$12.6 million and \$2.6 million, respectively, for the State's Supplemental Educational Revenue Augmentation Fund (SERAF).

The former RDA borrowed accumulated balances in the Housing Authority Fund to make the SERAF payment. The advance payable was transferred to the RDA Successor Agency as part of the dissolution. A payment of \$1,842,654 was approved on the Recognized Obligation Payment Schedule (ROPS) and made from the RDA Successor Agency to the Housing Authority during the fiscal year.

**CITY OF RANCHO MIRAGE**

**NOTES TO BASIC FINANCIAL STATEMENTS  
(CONTINUED)**

**JUNE 30, 2013**

*NOTE #5 – INTERFUND TRANSFERS*

Interfund transfers during the year ended June 30, 2013 consisted of the following:

Transfer in:	Transfer From:				Total
	General Fund	Library Fund	Housing Authority Fund	Nonmajor Governmental Fund	
General Fund	\$ -	\$ 37,234	\$ 1,455,614	\$ 37,234	\$ 1,530,082
Library Fund	-	-	70,074	-	70,074
Fire Tax Fund	887,643	-	16,867	-	904,510
Nonmajor Governmental Funds	-	-	12,139	38,201	50,340
Total	\$ 887,643	\$ 37,234	\$ 1,554,694	\$ 75,435	\$ 2,555,006

Transfers were used to:

1. Transfer from the General Fund to the Fire Tax Fund for reimbursement of costs associated with public safety.
2. Reimburse the costs, fees and expenses of staffing and services provided from the Housing Authority Fund to the General Fund.
3. Transfer in-lieu taxes from the Housing Authority Fund to the Library Fund.
4. Transfer in-lieu taxes from the Housing Authority Fund to the Fire Tax Fund.
5. Transfer in-lieu taxes from the Housing Authority Fund to the Nonmajor Governmental Funds.

**CITY OF RANCHO MIRAGE**

**NOTES TO BASIC FINANCIAL STATEMENTS  
(CONTINUED)**

**JUNE 30, 2013**

*NOTE #6 – CAPITAL ASSETS*

Capital asset activity for the year ended June 30, 2013 was as follows:

	Balance at July 1, 2012	Additions	Deletions	Balance at June 30, 2013
Government activities:				
Buildings	\$ 61,123,064	\$ -	\$ -	\$ 61,123,064
Improvements	2,984,980	-	-	2,984,980
Furniture and fixtures	4,133,117	48,138	-	4,181,255
Equipment	3,082,653	454,090	(289,702)	3,247,041
Infrastructure - improved bike trails	67,958	-	-	67,958
Infrastructure - road system	110,187,780	1,029,889	(90,069)	111,127,600
Infrastructure - storm drain system	17,302,551	-	-	17,302,551
Total cost of depreciable assets	<u>198,882,103</u>	<u>1,532,117</u>	<u>(379,771)</u>	<u>200,034,449</u>
Less accumulated depreciation:				
Buildings	(11,712,901)	(1,065,741)	-	(12,778,642)
Improvements	(674,257)	(48,514)	-	(722,771)
Furniture and fixtures	(3,142,967)	(115,760)	-	(3,258,727)
Equipment	(2,321,189)	(174,956)	218,999	(2,277,146)
Infrastructure - improved bike trails	(8,571)	(1,359)	-	(9,930)
Infrastructure - road system	(44,169,297)	(3,268,191)	24,233	(47,413,255)
Infrastructure - storm drain system	(5,680,125)	(230,751)	-	(5,910,876)
Total accumulated depreciation	<u>(67,709,307)</u>	<u>(4,905,272)</u>	<u>243,232</u>	<u>(72,371,347)</u>
Net depreciable assets	<u>131,172,796</u>	<u>(3,373,155)</u>	<u>(136,539)</u>	<u>127,663,102</u>
Capital assets not depreciated:				
Land	26,921,239	-	-	26,921,239
Rights of way - road system	11,188,410	-	-	11,188,410
Rights of way - off-road trail system	1,077,859	-	-	1,077,859
Work in progress	5,835,440	1,404,741	(90,069)	7,150,112
Total capital assets not depreciated	<u>45,022,948</u>	<u>1,404,741</u>	<u>(90,069)</u>	<u>46,337,620</u>
Total capital assets, net	<u>\$ 176,195,744</u>	<u>\$ (1,968,414)</u>	<u>\$ (226,608)</u>	<u>\$ 174,000,722</u>

Depreciation expensed was charged to the following functions in the Statement of Activities:

General government	\$ 620,258
Public safety	82,791
Public works	3,668,210
Cultural and recreation	534,013
Total	<u>\$ 4,905,272</u>

**CITY OF RANCHO MIRAGE**

**NOTES TO BASIC FINANCIAL STATEMENTS  
(CONTINUED)**

**JUNE 30, 2013**

*NOTE #7 – LONG-TERM LIABILITIES*

Long-term liability activity for the year ended June 30, 2013 was as follows:

	Beginning Balance (restated)	Additions	Retirements	Ending Balance	Due within One year
Revenue bonds payable:					
2005A lease refunding revenue bonds	\$ 4,790,000	\$ -	\$ (185,000)	\$ 4,605,000	\$ 190,000
Other long-term liabilities:					
DOE-ARRA Loan	298,726	-	(19,983)	278,743	20,183
ACBCI liability	2,015,840	-	(27,187)	1,988,653	-
Compensated absences	1,172,718	189,067	(289,490)	1,072,295	303,965
Claims payable	434,255	-	(58,749)	375,506	-
Deferrals on refunding and issuance (discounts)/premiums	265,927	-	14,774	251,153	14,774
<b>TOTALS</b>	<b>\$ 8,977,466</b>	<b>\$ 189,067</b>	<b>\$ (565,635)</b>	<b>\$ 8,571,350</b>	<b>\$ 528,922</b>

Compensated absences and claim payables have been typically liquidated from the general fund. ACBCI pay back deficit is liquidated from development impact fees in the capital project fund.

2005A Lease Refunding Revenue Bonds

On May 1, 2005, the Rancho Mirage Joint Powers Financing Authority (Authority), a component unit of the City of Rancho Mirage issued \$5,925,000 in Refunding Revenue Bonds. The Bonds were issued to provide a portion of the funds to refund the Authority's Library Lease Revenue Bonds, Series 1995, originally issued in the principal amount of \$3,375,000.

The Authority has leased approximately 10.5 acres of land and the improvements thereon to the City pursuant to a Lease, dated as of July 1, 1995. Pursuant to a Site Lease, dated as of July 1, 1995 between the City and the Authority, the City has leased the Leased Property to the Authority in consideration for entering into the Lease. The City is obligated to pay rental payments under the Lease from any legally available monies, including amounts in its General Fund. The City has covenanted in the Lease that, so long as the City has the use and occupancy of the Leased Property, it will make rental payments ("Base Rental") to the Authority. The Base Rental is calculated to be an amount sufficient to permit the Authority to pay all scheduled debt service on the Bonds when due.

**CITY OF RANCHO MIRAGE**

**NOTES TO BASIC FINANCIAL STATEMENTS  
(CONTINUED)**

**JUNE 30, 2013**

*NOTE #7 – LONG-TERM LIABILITIES (Continued)*

2005A Lease Refunding Revenue Bonds (Continued)

Beginning April 1, 2006, the 2005A Bonds were due in annual installments of \$150,000 to \$375,000 through April 1, 2030. Interest ranging from 3 percent to 4.5 percent is due in annual installment on April 1 of each year. The annual debt service requirements for the lease revenue bonds as of June 30, 2013 are as follows:

Fiscal Year	Interest Due April 1	Interest Due October 1	Total Interest	Principal Due April 1	Total Annual Debt Service
2014	\$ 99,388	\$ 99,388	\$ 198,776	\$ 190,000	\$ 388,776
2015	95,955	95,954	191,909	200,000	391,909
2016	91,944	91,945	183,889	205,000	388,889
2017	87,716	87,716	175,432	215,000	390,432
2018	83,282	83,282	166,564	225,000	391,564
2019	78,641	78,642	157,283	235,000	392,283
2020	73,648	73,647	147,295	245,000	392,295
2021	68,441	68,441	136,882	255,000	391,882
2022	63,023	63,022	126,045	265,000	391,045
2023	57,325	57,325	114,650	275,000	389,650
2024	51,309	51,310	102,619	285,000	387,619
2025	45,075	45,075	90,150	300,000	390,150
2026	38,475	38,475	76,950	315,000	391,950
2027	31,388	31,387	62,775	325,000	387,775
2028	24,075	24,075	48,150	340,000	388,150
2029	16,425	16,425	32,850	355,000	387,850
2030	8,437	8,438	16,875	375,000	391,875
<b>TOTALS</b>	<b>\$ 1,014,547</b>	<b>\$ 1,014,547</b>	<b>\$ 2,029,094</b>	<b>\$ 4,605,000</b>	<b>\$ 6,634,094</b>

**CITY OF RANCHO MIRAGE**

**NOTES TO BASIC FINANCIAL STATEMENTS  
(CONTINUED)**

**JUNE 30, 2013**

*NOTE #7 – LONG-TERM LIABILITIES (Continued)*

Energy Conservation Loan - ARRA

In February 2010, the City entered into a loan agreement with the State of California Energy Resources Conservation and Development Commission to provide funding for the purchase and installation of an energy efficient cooling system for the City’s Library. An amount of \$317,055 was drawn on the loan. The loan accrues simple interest at a rate of 1 percent annually. Principal and interest payments are due in 26 semi-annual installments with the first payment due December 22, 2011. The annual debt service requirements for the energy conservation loan as of June 30, 2013 are as follows:

Month	Fiscal Year	Total Interest	Principal Due	Total Annual Debt Service
December 22	2014	\$ 1,397	\$ 10,063	\$ 11,460
June 22	2014	1,340	10,120	11,460
December 22	2015	1,296	10,164	11,460
June 22	2015	1,238	10,222	11,460
December 22	2016	1,194	10,266	11,460
June 22	2016	1,143	10,317	11,460
December 22	2017	1,091	10,369	11,460
June 22	2017	1,033	10,427	11,460
December 22	2018	987	10,473	11,460
June 22	2018	929	10,531	11,460
December 22	2019	881	10,579	11,460
June 22	2019	824	10,636	11,460
December 22	2020	775	10,685	11,460
June 22	2020	721	10,739	11,460
December 22	2021	667	10,793	11,460
June 22	2021	610	10,850	11,460
December 22	2022	559	10,901	11,460
June 22	2022	501	10,959	11,460
December 22	2023	449	11,011	11,460
June 22	2023	392	11,068	11,460
December 22	2024	339	11,121	11,460
June 22	2024	283	11,177	11,460
December 22	2025	227	11,233	11,460
June 22	2025	170	11,290	11,460
December 22	2026	113	11,347	11,460
June 22	2026	57	11,402	11,459
<b>TOTALS</b>		<b>\$ 19,216</b>	<b>\$ 278,743</b>	<b>\$ 297,959</b>

**CITY OF RANCHO MIRAGE**

**NOTES TO BASIC FINANCIAL STATEMENTS  
(CONTINUED)**

**JUNE 30, 2013**

*NOTE #7 – LONG-TERM LIABILITIES (Continued)*

ACBCI Liability

On July 6, 2001 the City entered into an agreement with the Agua Caliente Band of Cahuilla Indians for improvements to Bob Hope Drive and Dinah Shore Drive. Under the agreement the tribe loaned the City interest free an amount equal to 50 percent of the project costs for the improvements to Bob Hope Drive and Dinah Shore Drive. The borrowing amounted to \$2,683,292. The City makes annual payments based on future revenues from development fees which were estimated in the base year as \$220,000. If an annual payment is less than \$220,000 the City shall identify the difference between the amount actually paid and the base year amount of \$220,000 as the pay back deficit. If a pay-back deficit exists and development fee revenues exceed \$220,000 for the year the excess will be applied to the pay back deficit. During the year, \$27,187 was repaid. As of June 30, 2013 the pay back deficit was \$845,361 and the remaining principal was \$1,143,292 resulting in a total ACBCI liability of \$1,988,653.

*NOTE #8 – DEBT WITHOUT GOVERNMENTAL COMMITMENT*

The City has issued special assessment bonds under the State Improvement Act of 1911 and 1915. These bonds are payable only from special assessment collections from the property owners. The City is not obligated for repayment. The City is only acting as an agent for the property owners and bondholders in collecting and forwarding the special assessments toward bond debt service. The bonds are, therefore, not reported as a liability in the accompanying financial statements. The amounts collected and held by the City pending disbursement to the bondholders are accounted for in an agency fund. \$9,495,000 of these bonds is outstanding at June 30, 2013.

On January 29, 1997, the Joint Powers Financing Authority (Authority) issued \$95,000,000 in certificates of participation evidencing an interest in payments to be made by the Eisenhower Medical Center (Corporation). The certificates of participation were issued to refund \$28,750,000 of the outstanding 1987 City of Rancho Mirage Hospital Revenue certificates of participation, \$33,175,000 of the outstanding 1992 City of Rancho Mirage Joint Powers Financing Authority certificates of participation, certain other outstanding indebtedness of the Corporation and reimburse the Corporation for expenditures for certain prior capital improvements and equipment, and to finance certain capital projects of the Corporation facilities in Rancho Mirage. The Corporation's obligation to make its payments is secured by a pledge of gross revenues of the hospital. The City and the Authority are not obligated in any manner for repayment. The certificates are payable only from the assets of the Corporation. Therefore, these certificates are not reported as a liability in the accompanying financial statements. \$27,590,000 of these bonds is outstanding at June 30, 2013.

**CITY OF RANCHO MIRAGE**

**NOTES TO BASIC FINANCIAL STATEMENTS  
(CONTINUED)**

**JUNE 30, 2013**

*NOTE #9 – PARTICIPATION IN RISK POOL*

The City is a member of Public Entity Risk Management Authority (PERMA), a joint powers insurance authority formed under Section 990 of the California Government Code for the purpose of jointly funding programs of insurance coverage for its members. PERMA is comprised of twenty-seven participating member agencies: nineteen cities, three transit agencies and five special districts. The City participates in the liability, workers' compensation, property and business auto physical damage insurance programs of PERMA.

The liability program provides coverage up to \$50 million per occurrence for personal injury, bodily injury, property damage and public officials' errors and omissions. Effective July 1 2005, the City's self-insured retention is \$125,000 and participates in risk sharing pools for losses up to \$1 million followed by PERMA's membership in the CSAC Excess Insurance Authority (ETA) for \$49 million excess liability coverage.

The workers' compensation program provides \$5 million each accident for employers' liability. The City self-insures up to a level of \$250,000 per accident or employee and participates in a risk sharing pool for losses up to \$500,000 followed by PERMA's membership in the Local Agency Workers' Compensation Excess Joint Powers Authority (LAWCX) for excess coverage to the limits.

The property insurance program is group purchased under a master property insurance policy with accumulated values from all participants effecting lower rates and broader coverage for members. The program covers real property, business personal property, inland marine coverage for special mobile equipment and business interruption. Commercial property coverage is written on a replacement cost basis and all risk, eliminating the traditional commercial "named peril" policy.

The business auto physical damage insurance program is also group purchased under a master insurance policy with accumulated values from all participants effecting lower rates for members. Business auto physical damage coverage is written on an agreed amount basis.

In addition to coverage provided by PERMA, the City also separately purchases coverage for earthquake, public employee dishonesty and public officials and employment liability.

Changes in the amount of claims payable for the past two fiscal years are as follows:

	Beginning Balance	Current Year Claims and Changes in Estimates	Claim Payments	Ending Balance
2011-2012	\$ 627,424	\$ -	\$ (193,169)	\$ 434,255
2012-2013	434,255	-	(58,749)	375,506

Claim payments represent disbursements from deposits held by PERMA on behalf of the City. None of the above programs of protection have had settlements or judgments that exceeded pooled or insured coverage for the past three (3) years.

**CITY OF RANCHO MIRAGE**

**NOTES TO BASIC FINANCIAL STATEMENTS  
(CONTINUED)**

**JUNE 30, 2013**

*NOTE #10 – JOINT POWERS FINANCE AUTHORITY AND ASSESSMENT DISTRICTS BUDGET*

Formal budgetary integration is not adopted for the Joint Powers Financing Authority Debt Service Fund and Assessment District Capital Project Fund.

*NOTE #11 – DEFINED BENEFIT PENSION PLAN*

The City provides a defined benefit pension plan that includes retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The City contracts with the California Public Employees’ Retirement System (CalPERS), a cost-sharing, multi-employer public employee defined benefit pension plan administered by CalPERS. CalPERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. State statutes, within the Public Employees’ Retirement Law, establish benefit provisions and other requirements. The City selects optional benefit provisions from the benefit menu by contract with CalPERS and adopts those benefits through local ordinance. Copies of the CalPERS annual financial report may be obtained from the CalPERS Executive Office at 400 P Street, Sacramento, California 95814 or downloaded from their website at [www.calpers.gov](http://www.calpers.gov).

Pursuant to City Council action to reduce pension benefits for future employees and the California Public Employees’ Pension Reform Act of 2012, the City now has 3 tiers of defined pension benefits. For employees hired prior to July 13, 2012, the City participates in a Miscellaneous 2.5 percent at 55 Risk Pool (1<sup>st</sup> Tier). For employees hired after July 13, 2012 but before January 1, 2013 and employees hired after January 1, 2013 that have participated in a reciprocating California public employee pension plan within six months of being hired by the City, the City participates in a Miscellaneous 2 percent at 60 Risk Pool (2<sup>nd</sup> Tier). For all other employees hired after January 1, 2013, the City will participate in a Miscellaneous 2 percent at 62 Risk Pool (3<sup>rd</sup> Tier).

Contributions and Funding Policy

The contribution requirements of plan members are established by State statute and the employer contribution rate is established and amended by CalPERS. During fiscal year 2012-13, 1<sup>st</sup> Tier City employees were required to contribute 3 percent of their annual covered salary of the total 8 percent “employee” share of pension cost with the other 5 percent being paid on the employees behalf by the City. City employees in the 2<sup>nd</sup> and 3<sup>rd</sup> Tiers were required to contribute the full “employee” share of pension cost at 7 percent for 2<sup>nd</sup> Tier coverage, and 6.25 percent for 3<sup>rd</sup> Tier coverage. The City is required to contribute the actuarially determined remaining amounts necessary to fund the benefits for its members. The City’s fiscal year 2012-13 contribution rates for the Pension Plan were as follows.

<b>Retirement Plan</b>	<b>Tier</b>	<b>Employer Contribution Rate</b>
2.5% at 55	1 <sup>st</sup> Tier	21.894%
2% at 60	2 <sup>nd</sup> Tier	8.049%
2% at 62	3 <sup>rd</sup> Tier	6.250%

**CITY OF RANCHO MIRAGE**

**NOTES TO BASIC FINANCIAL STATEMENTS  
(CONTINUED)**

**JUNE 30, 2013**

*NOTE #11 – DEFINED BENEFIT PENSION PLAN (Continued)*

The City’s contributions to CalPERS for the most recent three years follow.

<b>Year Ended</b>	<b>Annual Pension Cost Employer Contribution</b>	<b>Percentage of Annual Pension Cost Contributed</b>
June 30, 2013	\$1,704,693	100%
June 30, 2012	\$1,605,560	100%
June 30, 2011	\$1,543,667	100%

*NOTE #12 – OTHER POST EMPLOYMENT BENEFITS (OPEB)*

*Plan Description:* The City administers a single-employer defined benefit plan (Plan) which provides health care (medical, dental, and vision) benefits to eligible members under City Council Resolutions No. 89-63 and No. 95-26.

Effective December 7, 2000, four years of continued medical, dental and vision insurance for the first four years of service plus six months for each subsequent year is provided by the City for a Council member upon leaving the City Council. A Council member may elect to continue participation as a member of the City's insurance plans under the provisions of the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) by making payments to the City for associated premium costs. The City Manager and City Clerk are eligible for the same coverage.

Effective July 1, 2000, continued medical, dental and vision insurance for retired employees and their spouse/dependents was provided pursuant a Memorandum of Understanding between the City and the Rancho Mirage Employees' Association.

**CITY OF RANCHO MIRAGE**

**NOTES TO BASIC FINANCIAL STATEMENTS  
(CONTINUED)**

**JUNE 30, 2013**

*NOTE #12 – OTHER POST EMPLOYMENT BENEFITS (OPEB) (Continued)*

For all covered employees with effective dates of retirement after December 7, 2000 and a minimum of 5-10 years of continuous service, the City contributes the actual cost of insurance up to the amount contributed for active employees. These benefits with the City will terminate upon reaching age 65, the current eligibility for Medicare.

*Eligibility:* Employees first employed full-time by the City before July 1, 2005, are eligible for retiree health benefits if they retire from the City and begin drawing a PERS pension: 1) on or after age 55 with at least 10 consecutive years of service; or 2) on or after age 63 with at least 5 consecutive years of service. Spouses and dependents are eligible as well if the covered employee serves 15 and 20 years, respectively. Membership of the plan consisted of the following at June 30, 2013, the date of the latest actuarial valuation:

	<u>Active</u>	<u>Retired</u>	<u>Total</u>
Under 65	73	12	85
65 & over	8	4	12
Total	<u>81</u>	<u>16</u>	<u>97</u>

*City's Funding Policy:* The contribution requirements of plan members and the City are established and may be amended by City Council. The contribution required to be made under City Council and labor agreement requirements is based on actuarially determined annual required contribution with a portion of current premiums paid directly to City retirees. For fiscal year 2012-13, the City contributed \$330,073 to the plan. No employee contributions are required to participate in the Plan.

The City makes voluntary contributions to the CalPERS trust. CalPERS publishes separate financial statements conforming to GASB Statement No. 43 in separately issued financial statements for the CalPERS OPEB Trust. Copies of PERS' annual financial reports for its OPEB Trust may be obtained from its executive office at 400 "Q" Street, Sacramento, California 95811.

*Annual OPEB Cost and Net OPEB Obligation.* The City's annual cost (expense) is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation for these benefits:

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2013 and the two preceding years were as follows:

<u>Fiscal Year</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>
6/30/2011	\$ 218,408	100%
6/30/2012	326,345	100%
6/30/2013	330,073	100%

**CITY OF RANCHO MIRAGE**

**NOTES TO BASIC FINANCIAL STATEMENTS  
(CONTINUED)**

**JUNE 30, 2013**

*NOTE #12 – OTHER POST EMPLOYMENT BENEFITS (OPEB) (Continued)*

*Funded Status and Funding Progress.* Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress immediately following the notes to the financial statements presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for the benefits.

The funded status as of the most recent actuarial date is as follows:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL)- Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a)/c)
6/30/2013	\$ 1,098,348	\$ (2,759,063)	\$ (1,660,715)	39.8%	\$ 6,840,555	24.3%

*Actuarial Methods and Assumptions.* Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial assets, consistent with the long-term perspective of the calculations.

The actuarial cost method used for determining the benefit obligations is the Entry Age Normal Actuarial Cost Method. The actuarial assumptions included a 7.25 percent investment rate of return, which is the assumed rate of the expected long-term investment returns on plan assets calculated based on the funded level of the plan at the valuation date, and an annual healthcare cost trend rate of 5.5 percent initially, 11 percent in 2013, then reduced by decrements of 2.0 per year to an ultimate rate of 5 percent after the fourth year. The UAAL is being amortized as a level percentage of projected payroll over an open 30 year enrollment period. It is assumed the City's payroll will increase 2.75 percent per year.

**CITY OF RANCHO MIRAGE**

**NOTES TO BASIC FINANCIAL STATEMENTS  
(CONTINUED)**

**JUNE 30, 2013**

*NOTE #13 – DEFERRED COMPENSATION PLAN*

The City maintains a deferred compensation plan under Section 457 of the Internal Revenue Code for the benefits of its employees. In November 1999, the City implemented the 401(a) deferred compensation plan, in addition to the 457 plan, of saving pre-tax dollars for retirement. These plans allow the employees to defer or postpone receipt of income. Such income deferral provides tax advantages and a savings plan for the employees.

Employees can participate in both the 457 and 401(a) plans or in either one. The 457 plans permit a maximum annual contribution of \$16,500 under 50 years old and \$22,000 for 50 years and older. If one participates in both the 457 plan and a 401(a) plan, the maximum that one can contribute on a pre-tax basis is \$65,240. The City contributes \$10 per pay period to either plan or the 401(a) plan if the employee participates in both plans. All City employees are eligible for plan participation. The total amount contributed by the City for FY 12-13 for both plans was \$14,490.

The City formally established trusts in accordance with Internal Revenue Code Section 457(g) for its deferred compensation plan in prior fiscal years. The trusts were established to provide protection from the claims of the employer's general creditors. The deferred compensation assets placed in the trust have been removed from the balance sheet.

Distributions are made upon the occurrence of the participant's termination, retirement, death or unforeseen emergency, and in a manner in accordance with the election made by the participant. All City employees are eligible for plan participation.

*NOTE #14 – CONTINGENCIES*

Various claims and suits have been filed against the City in the normal course of business. Although the outcome of these matters is not presently determinable, in the opinion of legal counsel, the resolution of these matters is not expected to have a material adverse effect on the financial condition of the City.

**CITY OF RANCHO MIRAGE**

**NOTES TO BASIC FINANCIAL STATEMENTS  
(CONTINUED)**

**JUNE 30, 2013**

*NOTE #15 – FUND BALANCES FOR GOVERNMENTAL FUNDS*

The details of the fund balances as of June 30, 2013 are presented below:

	Special Revenue					Total Governmental Funds
	General Fund	Library Fund	Fire Tax Fund	Housing Authority Fund	Non-major Governmental Funds	
<b>Nonspendable:</b>						
Prepaid items	\$ 2,237	\$ -	\$ -	\$ -	\$ -	\$ 2,237
Loans Receivable	1,455,190	-	-	-	-	1,455,190
Total Nonspendable	<u>1,457,427</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,457,427</u>
<b>Restricted:</b>						
Debt service	-	-	-	-	397,993	397,993
Library operations	-	2,805,315	-	-	-	2,805,315
Fire tax/public safety operations	-	-	728,343	-	-	728,343
Housing authority loan programs	-	-	-	1,701,509	-	1,701,509
Housing authority operations	-	-	-	14,463,366	-	14,463,366
Other purposes	-	-	-	-	3,535,658	3,535,658
Public works	-	-	-	-	557,704	557,704
Culture and recreation	-	-	-	-	5,501,009	5,501,009
Capital projects	-	-	-	-	8,549,216	8,549,216
Total Restricted	<u>-</u>	<u>2,805,315</u>	<u>728,343</u>	<u>16,164,875</u>	<u>18,541,580</u>	<u>38,240,113</u>
<b>Committed:</b>						
Prudent Reserve	25,000,000	-	-	-	-	25,000,000
Distaster Recovery	15,000,000	-	-	-	-	15,000,000
Capital Projects	8,925,503	-	-	-	-	8,925,503
Economic Development	5,000,000	-	-	-	-	5,000,000
Public Library	5,000,000	-	-	-	-	5,000,000
Ritz Spa Suite Purchase	5,000,000	-	-	-	-	5,000,000
Section 19 Water	5,125,000	-	-	-	-	5,125,000
Total Committed	<u>69,050,503</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>69,050,503</u>
<b>Unassigned:</b>	9,644,859	-	-	-	-	9,644,859
Total Fund Balance	<u>\$ 80,152,789</u>	<u>\$ 2,805,315</u>	<u>\$ 728,343</u>	<u>\$ 16,164,875</u>	<u>\$ 18,541,580</u>	<u>\$ 118,392,902</u>

**CITY OF RANCHO MIRAGE**

**NOTES TO BASIC FINANCIAL STATEMENTS  
(CONTINUED)**

**JUNE 30, 2013**

*NOTE #15 – FUND BALANCES FOR GOVERNMENTAL FUNDS (Continued)*

Minimum Fund Balance Policy

The City Council adopted a resolution committing the following fund balance in May 2013.

- Prudent Reserve –\$25 million set aside for future revenue shortfalls of 9% or more from the prior year total General Fund revenues.
- Disaster Recovery –\$15 million to cover costs and losses as a result of a major earthquake or other major disaster that require activation of the City's Emergency Operating Center (EOC).
- Capital Projects –\$8.925 million for land, equipment replacement, information technology equipment and software, facility and infrastructure renovation, and upgrade and acquisitions.
- Economic Development–\$5 million to be used to continue economic development efforts of the former redevelopment agency.
- Public Library –\$5 million is to supplement the operating and capital costs of the Library Fund.
- Ritz Spa Suite Purchase–\$5 million for the purchase of the Spa Suite’s according to the operating covenant and amendments.
- Section 19 Water–\$5.125 million for deposit into an escrow account relating to costs of bringing water to section 19 for development purposes.

*NOTE #16 – PRIOR PERIOD ADJUSTMENTS*

During the current year, the City corrected the liability of the Agua Caliente Band of Cahuilla Indians (ACBCI) liability to include both the principal and the payback deficit. Beginning net position was restated as follows:

	Governmental Activities
Beginning Net Position as previously reported	\$ 289,012,323
Restatement due to correction of ACBCI liability	(1,363,292)
Beginning Net Position, as restated	<u>\$ 287,649,031</u>

*NOTE #17 – SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY*

On December 29, 2011, the California Supreme Court upheld AB 1X 26 that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City of Rancho Mirage that previously had reported a redevelopment agency as a blended component unit. The City Council elected to become the Successor Agency for the former redevelopment agency.

Successor agencies are only allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations as approved by the Successor Agency Oversight Board and the California Department of Finance.

**CITY OF RANCHO MIRAGE**

**NOTES TO BASIC FINANCIAL STATEMENTS  
(CONTINUED)**

**JUNE 30, 2013**

*NOTE #17 – SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY  
(Continued)*

The Bill directed the State Controller of the State of California to review the propriety of any transfers of assets between redevelopment agencies and other public bodies that occurred after January 1, 2011. If the public body that received such transfers is not contractually committed to a third party for the expenditure or encumbrance of those assets, the State Controller is required to order the available assets to be transferred to the public body designated as the successor agency by the Bill.

On May 7, 2013, the City received notification that a Finding of Completion has been granted, which allows for: 1) loan agreements between the former redevelopment agency and City may be placed on the Recognized Obligation Payment Schedule (ROPS) as an enforceable obligation, provided the oversight board makes a finding that the loan was for a legitimate redevelopment purpose per California Health and Safety Code (HSC) section 34191.4(b)(1), and 2) utilizing proceeds derived from bonds issued prior to January 1, 2011 in a manner consistent with the original bond covenants per HSC section 34191.4(c).

*NOTE #18 – SUBSEQUENT EVENT*

On September 24, 2013 and September 25, 2013, the Successor Agency sold \$50,370,000 in tax allocation bonds and together with \$22,709,339 in prior bond proceeds, refunded and redeemed \$72,265,000 of the Successor Agency's outstanding Tax Allocation Bond Series 2001, 2002 and Series 2003. The refunding plan and bond issuance was reviewed and approved by the California Department of Finance on September 6, 2013. The Successor Agency's bond refunding represented the sixth, seventh and eight refunding bond issuances completed since the dissolution of all redevelopment agencies in the State.

The refunding plan consisted of three bond issuances, a \$23,330,000 Merged Project Area Housing Series, a \$10,470,000 Whitewater Project Sub Area Series and a \$16,570,000 Northside Sub Area Series. The Bonds together were sold at a net premium of \$3,398,399 generating additional funds for the refunding program. In addition to refunding savings, the principal amount of bonds outstanding was reduced from \$155,515,000 to \$133,240,000. Total debt service, as a result of the refunding and application of prior bond proceeds, was reduced by \$37,210,063.

On November 5, 2013, the City received notification that two previous loans from the Rancho Mirage Housing Authority to the former Rancho Mirage Redevelopment Agency in the amount of \$12,583,600 and \$2,590,741 were enforceable obligations. These loans were previously approved on the ROPS covering the period July 1, 2012 through December 31, 2012 and were disallowed on the ROPS covering the period January 1, 2013 through June 30, 2013 when the remaining balance was \$9,666,379. Loan repayments will be made in accordance with Health and Safety Code Section 34191.4(b)(2).

On February 20, 2014, the Successor Agency received approval of its Long Range Property Management Plan (LRPMP) from the California Department of Finance. The LRPMP consisted of two properties. The first property will be sold and the second property will be transferred to the City of Rancho Mirage for governmental purpose. Management expects to the sale and transfer of the properties to occur in the Fall of 2014.

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***REQUIRED SUPPLEMENTARY INFORMATION***

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**CITY OF RANCHO MIRAGE**

**SCHEDULE OF FUNDING PROGRESS  
OTHER POST EMPLOYMENT BENEFITS**

**Year Ended June 30, 2013**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL)- Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a)/c
6/30/2011	\$ 613,916	\$ 2,335,827	\$ 1,721,911	26.3%	\$ 6,446,176	26.7%
6/30/2013	1,098,348	2,759,063	1,660,715	39.8%	6,840,555	24.3%

Additional actuarial valuation information will be provided as future valuations are performed.

**CITY OF RANCHO MIRAGE**

**BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND**

**Year Ended June 30, 2013**

	Budgeted Amounts		Actual	Variance with
	Original Budget	Final Budget		Final Budget Positive (Negative)
Revenues:				
Taxes:				
Property taxes	\$ 3,775,360	\$ 3,775,360	3,717,782	\$ (57,578)
Sales taxes	3,271,080	3,271,080	3,053,711	(217,369)
Franchise taxes	1,236,190	1,236,190	1,244,971	8,781
Transient occupancy taxes	5,190,000	5,190,000	5,168,184	(21,816)
Real property transfer taxes	293,000	293,000	313,604	20,604
Total taxes	<u>13,765,630</u>	<u>13,765,630</u>	<u>13,498,252</u>	<u>(267,378)</u>
Intergovernmental:				
Motor vehicle in-lieu	-	-	7,483	7,483
Reimbursement from non-government	413,438	413,438	741,412	327,974
County COPS Program	-	-	100,000	100,000
Other	46,385	61,625	512,975	451,350
Total intergovernmental	<u>459,823</u>	<u>475,063</u>	<u>1,361,870</u>	<u>886,807</u>
Licenses and permits:				
Business licenses	198,600	198,600	208,205	9,605
Plan check fees	50,000	50,000	56,017	6,017
Public works inspections and fees	294,620	294,620	126,349	(168,271)
Total licenses and permits	<u>543,220</u>	<u>543,220</u>	<u>390,571</u>	<u>(152,649)</u>
Charges for services:				
Planning fees	155,125	155,125	122,912	(32,213)
PEG fees	-	-	110,863	110,863
Construction permits	375,000	375,000	497,969	122,969
Total charges for services	<u>530,125</u>	<u>530,125</u>	<u>731,744</u>	<u>201,619</u>
Developer fees	-	-	60,731	60,731
Fines and forfeitures	100,000	100,000	85,289	(14,711)
Interest income	1,402,900	1,402,900	1,340,994	(61,906)
Net increase (decrease) in investment fair value	-	-	(1,230,526)	(1,230,526)
Miscellaneous	318,250	318,250	386,913	68,663
Total revenues	<u>17,119,948</u>	<u>17,135,188</u>	<u>16,625,838</u>	<u>(570,081)</u>

(Continued)

See accompanying note to the required supplementary information.

**CITY OF RANCHO MIRAGE**

**BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
(CONTINUED)  
Year Ended June 30, 2013**

	Budgeted Amounts		Actual	Variance with
	Original Budget	Final Budget		Final Budget Positive (Negative)
Expenditures:				
Current:				
General government:				
City council:				
Personnel	\$ 250,025	\$ 254,123	237,101	\$ 17,022
Operations and maintenance	12,100	13,100	8,290	4,810
Capital	1,000	1,000	-	1,000
Total city council	<u>263,125</u>	<u>268,223</u>	<u>245,391</u>	<u>22,832</u>
City clerk:				
Personnel	429,968	434,899	430,662	4,237
Operations and maintenance	55,300	82,944	69,890	13,054
Capital	1,000	1,000	-	1,000
Total city clerk	<u>486,268</u>	<u>518,843</u>	<u>500,552</u>	<u>18,291</u>
City manager:				
Personnel	476,642	447,188	440,695	6,493
Operations and maintenance	30,870	63,726	45,150	18,576
Capital	1,000	2,150	2,147	3
Total city manager	<u>508,512</u>	<u>513,064</u>	<u>487,992</u>	<u>25,072</u>
City attorney:				
Operations and maintenance	500,600	540,600	540,415	185
Total city attorney	<u>500,600</u>	<u>540,600</u>	<u>540,415</u>	<u>185</u>
Administration:				
Personnel	618,057	774,217	721,246	52,971
Operations and maintenance	7,871	21,171	21,183	(12)
Capital	1,000	1,000	-	1,000
Total administration	<u>626,928</u>	<u>796,388</u>	<u>742,429</u>	<u>52,959</u>
Finance:				
Personnel	431,855	523,742	478,491	45,251
Operations and maintenance	150,577	135,577	117,091	18,486
Capital	-	-	-	-
Total finance	<u>582,432</u>	<u>659,319</u>	<u>595,582</u>	<u>63,737</u>
Information services:				
Personnel	430,568	432,639	403,407	29,232
Operations and maintenance	454,250	532,056	438,276	93,780
Capital	50,000	85,835	74,900	10,935
Total information services	<u>934,818</u>	<u>1,050,530</u>	<u>916,583</u>	<u>133,947</u>

(Continued)

See accompanying note to the required supplementary information.

**CITY OF RANCHO MIRAGE**

**BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
(CONTINUED)  
Year Ended June 30, 2013**

	Budgeted Amounts		Actual	Variance with
	Original Budget	Final Budget		Final Budget Positive (Negative)
Public information & com. relations:				
Operations and maintenance	\$ 146,500	\$ 146,500	\$ 97,779	\$ 48,721
Total information & com. Relations	<u>146,500</u>	<u>146,500</u>	<u>97,779</u>	<u>48,721</u>
General government:				
Personnel	1,074,363	1,076,483	960,519	115,964
Operations and maintenance	1,368,975	1,374,953	1,324,485	50,468
Capital	5,000	5,000	1,616	3,384
Total general government	<u>2,448,338</u>	<u>2,456,436</u>	<u>2,286,620</u>	<u>169,816</u>
Special programs:				
Operations and maintenance	871,165	977,007	900,059	76,948
Total special programs	<u>871,165</u>	<u>977,007</u>	<u>900,059</u>	<u>76,948</u>
Planning:				
Personnel	808,989	620,221	562,788	57,433
Operations and maintenance	60,546	157,700	79,887	77,813
Total planning	<u>869,535</u>	<u>777,921</u>	<u>642,675</u>	<u>135,246</u>
Building and safety:				
Personnel	534,872	537,254	535,158	2,096
Operations and maintenance	28,450	36,950	36,952	(2)
Total building and safety	<u>563,322</u>	<u>574,204</u>	<u>572,110</u>	<u>2,094</u>
Mandated programs:				
Operations and maintenance	12,500	12,500	5,118	7,382
Total mandated programs	<u>12,500</u>	<u>12,500</u>	<u>5,118</u>	<u>7,382</u>
Regional plan and implementation				
Operations and maintenance	103,100	103,186	151,185	(47,999)
Total regional plan and implementation	<u>103,100</u>	<u>103,186</u>	<u>151,185</u>	<u>(47,999)</u>
Tourism and marketing				
Personnel	164,247	165,338	164,352	986
Operations and maintenance	836,392	926,094	904,048	22,046
Total tourism and marketing	<u>1,000,639</u>	<u>1,091,432</u>	<u>1,068,400</u>	<u>23,032</u>
Economic Development				
Personnel	339,588	510,229	446,636	63,593
Operations and maintenance	182,746	191,946	182,143	9,803
Total economic development	<u>522,334</u>	<u>702,175</u>	<u>628,779</u>	<u>73,396</u>
Total general government	<u>10,440,116</u>	<u>11,188,328</u>	<u>10,381,669</u>	<u>805,659</u>

(Continued)

See accompanying note to the required supplementary information.

**CITY OF RANCHO MIRAGE**

**BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
(CONTINUED)  
Year Ended June 30, 2013**

	Budgeted Amounts		Actual	Variance with
	Original Budget	Final Budget		Final Budget Positive (Negative)
Public safety:				
Code compliance:				
Personnel	\$ 514,642	\$ 471,216	465,316	\$ 5,900
Operations and maintenance	84,700	84,700	70,275	14,425
Total code compliance	<u>599,342</u>	<u>555,916</u>	<u>535,591</u>	<u>20,325</u>
Emergency services:				
Personnel	25,140	25,934	29,339	(3,405)
Operations and maintenance	97,210	137,241	71,990	65,251
Total emergency services	<u>122,350</u>	<u>163,175</u>	<u>103,188</u>	<u>59,987</u>
Police services:				
Operations and maintenance	5,873,575	6,026,291	5,986,557	39,734
Capital	-	-	70,413	(70,413)
Total police services	<u>5,873,575</u>	<u>6,026,291</u>	<u>6,056,970</u>	<u>(30,679)</u>
Citizens Option for Public Safety (COPS)				
Operations and maintenance	-	100,000	100,000	-
Total COPS	<u>-</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>
ACBCI Tourism Fee				
Operations and maintenance	26,000	26,000	24,211	1,789
Total law enforcement equipment	<u>26,000</u>	<u>26,000</u>	<u>24,211</u>	<u>1,789</u>
Total public safety	<u>6,621,267</u>	<u>6,871,382</u>	<u>6,819,960</u>	<u>51,422</u>
Public works:				
Facilities & fleet maintenance:				
Personnel	560,014	603,267	599,444	3,823
Operations and maintenance	725,950	878,436	625,658	252,778
Total buildings and landscaping	<u>1,285,964</u>	<u>1,481,703</u>	<u>1,225,651</u>	<u>256,052</u>
Street maintenance:				
Personnel	548,203	565,960	565,943	17
Operations and maintenance	403,600	403,600	332,307	71,293
Capital	-	-	-	-
Total street maintenance	<u>951,803</u>	<u>969,560</u>	<u>898,250</u>	<u>71,310</u>
Engineering:				
Personnel	1,456,800	1,332,962	1,322,382	10,580
Operations and maintenance	58,612	58,612	53,114	5,498
Total engineering	<u>1,515,412</u>	<u>1,391,574</u>	<u>1,375,496</u>	<u>16,078</u>
Total public works	<u>3,753,179</u>	<u>3,842,837</u>	<u>3,499,397</u>	<u>343,440</u>

(Continued)

See accompanying note to the required supplementary information.

**CITY OF RANCHO MIRAGE**

**BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
(CONTINUED)  
Year Ended June 30, 2013**

	Budgeted Amounts		Actual	Variance with
	Original Budget	Final Budget		Final Budget Positive (Negative)
Capital projects:				
Capital improvements financed from fund balance and license tax:				
General Fund Capital Projects	\$ 269,407	\$ 514,076	\$ 1,015,959	\$ (501,883)
License Tax Fund Capital Projects	484,060	1,596,474	34,849	1,561,625
PEG Channel Capital Projects	-	23,696	23,689	7
Total capital improvements	<u>753,467</u>	<u>2,134,246</u>	<u>1,074,497</u>	<u>1,059,749</u>
Total capital projects	<u>753,467</u>	<u>2,134,246</u>	<u>1,074,497</u>	<u>1,059,756</u>
Total expenditures	21,568,029	24,036,793	21,775,523	2,260,277
Excess (deficiency) of revenues over (under) expenditures	(4,448,081)	(6,901,605)	(5,149,685)	(2,830,358)
Other financing sources:				
Transfers in	4,924,430	5,021,274	4,408,672	(612,602)
Transfers out	<u>(687,754)</u>	<u>(390,338)</u>	<u>(887,643)</u>	<u>(497,305)</u>
Total other financing sources	<u>4,236,676</u>	<u>4,630,936</u>	<u>3,521,029</u>	<u>(1,109,907)</u>
Net change in fund balance	(211,405)	(2,270,669)	(1,628,656)	642,013
Fund balance, beginning of year	<u>80,629,040</u>	<u>76,543,644</u>	<u>81,515,749</u>	<u>(4,972,105)</u>
Fund balance, end of year	<u>\$ 80,417,635</u>	<u>\$ 74,272,975</u>	<u>\$ 79,887,093</u>	<u>\$ 5,614,118</u>

See accompanying note to the required supplementary information.

**CITY OF RANCHO MIRAGE**

**BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
(CONTINUED)  
Year Ended June 30, 2013**

The following schedule shows the Budgetary Comparison Statement reconciliation between the budgetary basis and GAAP basis for the General Fund fund:

	<u>General Fund</u>
<b>Revenues and Other Financing Sources</b>	
Revenues from the Budgetary Comparison Schedule	\$ 16,625,838
Revenues of the Traffic Safety fund and the Community Facilities District fund are not inflows of budgetary resources in the General fund legally adopted budget, but are revenues of the General fund for financial reporting purposes.	<u>3,380,942</u>
Total Revenues from the Financial Statements	<u>\$ 20,006,780</u>
Transfers In from the Budgetary Comparison Schedules	\$ 4,408,672
Elimination of Transfers within General Fund in accordance with GASB 54 consolidation	<u>(2,878,590)</u>
Total Transfers in from the Financial Statements	<u>\$ 1,530,082</u>
<b>Expenditures and Other Financing Uses</b>	
Expenditures and Other Financing Uses from the Budgetary Comparison Schedules	\$ 22,663,166
Reclassification of Special Revenue Funds to General Fund in accordance with GASB 54	<u>31,507</u>
Total Expenditures and Other Financing Uses from the Financial Statements	<u>\$ 22,694,673</u>

See accompanying note to the required supplementary information.

**CITY OF RANCHO MIRAGE**  
**BUDGETARY COMPARISON SCHEDULE**  
**LIBRARY SPECIAL REVENUE FUND**  
**Year Ended June 30, 2013**

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Revenues:				
Intergovernmental	\$ 175,000	\$ 175,000	\$ -	\$ (175,000)
Charges and services	-	-	408	408
Fines and forfeitures	60,000	60,000	51,476	(8,524)
Interest income	48,200	48,200	28,733	(19,467)
Net increase (decrease) in investment fair value	-	-	(38,707)	(38,707)
Miscellaneous	43,350	43,350	98,167	54,817
Total revenues	<u>326,550</u>	<u>326,550</u>	<u>140,077</u>	<u>(186,473)</u>
Expenditures:				
Current:				
Cultural and recreation	<u>2,831,298</u>	<u>2,858,916</u>	<u>2,676,011</u>	<u>182,905</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,504,748)</u>	<u>(2,532,366)</u>	<u>(2,535,934)</u>	<u>(3,568)</u>
Other financing sources (uses):				
Transfers in	2,158,344	2,158,344	2,674,997	516,653
Transfers out	<u>(37,234)</u>	<u>(37,234)</u>	<u>(37,234)</u>	<u>-</u>
Total other financing sources (uses)	<u>2,121,110</u>	<u>2,121,110</u>	<u>2,637,763</u>	<u>516,653</u>
Net changes in fund balance	(383,638)	(411,256)	101,829	513,085
Fund balance, beginning of year	<u>2,242,070</u>	<u>1,938,488</u>	<u>2,726,406</u>	<u>787,918</u>
Fund balance, end of year	<u>\$ 1,858,432</u>	<u>\$ 1,527,232</u>	<u>\$ 2,828,235</u>	<u>\$ 1,301,003</u>

See accompanying note to the required supplementary information.

**CITY OF RANCHO MIRAGE**

**BUDGETARY COMPARISON SCHEDULE  
LIBRARY SPECIAL REVENUE FUND  
(CONTINUED)  
Year Ended June 30, 2013**

	<b>Library Special Revenue Fund</b>
<b>Revenues and Other Financing Sources</b>	
Revenues from the Budgetary Comparison Schedule	\$ 140,077
Resources transferred from the Community Services District are not inflows of budgetary resources in the Library fund legally adopted budget , but are revenues of the Library fund for financial reporting purposes in accordance with GASB 54.	2,619,302
Total Revenues from the Financial Statements	\$ 2,759,379
Transfers In from the Budgetary Comparison Schedules	2,674,997
Elimination of Transfers within Library Fund in accordance with GASB 54 consolidation	(2,604,923)
Total Transfers in from the Financial Statements	\$ 70,074
<b>Expenditures and Other Financing Uses</b>	
Expenditures and Other Financing Uses from the Budgetary Comparison Schedule	\$ 2,713,245
Reclassification of Special Revenue Funds to Library Fund in accordance with GASB 54	14,529
Total Expenditures and Other Financing Uses from the Financial Statements	\$ 2,727,774

See accompanying note to the required supplementary information.

**CITY OF RANCHO MIRAGE**

**BUDGETARY COMPARISON SCHEDULE  
FIRE TAX SPECIAL REVENUE FUND  
Year Ended June 30, 2013**

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues:				
Charges for services	\$ 15,000	\$ 15,000	\$ 16,250	\$ 1,250
Interest income	5,000	5,000	4,426	(574)
Net increase (decrease) in investment fair value	-	-	(5,777)	(5,777)
Total revenues	<u>20,000</u>	<u>20,000</u>	<u>14,899</u>	<u>(5,101)</u>
Expenditures:				
Current:				
Public safety	5,025,300	5,025,300	4,714,518	310,782
Capital projects	2,000	94,259	-	94,259
Total expenditures	<u>5,027,300</u>	<u>5,119,559</u>	<u>4,714,518</u>	<u>405,041</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,007,300)</u>	<u>(5,099,559)</u>	<u>(4,699,619)</u>	<u>399,940</u>
Other financing sources (uses):				
Transfers in	<u>5,007,300</u>	<u>5,007,300</u>	<u>4,995,793</u>	<u>(11,507)</u>
Total other financing sources (uses)	<u>5,007,300</u>	<u>5,007,300</u>	<u>4,995,793</u>	<u>(11,507)</u>
Net changes in fund balance	-	(92,259)	296,174	388,433
Fund balance, beginning of year	<u>172,211</u>	<u>172,211</u>	<u>432,169</u>	<u>(259,958)</u>
Fund balance, end of year	<u>\$ 172,211</u>	<u>\$ 79,952</u>	<u>\$ 728,343</u>	<u>\$ 648,391</u>

	<b>Fire Tax Fund</b>
<b>Revenues and Other Financing Sources</b>	
Revenues from the Budgetary Comparison Schedule	\$ 14,899
Resources transferred from the Community Services District are not inflows of budgetary resources in the Fire Tax fund legally adopted budget , but are revenues of the Fire Tax fund for financial reporting purposes in accordance with GASB 54.	<u>5,681,497</u>
Total Revenues from the Financial Statements	<u>\$ 5,696,396</u>
Transfers In from the Budgetary Comparison Schedules	4,995,793
Elimination of Transfers within Fire Tax Fund in accordance with GASB 54 consolidation	<u>(4,091,283)</u>
Total Transfers in from the Financial Statements	<u>\$ 904,510</u>

See accompanying note to the required supplementary information.

**CITY OF RANCHO MIRAGE**

**BUDGETARY COMPARISON SCHEDULE  
HOUSING AUTHORITY SPECIAL REVENUE FUND  
Year Ended June 30, 2013**

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 44,363	\$ 44,363
Licenses and permits	4,500	4,500	4,480	(20)
Charges for services	1,478,000	1,478,000	1,453,281	(24,719)
Interest income	135,250	135,250	119,625	(15,625)
Net increase (decrease) in investment fair value	-	-	(119,356)	(119,356)
Miscellaneous	3,911,994	3,911,994	203,513	(3,708,481)
Total revenues	<u>5,529,744</u>	<u>5,529,744</u>	<u>1,705,906</u>	<u>(3,823,838)</u>
Expenditures:				
Current:				
General government	2,671,523	2,715,926	2,201,997	513,929
Capital projects	75,500	79,800	6,589	73,211
Total expenditures	<u>2,747,023</u>	<u>2,795,726</u>	<u>2,208,586</u>	<u>587,140</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,782,721</u>	<u>2,734,018</u>	<u>(502,680)</u>	<u>(3,236,698)</u>
Other financing sources (uses):				
Transfers in	330,930	330,930	-	(330,930)
Transfers out	<u>(1,806,671)</u>	<u>(1,806,671)</u>	<u>(1,554,694)</u>	<u>251,977</u>
Total other financing sources (uses)	<u>(1,475,741)</u>	<u>(1,475,741)</u>	<u>(1,554,694)</u>	<u>(78,953)</u>
Net changes in fund balance	1,306,980	1,258,277	(2,057,374)	(3,315,651)
Fund balance, beginning of year	<u>23,343,831</u>	<u>19,650,192</u>	<u>18,222,249</u>	<u>1,427,943</u>
Fund balance, end of year	<u>\$ 24,650,811</u>	<u>\$ 20,908,469</u>	<u>\$ 16,164,875</u>	<u>\$ (4,743,594)</u>

See accompanying note to the required supplementary information.

**CITY OF RANCHO MIRAGE**

**NOTE TO REQUIRED SUPPLEMENTARY INFORMATION**

**Year Ended June 30, 2013**

*NOTE #1 – BUDGETARY DATA*

The City uses the following procedures in establishing the budgetary data reflected in the financial statements:

1. Before the beginning of the fiscal year the City Manager submits to the City Council a proposed budget for the year commencing the following July 1.
2. Public hearings are conducted to obtain taxpayer comments.
3. The budget is subsequently adopted through passage of a resolution.
4. All appropriated amounts are as originally adopted or as amended by the City Council and lapse at year end, except for continuing appropriations for capital projects.
5. Original appropriations are modified by supplementary appropriations and transfers among budget categories. The City Manager is authorized to transfer appropriations within an object of a General Fund department and within total fund appropriations for other funds. The City Council approves all other changes. Individual amendments were not material in relation to the original appropriations.
6. The legal level for which expenditures are not to exceed appropriations is at the fund level for all funds except the General Fund and at the object level for the General Fund. The City classifies each General Fund expenditure into one of the following three objects: personnel, operations and maintenance, and capital. On a budgetary basis, expenditures exceeded appropriations in the General fund for the operations and maintenance object in building and safety and regional plan and implementation. Expenditures exceeded appropriations in the General fund for the capital object for police services and capital projects. Expenditures exceeded appropriations in the General fund for transfers out. Expenditures exceeded appropriations in the Parkland fund.
7. Formal budgetary integration is employed as a management control device during the year for the following funds which also have legally adopted annual budgets: General, Special Revenue and Capital Projects Funds. Formal budgetary integration is not employed for Debt Service Funds (including the Joint Powers Financing Authority Debt Service Fund) because effective budgetary control is alternatively achieved through debt indenture provisions.
8. Budgets for General, Special Revenue, and Capital Projects Funds are adopted on a basis consistent with generally accepted accounting principles, except advances from the General Fund to other funds are budgeted as expenditures in the General Fund and as revenue in the funds receiving the advances. Repayment of advances is budgeted as revenue in the General Fund and as an expenditure in the funds repaying the advance.

Fund activity consolidated in accordance with GASB Statement No. 54 in the financial statements is excluded from the Budgetary Comparison Schedules. Transfers eliminated by the consolidation in the financial statements are reported as transfers in the Budgetary Comparison Schedule.

**CITY OF RANCHO MIRAGE  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
June 30, 2013**

	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets:</b>				
Cash and investments	\$ 14,466,272	\$ -	\$ 3,491,108	\$ 17,957,380
Cash and investments with fiscal agent	100,487	397,993	-	498,480
Interest receivable	2,007	-	492	2,499
Accounts receivable	78,306	-	-	78,306
Due from other governments	266,417	-	-	266,417
	<u>266,417</u>	<u>-</u>	<u>-</u>	<u>266,417</u>
<b>Total assets</b>	<u><u>\$ 14,913,489</u></u>	<u><u>\$ 397,993</u></u>	<u><u>\$ 3,491,600</u></u>	<u><u>\$ 18,803,082</u></u>
<b>Liabilities and fund balances</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 255,045	\$ -	\$ -	\$ 255,045
Accrued salaries and benefits	2,942	-	-	2,942
Deposits payable	3,515	-	-	3,515
	<u>3,515</u>	<u>-</u>	<u>-</u>	<u>3,515</u>
<b>Total liabilities</b>	<u>261,502</u>	<u>-</u>	<u>-</u>	<u>261,502</u>
<b>Fund balances:</b>				
Restricted	14,651,987	397,993	-	15,049,980
Assigned	-	-	3,491,600	3,491,600
	<u>-</u>	<u>-</u>	<u>3,491,600</u>	<u>3,491,600</u>
<b>Total fund balance</b>	<u>14,651,987</u>	<u>397,993</u>	<u>3,491,600</u>	<u>18,541,580</u>
<b>Total liabilities and fund balances</b>	<u><u>\$ 14,913,489</u></u>	<u><u>\$ 397,993</u></u>	<u><u>\$ 3,491,600</u></u>	<u><u>\$ 18,803,082</u></u>

**CITY OF RANCHO MIRAGE**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
Year Ended June 30, 2013**

	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Taxes	\$ 828,392	\$ -	\$ -	\$ 828,392
Intergovernmental	492,347	-	-	492,347
Charges for services	177,275	-	-	177,275
Special assessments	952,562	-	-	952,562
Developer fees	-	-	272,751	272,751
Interest income	235,676	5,237	55,680	296,593
Net increase (decrease) in investment fair value	(214,493)	(11,780)	(31,583)	(257,856)
Miscellaneous	180,478	390,483	25,926	596,887
<b>Total Revenues</b>	<b>2,652,237</b>	<b>383,940</b>	<b>322,774</b>	<b>3,358,951</b>
Expenditures:				
Current:				
General government	362,898	-	8,051	370,949
Public works	715,314	-	-	715,314
Cultural and recreation	510,016	-	-	510,016
Capital projects	184,144	-	-	184,144
Debt service:				
Principal	-	185,000	27,187	212,187
Interest	-	205,483	-	205,483
<b>Total expenditures</b>	<b>1,772,372</b>	<b>390,483</b>	<b>35,238</b>	<b>2,198,093</b>
Excess (deficiency) of revenues over (under) expenditures	879,865	(6,543)	287,536	1,160,858
Other financing sources (uses):				
Transfers in	50,340	-	-	50,340
Transfers out	(75,435)	-	-	(75,435)
<b>Total other financing sources (uses)</b>	<b>(25,095)</b>	<b>-</b>	<b>-</b>	<b>(25,095)</b>
<b>Net changes in fund balances</b>	<b>854,770</b>	<b>(6,543)</b>	<b>287,536</b>	<b>1,135,763</b>
Fund balances, beginning of year	13,797,217	404,536	3,204,064	17,405,817
Fund balances, end of year	\$ 14,651,987	\$ 397,993	\$ 3,491,600	\$ 18,541,580

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## ***NONMAJOR SPECIAL REVENUE FUNDS***

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Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

The Landscape and Lighting District Fund – is used to account for the revenues and expenditures restricted for the maintenance of landscaped streets and medians and the City’s street lighting.

The Parkland Fund – is used to account for the revenues and expenditures restricted for the City’s park and recreation facilities.

The Library Foundation Fund – is used to account for the revenues and expenditures restricted for the raising funds on the Library’s behalf.

The Gas Tax Fund – is used to account for the state gasoline tax revenues restricted for maintenance and improvement of the City’s street.

The AB 939 Recycling Programs Fund – is used to account for the revenues and expenditures restricted for to regional solid waste management programs.

The Transportation Measure A Fund – is used to account for Measure A sales tax revenue restricted for the maintenance and improvement of City streets.

The Air Pollution Reduction Fund – is used to account for revenues and expenditures restricted for air pollution mitigation efforts.

The Rent Control Fund – is used to account for funds collected from mobilehome park owners and restricted to provide professional assistance on their behalf.

The Storm Water Quality Fund – is used to account for revenues and expenditures restricted for the reduction of water pollution.

**CITY OF RANCHO MIRAGE**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**

**June 30, 2013**

	Landscape and Lighting Districts	Parkland Fund	Library Foundation	Gas Tax
<b>Assets:</b>				
Cash and investments	\$ 321,478	\$ 3,555,720	\$ 1,880,238	\$ 1,670,851
Cash and investments with fiscal agent	-	-	100,487	-
Interest receivable	42	500	256	231
Accounts receivable	-	-	670	-
Due from other governments	25,357	12,429	-	3,299
<b>Total assets</b>	<b>\$ 346,877</b>	<b>\$ 3,568,649</b>	<b>\$ 1,981,651</b>	<b>\$ 1,674,381</b>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 25,761	\$ 41,976	\$ 858	\$ (76)
Accrued salaries and benefits	-	2,942	-	-
Deposits payable	-	3,515	-	-
<b>Total liabilities</b>	<b>25,761</b>	<b>48,433</b>	<b>858</b>	<b>(76)</b>
<b>Fund Balances:</b>				
Restricted	321,116	3,520,216	1,980,793	1,674,457
<b>Total fund balance</b>	<b>321,116</b>	<b>3,520,216</b>	<b>1,980,793</b>	<b>1,674,457</b>
<b>Total liabilities and fund balances</b>	<b>\$ 346,877</b>	<b>\$ 3,568,649</b>	<b>\$ 1,981,651</b>	<b>\$ 1,674,381</b>

AB 939 Recycling Programs	Transportation Measure A	Air Pollution Reduction	Rent Control	Storm Water Quality	Total Nonmajor Special Revenue Funds
\$ 3,355,842	\$ 3,236,207	\$ 183,869	\$ 19,076	\$ 242,991	\$ 14,466,272
-	-	-	-	-	100,487
476	434	26	3	39	2,007
72,107	-	5,529	-	-	78,306
5,000	220,332	-	-	-	266,417
<u>\$ 3,433,425</u>	<u>\$ 3,456,973</u>	<u>\$ 189,424</u>	<u>\$ 19,079</u>	<u>\$ 243,030</u>	<u>\$ 14,913,489</u>
\$ 6,313	\$ 73,814	\$ 99,957	\$ -	\$ 6,442	\$ 255,045
-	-	-	-	-	2,942
-	-	-	-	-	3,515
<u>6,313</u>	<u>73,814</u>	<u>99,957</u>	<u>-</u>	<u>6,442</u>	<u>261,502</u>
<u>3,427,112</u>	<u>3,383,159</u>	<u>89,467</u>	<u>19,079</u>	<u>236,588</u>	<u>14,651,987</u>
<u>3,427,112</u>	<u>3,383,159</u>	<u>89,467</u>	<u>19,079</u>	<u>236,588</u>	<u>14,651,987</u>
<u>\$ 3,433,425</u>	<u>\$ 3,456,973</u>	<u>\$ 189,424</u>	<u>\$ 19,079</u>	<u>\$ 243,030</u>	<u>\$ 14,913,489</u>

**CITY OF RANCHO MIRAGE**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**Year Ended June 30, 2013**

	Landscape and Lighting Districts	Parkland Fund	Library Foundation	Gas Tax
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	417,379
Charges for services	-	-	-	-
Special assessments	540,164	412,398	-	-
Interest income	3,352	57,951	36,983	25,058
Net increase (decrease) in investment fair value	-	(55,258)	(35,763)	(19,848)
Miscellaneous	-	-	178,371	-
Total revenues	<u>543,516</u>	<u>415,091</u>	<u>179,591</u>	<u>422,589</u>
Expenditures:				
Current:				
General government	-	112,408	-	6,371
Public works	419,520	-	-	70,741
Cultural and recreation	-	266,394	243,622	-
Capital projects	-	54,019	-	-
Total expenditures	<u>419,520</u>	<u>432,821</u>	<u>243,622</u>	<u>77,112</u>
Excess (deficiency) of revenues over (under) expenditures	<u>123,996</u>	<u>(17,730)</u>	<u>(64,031)</u>	<u>345,477</u>
Other financing sources (uses):				
Transfers in	6,051	43,217	-	-
Transfers out	<u>(38,201)</u>	<u>(37,234)</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(32,150)</u>	<u>5,983</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	91,846	(11,747)	(64,031)	345,477
Fund balances, beginning of year	<u>229,270</u>	<u>3,531,963</u>	<u>2,044,824</u>	<u>1,328,980</u>
Fund balances, end of year	<u>\$ 321,116</u>	<u>\$ 3,520,216</u>	<u>\$ 1,980,793</u>	<u>\$ 1,674,457</u>

AB 939 Recycling Programs	Transportation Measure A	Air Pollution Reduction	Rent Control	Storm Water Quality	Total Nonmajor Special Revenue Funds
\$ -	\$ 828,392	\$ -	\$ -	\$ -	\$ 828,392
5,000	43,446	26,522	-	-	492,347
175,005	-	-	2,270	-	177,275
-	-	-	-	-	952,562
56,122	47,192	2,985	293	5,740	235,676
(53,384)	(42,742)	-	-	(7,498)	(214,493)
2,107	-	-	-	-	180,478
<u>184,850</u>	<u>876,288</u>	<u>29,507</u>	<u>2,563</u>	<u>(1,758)</u>	<u>2,652,237</u>
63,826	-	109,308	24	70,961	362,898
136,102	-	-	-	88,951	715,314
-	-	-	-	-	510,016
-	130,125	-	-	-	184,144
<u>199,928</u>	<u>130,125</u>	<u>109,308</u>	<u>24</u>	<u>159,912</u>	<u>1,772,372</u>
<u>(15,078)</u>	<u>746,163</u>	<u>(79,801)</u>	<u>2,539</u>	<u>(161,670)</u>	<u>879,865</u>
-	-	-	-	1,072	50,340
-	-	-	-	-	(75,435)
-	-	-	-	1,072	(25,095)
(15,078)	746,163	(79,801)	2,539	(160,598)	854,770
<u>3,442,190</u>	<u>2,636,996</u>	<u>169,268</u>	<u>16,540</u>	<u>397,186</u>	<u>13,797,217</u>
<u>\$ 3,427,112</u>	<u>\$ 3,383,159</u>	<u>\$ 89,467</u>	<u>\$ 19,079</u>	<u>\$ 236,588</u>	<u>\$ 14,651,987</u>

**CITY OF RANCHO MIRAGE**

**BUDGETARY COMPARISON SCHEDULE  
LANDSCAPE AND LIGHTING DISTRICTS  
NONMAJOR SPECIAL REVENUE FUND**

**Year Ended June 30, 2013**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
	<u>          </u>	<u>          </u>	<u>          </u>
Revenues:			
Special assessments	\$ 538,208	\$ 540,164	\$ 1,956
Interest income	306	3,352	3,046
Total revenues	<u>538,514</u>	<u>543,516</u>	<u>5,002</u>
Expenditures:			
Current:			
Public works	<u>520,717</u>	<u>419,520</u>	<u>101,197</u>
Excess (deficiency) of revenues over (under) expenditures	<u>17,797</u>	<u>123,996</u>	<u>106,199</u>
Other financing sources (uses):			
Transfers in	6,051	6,051	-
Transfers out	<u>(38,201)</u>	<u>(38,201)</u>	<u>-</u>
Total other financing sources (uses)	<u>(32,150)</u>	<u>(32,150)</u>	<u>-</u>
Net changes in fund balance	(14,353)	91,846	106,199
Fund balance, beginning of year	<u>880</u>	<u>229,270</u>	<u>(228,390)</u>
Fund balance, end of year	<u>\$ (13,473)</u>	<u>\$ 321,116</u>	<u>\$ 334,589</u>

**CITY OF RANCHO MIRAGE**

**BUDGETARY COMPARISON SCHEDULE  
PARKLAND  
NONMAJOR SPECIAL REVENUE FUND**

**Year Ended June 30, 2013**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Special assessments	\$ 417,518	\$ 412,398	\$ (5,120)
Interest income	73,200	57,951	(15,249)
Net increase (decrease) in investment fair value	-	(55,258)	(55,258)
Total revenues	<u>490,718</u>	<u>415,091</u>	<u>(75,627)</u>
Expenditures:			
Current:			
General government	120,690	112,408	8,282
Cultural and recreation	294,149	266,394	27,755
Capital projects	10,977	54,019	(43,042)
Total expenditures	<u>414,839</u>	<u>432,821</u>	<u>(7,005)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>75,879</u>	<u>(17,730)</u>	<u>(93,609)</u>
Other financing sources (uses):			
Transfers in	43,217	43,217	-
Transfers out	<u>(37,234)</u>	<u>(37,234)</u>	-
Total other financing sources (uses)	<u>5,983</u>	<u>5,983</u>	-
Net changes in fund balance	69,896	(11,747)	(81,643)
Fund balance, beginning of year	<u>3,514,467</u>	<u>3,531,963</u>	<u>(17,496)</u>
Fund balance, end of year	<u>\$ 3,584,363</u>	<u>\$ 3,520,216</u>	<u>\$ (64,147)</u>

**CITY OF RANCHO MIRAGE**

**BUDGETARY COMPARISON SCHEDULE  
LIBRARY FOUNDATION  
NONMAJOR SPECIAL REVENUE FUND**

**Year Ended June 30, 2013**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Interest income	\$ 36,000	\$ 36,983	\$ 983
Net increase (decrease) in investment fair value	-	(35,763)	(35,763)
Miscellaneous	145,300	178,371	33,071
Total revenues	<u>181,300</u>	<u>179,591</u>	<u>(1,709)</u>
Expenditures:			
Current:			
Cultural and recreation	<u>303,200</u>	<u>243,622</u>	<u>59,578</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(121,900)</u>	<u>(64,031)</u>	<u>57,869</u>
Fund balance, beginning of year	<u>1,959,140</u>	<u>2,044,824</u>	<u>(85,684)</u>
Fund balance (deficit), end of year	<u>\$ 1,837,240</u>	<u>\$ 1,980,793</u>	<u>\$ 143,553</u>

**CITY OF RANCHO MIRAGE**  
**BUDGETARY COMPARISON SCHEDULE**  
**GAS TAX**  
**NONMAJOR SPECIAL REVENUE FUND**

**Year Ended June 30, 2013**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental	\$ (465,003)	\$ 417,379	\$ 882,382
Interest income	(18,700)	25,058	43,758
Net increase (decrease) in investment fair value	-	(19,848)	(19,848)
Total revenues	<u>(483,703)</u>	<u>422,589</u>	<u>906,292</u>
Expenditures			
Current:			
General government	2,000	6,371	(4,371)
Capital projects	160,443	-	160,443
Total expenditures	<u>233,138</u>	<u>77,112</u>	<u>156,026</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(716,841)</u>	<u>345,477</u>	<u>1,062,318</u>
Fund balance, beginning of year	<u>167,657</u>	<u>1,328,980</u>	<u>(1,161,323)</u>
Fund balance, end of year	<u>\$ (549,184)</u>	<u>\$ 1,674,457</u>	<u>\$ 2,223,641</u>

**CITY OF RANCHO MIRAGE**

**BUDGETARY COMPARISON SCHEDULE  
AB 939 RECYCLING PROGRAMS  
NONMAJOR SPECIAL REVENUE FUND**

**Year Ended June 30, 2013**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Intergovernmental	\$ -	\$ 5,000	\$ 5,000
Charges for services	180,000	175,005	(4,995)
Interest income	69,800	56,122	(13,678)
Net increase (decrease) in investment fair value	-	(53,384)	(53,384)
Miscellaneous	-	2,107	2,107
Total revenues	<u>249,800</u>	<u>184,850</u>	<u>(72,057)</u>
Expenditures:			
Current:			
General government	125,000	63,826	61,174
Public works	141,000	136,102	4,898
Total expenditures	<u>266,000</u>	<u>199,928</u>	<u>66,072</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(16,200)</u>	<u>(15,078)</u>	<u>1,122</u>
Fund balance, beginning of year	<u>3,382,691</u>	<u>3,442,190</u>	<u>(59,499)</u>
Fund balance, end of year	<u><u>\$ 3,366,491</u></u>	<u><u>\$ 3,427,112</u></u>	<u><u>\$ 60,621</u></u>

**CITY OF RANCHO MIRAGE**

**BUDGETARY COMPARISON SCHEDULE  
TRANSPORATION MEASURE A  
NONMAJOR SPECIAL REVENUE FUND**

**Year Ended June 30, 2013**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Taxes	\$ 681,000	\$ 828,392	\$ 147,392
Intergovernmental	-	43,446	43,446
Interest income	96,800	47,192	(49,608)
Net increase (decrease) in investment fair value	-	(42,742)	(42,742)
Total revenues	<u>777,800</u>	<u>876,288</u>	<u>98,488</u>
Expenditures:			
Capital projects	<u>2,248,587</u>	<u>130,125</u>	<u>2,118,462</u>
Total expenditures	<u>2,248,587</u>	<u>130,125</u>	<u>2,118,462</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,470,787)</u>	<u>746,163</u>	<u>2,216,950</u>
Net changes in fund balances	(1,470,787)	746,163	2,216,950
Fund balance, beginning of year	<u>3,446,682</u>	<u>2,636,996</u>	<u>809,686</u>
Fund balance, end of year	<u>\$ 1,975,895</u>	<u>\$ 3,383,159</u>	<u>\$ 1,407,264</u>

**CITY OF RANCHO MIRAGE**

**BUDGETARY COMPARISON SCHEDULE  
AIR POLLUTION REDUCTION  
NONMAJOR SPECIAL REVENUE FUND**

**Year Ended June 30, 2013**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Intergovernmental	\$ -	\$ 26,522	\$ 26,522
Interest income	500	2,985	2,485
Total revenues	<u>500</u>	<u>29,507</u>	<u>29,007</u>
Expenditures:			
Current:			
General government	<u>109,310</u>	<u>109,308</u>	<u>2</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(108,810)</u>	<u>(79,801)</u>	<u>29,009</u>
Fund balance, beginning of year	<u>3,662</u>	<u>169,268</u>	<u>(165,606)</u>
Fund balance, end of year	<u><u>\$ (105,148)</u></u>	<u><u>\$ 89,467</u></u>	<u><u>\$ 194,615</u></u>

**CITY OF RANCHO MIRAGE**  
**BUDGETARY COMPARISON SCHEDULE**  
**RENT CONTROL**  
**NONMAJOR SPECIAL REVENUE FUND**

**Year Ended June 30, 2013**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for services	\$ 2,000	\$ 2,270	\$ 270
Interest income	150	293	143
Total revenues	<u>2,150</u>	<u>2,563</u>	<u>413</u>
Expenditures:			
Current:			
General government	<u>2,800</u>	<u>24</u>	<u>2,776</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(650)</u>	<u>2,539</u>	<u>3,189</u>
Fund balance, beginning of year	<u>14,426</u>	<u>16,540</u>	<u>(2,114)</u>
Fund balance, end of year	<u>\$ 13,776</u>	<u>\$ 19,079</u>	<u>\$ 5,303</u>

**CITY OF RANCHO MIRAGE**  
**BUDGETARY COMPARISON SCHEDULE**  
**STORM WATER QUALITY**  
**NONMAJOR SPECIAL REVENUE FUND**

**Year Ended June 30, 2013**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Special assessment	\$ 93,300	\$ -	\$ (93,300)
Interest income	12,360	5,740	(6,620)
Net increase (decrease) in investment fair value	-	(7,498)	(7,498)
Total revenues	<u>105,660</u>	<u>(1,758)</u>	<u>(107,418)</u>
Expenditures:			
Current:			
General government	118,400	70,961	47,439
Public works	66,000	88,951	(22,951)
Total expenditures	<u>184,400</u>	<u>159,912</u>	<u>24,488</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(78,740)</u>	<u>(161,670)</u>	<u>(82,930)</u>
Other financing sources (uses):			
Transfers in	<u>1,072</u>	<u>1,072</u>	<u>-</u>
Net changes in fund balance	(77,668)	(160,598)	(82,930)
Fund balance, beginning of year	<u>240,607</u>	<u>397,186</u>	<u>(156,579)</u>
Fund balance, end of year	<u>\$ 162,939</u>	<u>\$ 236,588</u>	<u>\$ 73,649</u>

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***NONMAJOR DEBT SERVICE FUNDS***

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Debt Service Funds are used to account for the accumulation of resources that are restricted, committed, or assigned to expenditure for principal and interest.

The Joint Powers Financing Authority Fund – is used to account for the debt service transactions of the 2005A Lease Revenue Bond issue.

**CITY OF RANCHO MIRAGE**  
**BALANCE SHEET**  
**NONMAJOR DEBT SERVICE FUND**

**June 30, 2013**

	<b><u>Joint Powers Financing Authority</u></b>
Assets:	
Cash and investments with fiscal agent	<u>\$          397,993</u>
Liabilities:	
Total liabilities	<u>\$                  -</u>
Fund balances:	
Restricted	<u>                  397,993</u>
Total fund balance	<u>                  397,993</u>
Total liabilities and fund balances	<u><u>\$          397,993</u></u>

**CITY OF RANCHO MIRAGE**

**STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES NONMAJOR DEBT SERVICE FUND**

**Year Ended June 30, 2013**

	<u><b>Joint Powers Financing Authority</b></u>
Revenues:	
Interest income	\$ 5,237
Net increase (decrease) in investment fair value	(11,780)
Miscellaneous	<u>390,483</u>
Total revenues	<u>383,940</u>
 Expenditures:	
Debt service:	
Principal	185,000
Interest	<u>205,483</u>
Total expenditures	<u>390,483</u>
 Excess (deficiency) of revenues over (under) expenditures	 <u>(6,543)</u>
 Total change in fund balances	 (6,543)
 Fund balances, beginning of year	 <u>404,536</u>
 Fund balances, end of year	 <u>\$ 397,993</u>

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## ***NONMAJOR CAPITAL PROJECT FUNDS***

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Capital Project Funds are used to account for resources that are restricted, committed, or assigned to expenditure for capital outlays.

The Development Fee Funds – are used to account for fees collected on new residential and commercial development which are then used to mitigate the impact of the new development on the City.

The Assessment Districts Fund – is used to account for activities relating to street improvement and construction, flood control and utility undergrounding for specific areas of the City.

**CITY OF RANCHO MIRAGE**  
**COMBINING BALANCE SHEET**  
**NONMAJOR CAPITAL PROJECTS FUNDS**

**June 30, 2013**

	<b>Assessment District</b>	<b>Development Fees</b>	<b>Total Nonmajor Capital Projects Funds</b>
Assets			
Cash and investments	135,179	\$ 3,355,929	\$ 3,491,108
Interest receivable	20	472	492
Total assets	\$ 135,199	\$ 3,356,401	\$ 3,491,600
Liabilities and fund balances			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ -
Due to other funds	-	-	-
Total liabilities	-	-	-
Fund balances:			
Restricted	135,199	3,356,401	3,491,600
Total fund balance	135,199	3,356,401	3,491,600
Total liabilities and fund balances	\$ 135,199	\$ 3,356,401	\$ 3,491,600

**CITY OF RANCHO MIRAGE**

**COMBINING STATEMENT OF REVENUES  
EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECTS FUNDS**

**Year Ended June 30, 2013**

	<u>Assessment District</u>	<u>Development Fees</u>	<u>Total Nonmajor Capital Projects Funds</u>
Revenues:			
Developer fees	\$ -	\$ 272,751	\$ 272,751
Interest income	2,172	53,508	55,680
Net increase (decrease) in investment fair value	-	(31,583)	(31,583)
Miscellaneous	<u>25,926</u>	<u>-</u>	<u>25,926</u>
Total revenues	<u>28,098</u>	<u>294,676</u>	<u>322,774</u>
 Expenditures			
Current:			
General government	-	8,051	8,051
Debt service			
Principal		<u>27,187</u>	<u>27,187</u>
Total expenditures	<u>-</u>	<u>35,238</u>	<u>35,238</u>
 Excess (deficiency) of revenues over (under) expenditures	<u>28,098</u>	<u>259,438</u>	<u>287,536</u>
 Fund balances at beginning of year	<u>107,101</u>	<u>3,096,963</u>	<u>3,204,064</u>
 Fund balances, end of year	<u>\$ 135,199</u>	<u>\$ 3,356,401</u>	<u>\$ 3,491,600</u>

**CITY OF RANCHO MIRAGE**  
**BUDGETARY COMPARISON SCHEDULE**  
**DEVELOPMENT FEES**  
**NON-MAJOR CAPITAL PROJECTS FUNDS**

**Year Ended June 30, 2013**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Developer fees	\$ 78,000	\$ 272,751	\$ 194,751
Interest income	54,367	53,508	(859)
Net increase (decrease) in investment fair value	-	(31,583)	(31,583)
Total revenues	<u>132,367</u>	<u>294,676</u>	<u>162,309</u>
Expenditures:			
Current:			
General government	3,355	8,051	(4,696)
Capital projects	151,656	27,187	124,469
Total expenditures	<u>155,011</u>	<u>35,238</u>	<u>119,773</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(22,644)</u>	<u>259,438</u>	<u>282,082</u>
Other financing sources (uses):			
Transfers out	<u>(7,880)</u>	<u>-</u>	<u>7,880</u>
Net changes in fund balances	(30,524)	259,438	289,962
Fund balances beginning of year	<u>2,897,926</u>	<u>3,096,963</u>	<u>(199,037)</u>
Fund balances, end of year	<u>\$ 2,867,402</u>	<u>\$ 3,356,401</u>	<u>\$ 488,999</u>

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## ***AGENCY FUNDS***

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*Agency Funds are used to account for assets held by the City in a fiduciary capacity for individuals, governmental entities and others.*

The City Agency Fund – is used to account for refundable customer deposits.

The Assessment Districts Funds – is used to account for assessment collections and debt service payments of assessment districts whose debt is not an obligation of the City.

**CITY OF RANCHO MIRAGE**

**AGENCY FUNDS  
COMBINING SCHEDULE OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES**

**Year Ended June 30, 2013**

	<u>Balance at</u> <u>July 1, 2012</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance at</u> <u>June 30, 2013</u>
<b><u>CITY AGENCY FUND</u></b>				
Assets:				
Cash and investments	\$ 2,532,342	\$ 46,408	\$ -	\$ 2,578,750
Accounts receivable	-	25,000	-	25,000
	<hr/>	<hr/>	<hr/>	<hr/>
Total Assets	<u>\$ 2,532,342</u>	<u>\$ 71,408</u>	<u>\$ -</u>	<u>\$ 2,603,750</u>
Liabilities:				
Accounts payable	829,126	21,001	-	\$ 850,127
Deposits payable	1,703,216	50,407	-	1,753,623
	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities	<u>\$ 2,532,342</u>	<u>\$ 71,408</u>	<u>\$ -</u>	<u>\$ 2,603,750</u>
<b><u>ASSESSMENT DISTRICTS FUND</u></b>				
Assets:				
Cash and investments	\$ 1,424,023	\$ 153,012	\$ -	\$ 1,577,035
Cash and investments with fiscal agent	1,327,956	-	67,145	1,260,811
Interest receivable	94	151	-	245
Due from other governments	38,529	-	12,143	26,386
	<hr/>	<hr/>	<hr/>	<hr/>
Total Assets	<u>\$ 2,790,602</u>	<u>\$ 153,163</u>	<u>\$ 79,288</u>	<u>\$ 2,864,477</u>
Liabilities:				
Due to bondholders	2,790,602	73,875	-	2,864,477
	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities	<u>\$ 2,790,602</u>	<u>\$ 73,875</u>	<u>\$ -</u>	<u>\$ 2,864,477</u>
<b><u>TOTALS-ALL AGENCY FUNDS</u></b>				
Assets:				
Cash and investments	\$ 3,956,365	\$ 199,420	\$ -	\$ 4,155,785
Cash and investments with fiscal agent	1,327,956	-	67,145	1,260,811
Interest receivable	94	151	-	245
Accounts receivable	-	25,000	-	25,000
Due from other governments	38,529	-	12,143	26,386
	<hr/>	<hr/>	<hr/>	<hr/>
Total Assets	<u>\$ 5,322,944</u>	<u>\$ 224,571</u>	<u>\$ 79,288</u>	<u>\$ 5,468,227</u>
Liabilities:				
Accounts payable	\$ 829,126	\$ 21,001	\$ -	\$ 850,127
Deposits payable	1,703,216	50,407	-	1,753,623
Due to bondholders	2,790,602	73,875	-	2,864,477
	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities	<u>\$ 5,322,944</u>	<u>\$ 145,283</u>	<u>\$ -</u>	<u>\$ 5,468,227</u>

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## *STATISTICAL SECTION*

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*This section of the City of Rancho Mirage Annual Financial Report presents additional information to assist annual financial report users in understanding the financial statements, note disclosures, required supplementary information and assessing the City's overall financial condition.*

### **Contents**

**Financial Trends** — these schedules contain trend information to assist readers in understanding and assessing how the City's financial position has changed over time.

- Net Position by Component
- Changes in Net Position
- Fund Balance of Governmental Funds
- Changes in Fund Balances of Governmental Funds
- Governmental Tax Revenues by Source

**Revenue Capacity** — these schedules contain information to help the reader assess the City's local revenue sources.

- Assessed value and Estimated Actual Value of Taxable Property
- Property Tax Rates, Direct and Overlapping
- Principal Property Tax Payers
- Property Tax Levies and Collections

**Debt Capacity** — these schedules present information to help the reader understand and assess the City's current level of outstanding debt and the City's ability to issued additional debt in the future. Ratio of Outstanding Debt by Type.

- Ratio of General Bonded Debt Outstanding
- Direct and Overlapping Debt
- Pledged-Revenue Coverage

**Demographic and Economic Information** — these schedules provide demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

- Demographics and Economic Statistics
- Principal Employers

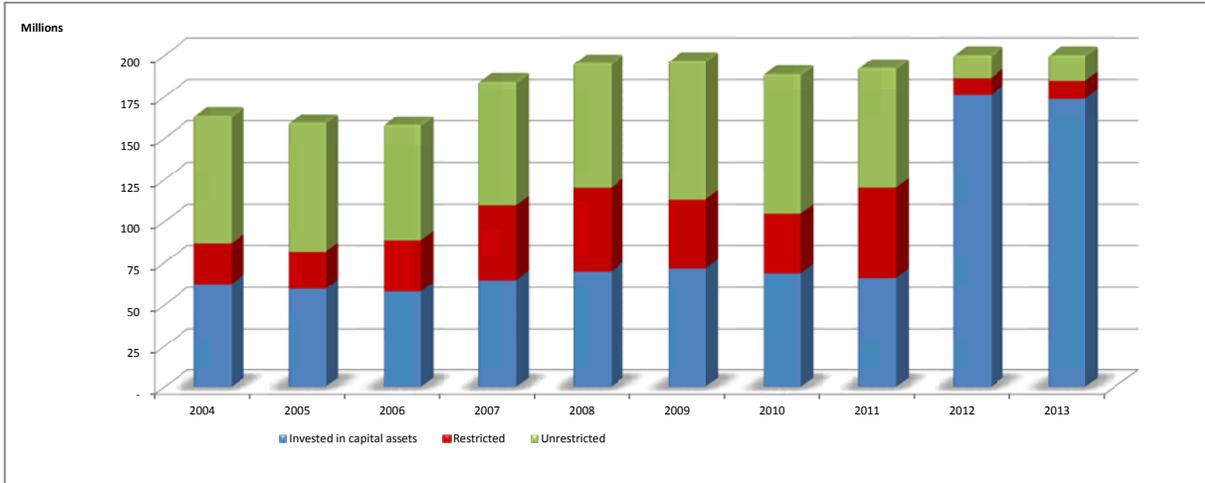
**Operating Information** — these schedules contain service and infrastructure data to help the reader understand how the information in the report relates to the services the City provides and the activities it performs.

- Full-time Equivalent City Government Employees by Function
- Operating Indicators by Function
- Capital Asset Statistics by Function

# CITY OF RANCHO MIRAGE

## Net Position by Component Last Ten Fiscal Years (accrual basis of accounting)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Governmental activities:										
Net investment in capital assets	\$ 62,359,050	\$ 59,485,576	\$ 57,911,677	\$ 64,597,727	\$ 69,623,504	\$ 71,406,020	\$ 68,626,495	\$ 65,953,653	\$ 175,897,018	\$ 173,721,979
Restricted for:										
Community development	15,998,651	13,978,688	21,649,275	33,777,778	38,537,448	28,647,681	24,008,809	44,549,542	-	-
Public safety	90,892	294,125	455,352	514,477	699,795	1,032,317	757,198	328,543	601,437	817,810
Public works	4,271,544	3,686,443	4,078,193	5,511,462	5,574,235	6,176,655	5,296,500	4,427,388	4,878,272	5,236,768
Cultural and recreation	3,892,437	3,948,224	4,379,050	5,328,454	5,600,825	5,786,702	5,962,794	4,869,498	4,771,380	4,786,108
Unrestricted	76,954,667	77,774,930	69,366,764	74,230,761	75,057,430	83,434,229	83,889,131	72,081,113	102,864,212	99,635,002
Total governmental activities net position	<u>\$163,567,241</u>	<u>\$159,167,986</u>	<u>\$157,840,311</u>	<u>\$183,960,659</u>	<u>\$195,093,237</u>	<u>\$196,483,604</u>	<u>\$188,540,927</u>	<u>\$192,209,737</u>	<u>\$289,012,319</u>	<u>\$284,197,667</u>

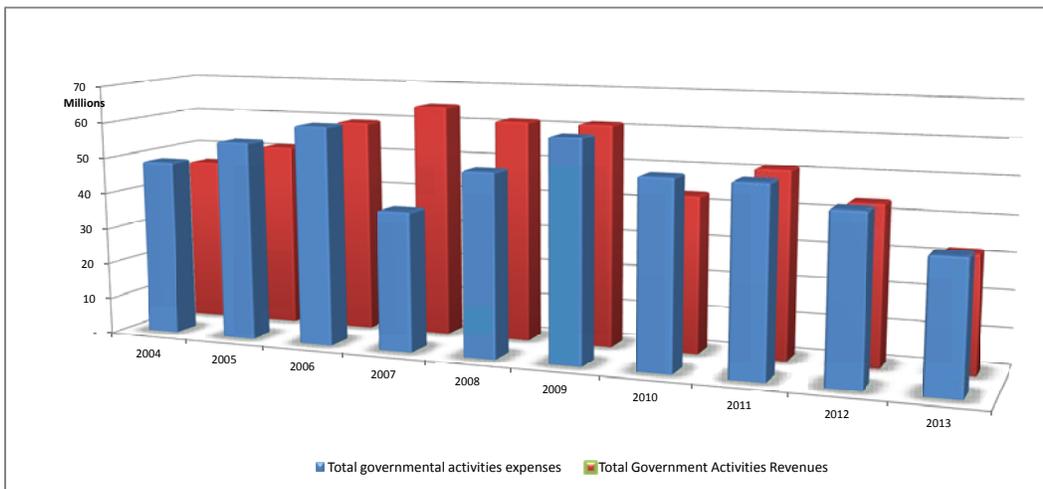


The City of Rancho Mirage implemented GASB 34 for the fiscal year ended June 30, 2003.

# CITY OF RANCHO MIRAGE

## Changes in Net Position Last Ten Fiscal Years (accrual basis of accounting)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Expenses:</b>										
<b>Governmental activities:</b>										
General government	9,900,755	14,122,076	16,020,796	14,046,413	16,021,080	22,518,896	14,475,806	16,130,779	16,759,819	13,468,932
Public safety	8,377,068	8,635,586	10,567,863	9,993,457	10,201,495	10,446,535	11,129,693	11,099,224	11,171,851	11,617,269
Public works	16,403,184	17,856,840	19,164,023	3,606,363	12,040,334	13,393,378	12,066,325	11,513,164	8,848,181	6,416,177
Cultural and recreation	4,314,325	5,663,369	5,495,894	3,609,893	3,964,894	4,322,608	4,324,325	3,862,141	3,911,881	3,737,506
Interest on long-term debt and other charges	9,700,908	8,956,761	9,471,741	7,324,379	7,972,330	9,764,527	9,067,233	8,349,094	4,690,367	148,678
Total governmental activities expenses	<u>48,696,240</u>	<u>55,234,632</u>	<u>60,720,317</u>	<u>38,580,505</u>	<u>50,200,133</u>	<u>60,445,944</u>	<u>51,063,382</u>	<u>50,954,402</u>	<u>45,382,099</u>	<u>35,388,562</u>
<b>Program revenues:</b>										
<b>Governmental activities:</b>										
<b>Charges for services:</b>										
General government	4,167,240	3,870,266	2,870,932	3,638,843	3,061,157	2,016,132	2,371,900	1,838,628	2,513,900	2,789,596
Public safety	1,219,909	1,763,238	314,647	464,416	375,842	313,223	329,803	165,323	143,233	133,530
Public works	1,225,378	1,344,088	1,032,052	1,294,588	1,110,051	1,382,936	904,420	521,816	505,088	378,281
Cultural and recreation	563,485	600,510	704,482	1,086,457	686,272	513,853	498,673	926,238	522,781	495,635
Operating grants & Contributions	3,951,392	4,023,635	4,802,592	2,508,829	2,849,755	2,803,831	3,701,209	2,439,821	2,098,306	864,205
Capital Grants and Contributions	2,199,118	2,328,728	703,715	776,847	797,410	97,179	1,045,253	3,366,193	1,448,786	936,367
Total governmental activities program revenues	<u>13,326,522</u>	<u>13,930,465</u>	<u>10,428,420</u>	<u>9,769,980</u>	<u>8,880,487</u>	<u>7,127,154</u>	<u>8,851,258</u>	<u>9,258,019</u>	<u>7,232,094</u>	<u>5,597,614</u>
Total net revenues (expenses)	<u>(35,369,718)</u>	<u>(41,304,167)</u>	<u>(50,291,897)</u>	<u>(28,810,525)</u>	<u>(41,319,646)</u>	<u>(53,318,790)</u>	<u>(42,212,124)</u>	<u>(41,696,383)</u>	<u>(38,150,005)</u>	<u>(29,790,948)</u>
<b>General revenues and other changes in net assets:</b>										
<b>Taxes:</b>										
Property taxes	15,509,768	18,393,896	21,318,158	23,538,553	22,366,938	23,861,913	11,340,522	26,203,195	15,227,258	4,571,549
Transient occupancy taxes	5,148,725	5,644,962	5,835,222	5,176,838	5,157,302	4,634,439	3,892,316	4,689,994	5,356,152	5,606,679
Sales tax	4,102,089	3,985,310	5,861,699	5,545,232	5,515,465	4,470,537	3,772,259	3,790,245	3,970,239	3,882,102
Franchise taxes	921,876	970,997	1,068,537	1,246,691	1,222,758	1,240,960	1,190,558	1,223,839	1,239,565	1,244,971
Motor vehicle in lieu	722,707	396,845	107,131	96,326	71,072	62,110	50,389	78,511	17,612	7,483
Library and fire services	3,700,066	4,148,420	7,053,984	7,778,959	7,924,540	8,997,464	8,955,768	4,597,922	7,702,636	10,039,639
Other Taxes	219,309	-	222,057	265,511	-	-	-	-	-	-
Investment income, net of increase (decrease) in fair value	970,695	3,614,728	5,369,317	8,660,681	9,199,944	10,517,778	4,649,457	1,036,128	2,371,476	154,797
Other general revenues	1,150,065	99,298	2,128,117	2,622,082	994,205	444,438	418,157	264,583	483,148	832,364
Total general revenues	<u>32,445,300</u>	<u>37,254,456</u>	<u>48,964,222</u>	<u>54,930,873</u>	<u>52,452,224</u>	<u>54,229,639</u>	<u>34,269,426</u>	<u>41,884,417</u>	<u>36,368,086</u>	<u>26,339,584</u>
Extraordinary gain - dissolution of redevelopment agency									98,551,208	-
Changes in net position	(2,924,418)	(4,049,711)	(1,327,675)	26,120,348	11,132,578	910,849	(7,942,698)	188,034	96,769,289	(3,451,364)
Net position at beginning of year	166,491,659 <sup>1</sup>	163,217,697	159,167,986	157,840,311	183,960,659	195,572,755 <sup>1</sup>	196,483,604	192,054,996	192,243,030	287,649,031
Net position at end of year	<u>163,567,241</u>	<u>159,167,986</u>	<u>157,840,311</u>	<u>183,960,659</u>	<u>195,093,237</u>	<u>196,483,604</u>	<u>188,540,906</u>	<u>192,243,030</u>	<u>289,012,319</u>	<u>284,197,667</u>



The City of Rancho Mirage implemented GASB 34 for the fiscal year ended June 30, 2003.

<sup>1</sup> Net Position at beginning of year, as restated.

**CITY OF RANCHO MIRAGE**

**Fund Balances of Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)**

	Fiscal Year				
	2004	2005	2006	2007	2008
General fund:					
Reserved	\$ 11,328,484	23,126,831	10,282,294	3,166,260	4,675,993
Unreserved	57,598,268	47,964,792	59,668,431	70,702,592	69,926,834
Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total general fund	<u>68,926,752</u>	<u>71,091,623</u>	<u>69,950,726</u>	<u>73,868,852</u>	<u>74,602,827</u>
All other governmental funds:					
Reserved for:	16,683,240	28,954,387	42,257,425	9,874,200	10,364,020
Unreserved	114,145,614	88,599,418	64,672,631	108,008,823	112,690,874
Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total all other governmental funds	<u>130,828,854</u>	<u>117,553,805</u>	<u>106,930,056</u>	<u>117,883,023</u>	<u>123,054,894</u>
Total all governmental funds	\$ <u>199,755,606</u>	<u>188,645,428</u>	<u>176,880,782</u>	<u>191,751,875</u>	<u>197,657,721</u>

	Fiscal Year				
	2009	2010	2011	2012	2013
General fund:					
Reserved	\$ 5,593,358	3,845,244	-	-	-
Unreserved	69,897,603	71,868,997	-	-	-
Nonspendable	-	-	30,672	1,528,746	1,457,427
Restricted	-	-	-	-	-
Committed	-	-	-	-	69,050,503
Assigned	-	-	16,915,572	10,442,621	-
Unassigned	-	-	63,371,942	69,339,232	9,644,859
Total general fund	<u>75,490,961</u>	<u>75,714,241</u>	<u>80,318,186</u>	<u>81,310,599</u>	<u>80,152,789</u>
All other governmental funds:					
Reserved for:	20,467,678	47,655,357	-	-	-
Unreserved	115,814,760	67,716,094	-	-	-
Nonspendable	-	-	1,500,000	-	-
Restricted	-	-	63,746,097	35,582,727	34,748,513
Committed	-	-	-	-	-
Assigned	-	-	35,773,625	3,204,062	3,491,600
Unassigned	-	-	-	-	-
Total all other governmental funds	<u>136,282,438</u>	<u>115,371,451</u>	<u>101,019,722</u>	<u>38,786,789</u>	<u>38,240,113</u>
Total all governmental funds	\$ <u>211,773,399</u>	<u>191,085,692</u>	<u>181,337,908</u>	<u>120,097,388</u>	<u>118,392,902</u>

Source: City of Rancho Mirage Comprehensive Annual Financial Report

Note: Beginning in FY 2011, the fund balance classification changed to be consistent with GASB 54.

# CITY OF RANCHO MIRAGE

## Changes in Fund Balances of Governmental Funds Last Ten Fiscal Years (modified accrual basis of accounting)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Revenues:</b>										
Taxes	41,450,397	42,619,827	49,388,634	52,501,941	54,051,951	53,383,125	50,758,411	49,672,270	32,941,333	\$ 16,919,360
Intergovernmental	5,352,333	7,365,464	8,265,208	4,102,702	2,746,203	3,559,677	4,211,049	6,696,101	4,827,425	4,660,697
Licenses and permits	1,862,830	1,463,437	995,315	947,946	765,367	486,475	572,770	518,496	518,934	395,051
Charges for services	4,341,048	3,470,340	1,654,878	1,746,194	1,640,288	1,024,703	770,791	725,567	2,171,134	2,378,958
Fines and forfeitures	160,400	132,682	134,049	134,272	198,482	183,012	245,966	228,588	220,787	172,006
Special Assessments	1,810,415	1,821,072	4,245,759	4,700,393	4,484,852	5,106,451	5,282,158	4,958,580	5,837,585	5,637,368
Developer fees	139,100	1,273,513	938,563	1,070,096	687,465	228,596	579,666	56,555	122,714	333,482
Interest income	4,198,425	5,621,024	6,412,795	7,737,975	9,145,830	8,055,417	5,001,086	3,251,024	2,368,457	1,807,018
Net increase (decrease) in investment fair value	(3,104,659)	(333,530)	(881,240)	1,986,792	1,410,358	2,449,650	(453,191)	(2,214,896)	3,018	(1,652,222)
Proceeds from property owner debt	-	-	-	-	-	-	-	-	-	-
Miscellaneous	1,264,267	848,176	1,614,856	1,242,349	2,088,229	1,998,920	2,017,618	6,934,021	1,158,773	1,285,480
<b>Total revenues</b>	<b>57,474,556</b>	<b>64,282,005</b>	<b>72,768,817</b>	<b>76,170,660</b>	<b>77,219,025</b>	<b>76,476,026</b>	<b>68,986,324</b>	<b>70,826,306</b>	<b>50,170,160</b>	<b>31,937,198</b>
<b>Expenditures</b>										
<b>Current:</b>										
General government	9,758,475	13,515,267	12,615,962	13,532,684	15,135,511	21,512,236	13,934,223	14,653,460	16,250,447	12,986,122
Public safety	8,294,837	8,581,486	8,778,261	9,857,575	10,053,423	10,307,877	10,978,437	11,173,201	11,128,163	11,534,478
Public works	3,551,465	3,656,569	3,873,142	4,121,876	4,261,168	4,751,113	4,167,745	3,858,992	4,206,854	4,214,711
Cultural and recreation	1,933,540	2,198,614	3,311,559	3,224,536	3,449,148	3,835,191	3,799,662	3,581,489	3,403,227	3,223,476
Capital Projects	15,904,160	25,856,533	30,311,886	7,449,509	10,085,373	14,544,626	15,839,636	17,794,157	6,390,604	1,292,417
<b>Debt service:</b>										
Principal	1,885,000	2,420,000	3,640,000	4,655,000	4,600,000	5,530,000	5,370,000	5,565,000	180,000	185,000
Interest	6,323,322	8,184,449	8,242,037	7,400,495	7,466,786	8,016,544	8,172,156	7,980,036	3,989,310	205,483
Payments under pass-through agreements	10,102,734	11,297,084	13,073,751	12,897,644	15,886,314	15,119,233	14,208,932	13,661,996	6,569,870	-
Payments for ERAF shift	993,674	1,935,183	1,941,705	-	-	-	12,583,600	2,590,741	-	-
Service fees	2,662,830	677,240	1,458,592	388,087	375,599	950,175	619,636	32,065	25,530	-
<b>Total expenditures</b>	<b>61,410,037</b>	<b>78,322,425</b>	<b>87,246,895</b>	<b>63,527,406</b>	<b>71,313,322</b>	<b>84,566,995</b>	<b>89,674,027</b>	<b>80,891,137</b>	<b>52,144,005</b>	<b>33,641,687</b>
Excess (deficiency) of revenues over (under) expenditures	(3,935,481)	(14,040,420)	(14,478,078)	12,643,254	5,905,703	(8,090,969)	(20,687,703)	(10,064,831)	(1,973,845)	(1,704,489)
<b>Other financing sources (uses):</b>										
Transfers in	17,512,520	33,145,467	41,552,009	27,327,117	24,100,736	32,839,537	33,736,594	21,000,239	5,533,710	2,555,006
Transfers out	(17,512,520)	(33,145,467)	(41,552,009)	(27,327,117)	(24,100,736)	(32,839,537)	(33,736,594)	(21,000,239)	(5,533,710)	(2,555,006)
Proceeds from sale of capital assets	-	-	1,597,576	2,227,837	-	-	-	-	-	-
Issuance of long-term debt	67,760,405	5,925,000	49,120,000	-	-	22,040,000	-	317,055	-	-
Premium (discount) on issuance of debt	-	-	1,360,413	-	-	(312,870)	-	-	-	-
Payment to refunded bond escrow agent	-	(3,190,278)	(49,364,555)	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>67,760,405</b>	<b>2,734,722</b>	<b>2,713,434</b>	<b>2,227,837</b>	<b>-</b>	<b>21,727,130</b>	<b>-</b>	<b>317,055</b>	<b>-</b>	<b>-</b>
<b>Extraordinary Item:</b>										
Dissolution of former Redevelopment Agency									(59,299,969)	
<b>Net change in fund balances</b>	<b>63,824,924</b>	<b>(11,305,698)</b>	<b>(11,764,644)</b>	<b>14,871,091</b>	<b>5,905,703</b>	<b>13,636,161</b>	<b>(20,687,703)</b>	<b>(9,747,776)</b>	<b>(61,273,814)</b>	<b>\$ (1,704,489)</b>
<b>Debt service as a percentage of noncapital expenditures</b>	<b>13.5%</b>	<b>15.2%</b>	<b>15.4%</b>	<b>21.2%</b>	<b>17.1%</b>	<b>16.2%</b>	<b>18.3%</b>	<b>21.5%</b>	<b>8.9%</b>	<b>1.2%</b>

The City of Rancho Mirage implemented GASB 34 for the fiscal year ended June 30, 2003.

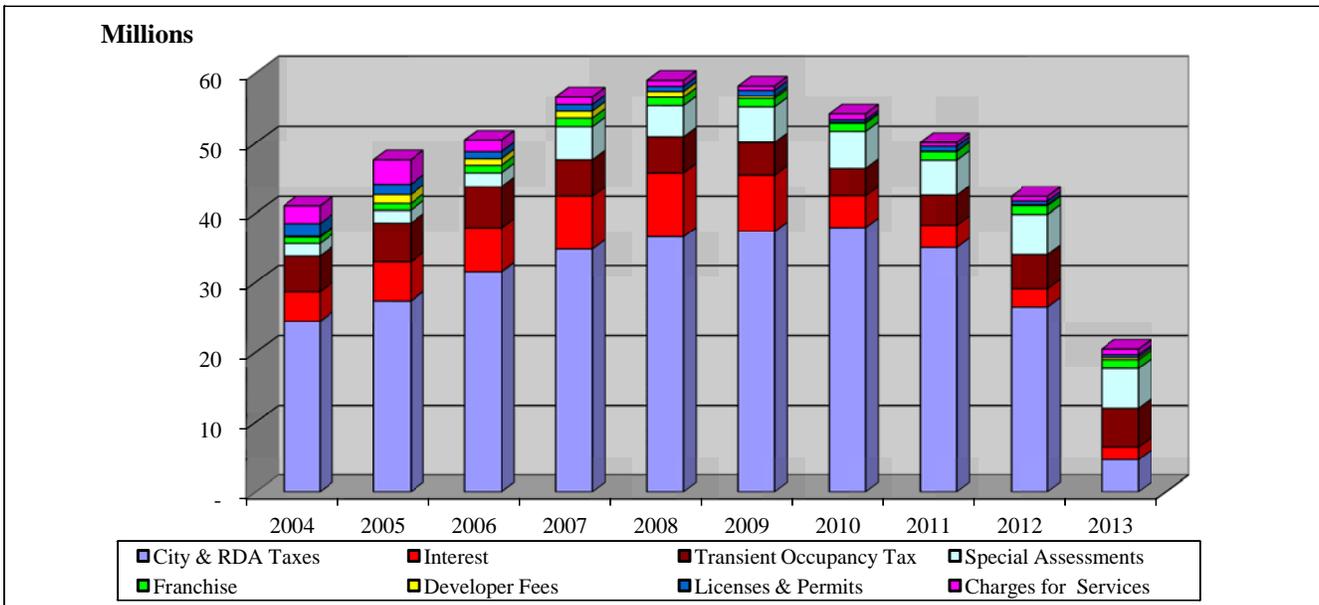
## CITY OF RANCHO MIRAGE

### Major Revenue Sources – Governmental Funds Last Ten Fiscal Years (modified accrual basis of accounting)

Fiscal Year End	City Property Tax and RDA Tax Increment	Interest	Transient Occupancy	Special Assessments	Franchise	Developer Fees	Licenses & Permits	Charges for Services	Total
2004	24,396,668	4,198,425	5,148,725	1,810,415	921,876	139,100	1,862,830	2,497,252	40,975,291
2005	27,287,220	5,621,024	5,644,962	1,821,072	970,997	1,273,513	1,463,437	3,470,340	47,552,565
2006	31,446,448	6,414,077	5,877,525	1,968,493	1,068,537	938,563	995,315	1,654,878	50,363,836
2007	34,753,736	7,632,660	5,176,838	4,746,585	1,246,691	1,003,853	947,946	1,085,943	56,594,252
2008	36,541,457	9,145,831	5,157,302	4,506,070	1,222,758	792,234	742,777	836,550	58,944,979
2009	37,331,645	8,055,416	4,634,439	5,140,189	1,240,960	290,852	840,823	607,163	58,141,487
2010	37,903,311	4,547,895	3,892,316	5,282,157	1,190,558	128,496	368,894	837,745	54,151,372
2011	34,988,718	3,251,022	4,302,014	4,958,579	1,223,839	56,554	708,075	526,296	50,015,098
2012	26,437,010	2,592,296	4,925,307	5,837,583	1,239,565	122,712	518,935	690,640	42,364,048
2013	4,571,549	1,807,018	5,606,679	5,637,368	1,244,971	333,482	395,051	814,814	20,410,932

Percentage change:

2004-2013	-478.3%	-43.5%	12.2%	-3.6%	0.4%	63.2%	-31.4%	15.2%	-107.6%
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Tax increment is no longer reported as redevelopment agencies were dissolved in FY 2012

**CITY OF RANCHO MIRAGE**

**Assessed Value and Estimated Actual Value of Taxable Property  
Last Ten Fiscal Years**

Year Ended <u>June 30</u>	City					
	<u>Secured Property</u>	<u>Unsecured Property</u>	<u>Total Assessed Property Value</u>	<u>Less Property Exemptions</u>	<u>Less Homeowner's Exemptions</u>	<u>Taxable Assessed Value</u>
2003	4,346,428,520	134,199,032	4,480,627,552	250,166,114	26,071,744	4,204,389,694
2004	4,815,526,070	156,040,389	4,971,566,459	264,652,158	28,545,390	4,678,368,911
2005	5,430,429,840	175,459,045	5,605,888,885	319,303,835	29,221,822	5,257,363,228
2006	6,199,345,440	211,188,516	6,410,533,956	332,430,426	31,384,677	6,046,718,853
2007	7,162,393,349	217,992,151	7,380,385,500	329,830,054	32,739,367	7,017,816,079
2008	7,981,900,865	216,748,234	8,198,649,099	355,469,047	32,957,707	7,810,222,345
2009	8,253,540,667	243,632,123	8,497,172,790	392,938,402	33,051,439	8,071,182,949
2010	8,034,046,037	266,075,905	8,300,121,942	232,254,754	32,711,561	8,035,155,627
2011	7,626,463,485	249,847,605	7,876,311,090	483,628,859	32,322,140	7,360,360,091
2012	7,493,838,095	264,159,885	7,757,997,980	566,376,759	31,488,162	7,160,133,059
2013	7,542,777,796	254,154,858	7,796,932,654	617,151,641	30,607,881	7,149,173,132

**NOTE:**

In 1978 the voters of the State of California passed Proposition 13 which limited property taxes to a total maximum rate of 1% based upon the assessed value of the property being taxed. Each year, the assessed value of property may be increased by an "inflation factor" (limited to a maximum increase of 2%). With few exceptions, property is only re-assessed at the time that it is sold to a new owner. At that point, the new assessed value is reassessed at the purchase price of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

Source: Riverside County Auditor-Controller's Office

**CITY OF RANCHO MIRAGE**

**Property Tax Rates – Direct and Overlapping Governments  
Last Ten Fiscal Years (per \$100 of Assessed Value)**

	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
General	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
Desert Sands Unified School	0.09581	0.07674	0.07613	0.07561	0.07990	0.07990	0.10036	0.10036	0.11467	0.11156
Palm Springs Unified B, IA	0.05715	0.05012	0.05912	0.05468	0.06007	0.06007	0.13224	0.13224	0.10451	0.09351
Desert Community College	0.01994	0.01995	0.01995	0.01995	0.01995	0.01995	0.01995	0.01995	0.01995	0.01995
Coachella Valley Water District	0.02080	0.02080	0.02080	0.04000	0.04000	0.04000	0.08000	0.08000	0.08000	0.08000
Coachella Valley Water Improvement District 53	0.00020	0.00020	-	0.00090	-	-	-	-	-	-
Coachella Valley Water Improvement District 54	0.01910	0.01800	0.01800	0.00720	0.00650	0.00650	0.00530	0.05300	-	-
Desert Water Agency	0.06000	0.06000	0.06000	0.08000	0.08000	0.08000	0.08000	-	0.08000	0.10000
<b>Total</b>	<b>1.27300</b>	<b>1.24581</b>	<b>1.25400</b>	<b>1.27834</b>	<b>1.28642</b>	<b>1.28642</b>	<b>1.41785</b>	<b>1.38555</b>	<b>1.39913</b>	<b>1.40502</b>

Source: Riverside County Auditor-Controller's Office

## CITY OF RANCHO MIRAGE

### Principal Property Tax Payers Current Year and Ten Years Ago

Taxpayer	Land Use	2013		2003	
		Taxable Assessed Value	Percent of Total City & RDA Taxable Assessed Value	Taxable Assessed Value	Percent of Total City & RDA Taxable Assessed Value
River Retail	Commercial	\$ 88,942,421	0.65%		0.00%
KSL RLP Holdings	Hotel	53,852,027	0.39%		0.00%
Stark RM Eagle	Commercial	48,292,793	0.35%		0.00%
Porkupine Properties	Residential Properties	48,009,350	0.35%		0.00%
Newage Rancho Mirage	Hotel	45,406,177	0.33%		0.00%
Starwood Mission Hills CMBS I	Hotel	44,302,102	0.32%	140,170,908	1.88%
Eisenhower Memorial Hospital	Hospital	29,976,703	0.22%	56,077,221	0.75%
Eisenhower Properties	Hospital	26,658,051	0.20%		0.00%
ATC Realty One	Commercial	26,082,741	0.19%		0.00%
Mission Hills Country Club	Golf Course / Country Club	25,215,639	0.18%	20,931,995	0.28%
Wallis Annenberg	Residential Properties	25,023,114	0.18%		0.00%
FIT REN Mirage Inn	Hotel	24,650,806	0.18%		0.00%
Thunderbird Terrace	Condominium Complex	18,539,910	0.14%	18,114,279	0.24%
Desert European Motorcars	Commercial	17,115,398	0.13%		0.00%
Hotel Majestic	Hotel	15,555,000	0.11%		0.00%
Nationwide Health Properties	Commercial	15,362,513	0.11%		0.00%
Fin Co Partners	Commercial	14,606,576	0.11%		0.00%
Zelman Rancho Mirage	Commercial	13,317,080	0.10%		0.00%
CNL Retirement MA3 Calif	Rest Home	12,952,376	0.09%		0.00%
Club at Morningside	Golf Course / Country Club	12,480,829	0.09%		0.00%
SHC Rancho	Hotel	-	0.00%	77,512,464	1.04%
Olympus Rancho Mirage	Hotel	-	0.00%	28,425,527	0.38%
Cascada Investments Inc	Land	-	0.00%	15,023,510	0.20%
		<u>\$ 606,341,606</u>	<u>4.45%</u>	<u>\$ 356,255,905</u>	<u>4.77%</u>

1) 2012-13 Local Secured Assessed Valuation: \$7,245,800

2) Taxable property only.

The amounts shown above include assessed value data for both the City and the Redevelopment Agency.

Source: HdL Coren & Cone

**CITY OF RANCHO MIRAGE**

**Property Tax Levies and Collections  
Last Ten Fiscal Years**

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percent of Levy		Amount	Percent of Levy
2004	22,998,519	24,160,708	105.05%	235,960	24,396,668	106.08%
2005	25,343,548	26,990,846	106.50%	296,374	27,287,220	107.67%
2006	28,810,194	30,919,317	107.32%	527,131	31,446,448	109.15%
2007	32,869,381	33,739,177	102.65%	1,014,559	34,753,736	105.73%
2008	36,651,002	35,753,415	97.55%	788,042	36,541,457	99.70%
2009	37,854,169	36,597,061	96.68%	742,694	37,339,755	98.64%
2010	36,588,819	36,055,757	98.54%	480,136	36,535,893	99.86%
2011	34,350,425	36,029,172	104.89%	346,814	36,375,986	105.90%
2012	17,717,826	17,652,090	99.63%	Not Available	17,652,090	99.63%
2013	1,365,608	1,311,650	96.05%	126,060	1,437,711	105.28%

**NOTE:**

The amounts presented include City property taxes and Redevelopment Agency tax increment. This schedule also includes amounts collected by the City and Redevelopment Agency that were passed-through to other agencies.

Source: Riverside County Auditor Controller's Office  
City of Rancho Mirage

**CITY OF RANCHO MIRAGE**

**Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years**

Fiscal Year End	Governmental Activities					Percentage of Personal Income
	Revenue Bonds	Tax Allocation Bonds <sup>1</sup>	Advances Payable	Loans Payable	Total	
2004	3,105,000	166,635,304	7,112,815		176,853,119	17.26%
2005	5,925,000	164,408,511	7,112,815		177,446,326	16.08%
2006	5,775,000	161,464,681	-		167,239,681	14.18%
2007	5,625,000	157,119,221	-		162,744,221	13.20%
2008	5,470,000	152,842,643	-		158,312,643	11.90%
2009	5,310,000	169,690,462	-		175,000,462	13.18%
2010	5,145,000	164,673,158	-		169,818,158	12.21%
2011	4,970,000	157,870,276	-		162,840,276	13.67%
2012	4,790,000	-	-	2,314,566	7,104,566	0.61%
2013	4,605,000	-	-	2,267,396	6,872,396	0.63%

Notes: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

Sources: City of Rancho Mirage and Wheeler's Demographic Profiles of the Coachella Valley

**CITY OF RANCHO MIRAGE**

**Ratio of General Bonded Debt Outstanding  
Last Ten Fiscal Years**

Fiscal Year Ended June 30	Outstanding General Bonded Debt				Percent of Assessed Value <sup>1</sup>	Per Capita
	Revenue Bonds	Tax Allocation Bonds	Loans	Total		
2004	3,105,000	166,635,304		169,740,304	1.85%	10,938
2005	5,925,000	164,408,511		170,333,511	1.67%	10,376
2006	5,775,000	161,464,681		167,239,681	1.46%	10,031
2007	5,625,000	157,119,221		162,744,221	1.25%	9,605
2008	5,470,000	152,842,643		158,312,643	1.11%	9,326
2009	5,310,000	169,690,462		175,000,462	1.18%	10,186
2010	5,145,000	164,673,158		169,818,158	1.17%	9,985
2011	4,970,000	157,870,276		162,840,276	1.18%	9,458
2012	4,790,000	-	2,314,566	4,790,000	0.04%	274
2013	4,605,000	-	2,267,396	4,605,000	0.03%	261

General bonded debt is debt payable with governmental fund resources.

<sup>1</sup> Assessed value has been used because the actual value of taxable property is not readily available in the State of California.

Sources: City of Rancho Mirage Comprehensive Annual Financial Report

**CITY OF RANCHO MIRAGE**

**Direct and Overlapping Debt  
June 30, 2013**

City Assessed Valuation	\$7,149,173,132
Redevelopment Agency Incremental Valuation	<u>(5,268,486,185)</u>
Total Assessed Valuation	<u>\$1,880,686,947</u>

	Total Debt	Percentage	City's Share of
	06/30/13	Applicable <sup>1</sup>	Debt
			06/30/13
<b><u>OVERLAPPING TAX AND ASSESSMENT DEBT:</u></b>			
Desert Community College District	\$ 310,591,264	8.659%	26,894,098
Desert Sands Unified School District	240,740,492	3.964%	9,542,953
Palm Springs Unified School District	320,482,151	16.531%	52,978,904
City of Rancho Mirage 1915 Act Bonds	9,495,000	100.000%	9,495,000
Coachella Valley Water District Assessment District No. 68	1,695,000	13.890%	<u>235,436</u>
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT			\$ 99,146,392
<b><u>Ratios to 2011-12 Assessed Valuation:</u></b>			
Total Overlapping Tax and Assessment Debt	1.39%		
<b><u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u></b>			
Riverside County General Fund Obligations	654,842,180	1.870%	12,245,549
Riverside County Pension Obligations	357,340,000	1.870%	6,682,258
Riverside County Board of Education Certificates of Participation	4,955,000	1.870%	92,659
Desert Sands Unified School District Certificates of Participation	57,755,000	3.964%	2,289,408
Coachella Valley Water District, Improvement District No. 71 Certificates of Participation	1,270,000	12.866%	163,398
Coachella Valley Recreation and Park District Certificates of Participation	2,120,000	2.998%	63,558
City of Rancho Mirage Certificates of Participation	4,530,000	100.000%	<u>4,530,000</u>
TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND DEBT	1,082,812,180		\$ 26,066,829
Less: Riverside County self-supporting obligations			<u>231,803</u>
TOTAL NET DIRECT AND OVERLAPPING GENERAL FUND DEBT			<u>\$ 25,835,026</u>
TOTAL DIRECT DEBT			\$ 4,530,000
TOTAL GROSS OVERLAPPING DEBT			\$120,683,221
TOTAL NET OVERLAPPING DEBT			\$120,451,418
GROSS COMBINED TOTAL DEBT <sup>2</sup>			<u>\$ 125,213,221</u>
NET COMBINED TOTAL DEBT			<u>\$ 124,981,418</u>

(1) Percentage of overlapping agency's assessed valuation located within boundaries of the city.

(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations.

**Ratios to Adjusted Assessed Valuation**

Total Direct Debt (\$4,790,000)	0.24%
Gross Combined Total Debt	6.66%
Net Combined Total Debt	6.65%

**STATE SCHOOL BUILDING AID REPAYABLE AS OF 6/30/13: \$0**

**CITY OF RANCHO MIRAGE**

**Computation of Legal Debt Margin  
Last Ten Fiscal Years**

Fiscal Year End	Outstanding Lease Revenue Bonds	Less: Bond Reserve Requirement (2)	Total Net Debt Applicable To Debt Limit	Legal Debt Limit	Legal Debt Margin	Legal Debt Margin as a % of Limit
2004	169,740,304	26,679,901	143,060,403	1,373,125,724	1,230,065,321	89.6%
2005	170,333,511	32,135,427	138,198,084	1,528,322,872	1,390,124,788	91.0%
2006	167,239,681	35,842,735	131,396,946	1,716,192,783	1,584,795,837	92.3%
2007	162,744,221	35,692,735	127,051,486	1,947,927,233	1,820,875,746	93.5%
2008	158,312,643	40,364,944	117,947,699	2,143,036,555	2,025,088,855	94.5%
2009	175,000,462	40,881,825	134,118,637	2,219,509,124	2,085,390,486	94.0%
2010	169,818,158	40,003,617	129,814,541	2,171,005,018	2,041,190,477	94.0%
2011	162,840,276	38,422,052	124,418,224	2,066,196,749	1,941,778,525	94.0%
2012	4,790,000	21,116,014	(16,326,014)	2,045,642,029	2,061,968,043	100.8%
2013	4,605,000	18,220,007	(13,615,007)	2,050,088,054	2,063,703,061	100.7%

General bonded debt is debt payable with governmental fund resources and general obligation bonds recorded in enterprise funds (of which, the City has none).

<sup>1</sup> Assessed value has been used because the actual value of taxable property is not readily available in the State of California.

<sup>2</sup> Limited to amounts held in bond reserve funds that are legally restricted toward the repayment of specific debt issuances.

**CITY OF RANCHO MIRAGE**

**Pledged Revenue Coverage  
Library Lease and Civic Center Revenue Bonds and Redevelopment Tax Allocation Bonds  
Last Ten Fiscal Years**

<u>Description</u>	Revenue Available for <u>Debt Service</u>	<u>Debt Service Requirements</u>			<u>Coverage</u>
		<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
2005 Library Lease Revenue Bonds					
FY 2005-06	370,974	150,000	220,974	370,974	100.00%
FY 2006-07	388,033	150,000	238,033	388,033	100.00%
FY 2007-08	388,533	155,000	233,533	388,533	100.00%
FY 2008-09	388,883	160,000	228,883	388,883	100.00%
FY 2009-10	388,482	165,000	223,482	388,482	100.00%
FY 2010-11	392,914	175,000	217,914	392,914	100.00%
FY 2011-12	392,008	180,000	212,008	392,008	100.00%
FY 2012-13	390,482	185,000	205,482	390,482	100.00%
1995 Library Lease Revenue Bonds					
FY 2003-04	240,924	45,000	195,924	240,924	100.00%
FY 2004-05	243,286	50,000	193,286	243,286	100.00%
FY 2005-06	-	-	-	-	-
FY 2006-07	-	-	-	-	-
FY 2007-08	-	-	-	-	-
FY 2008-09	-	-	-	-	-
FY 2009-10	-	-	-	-	-
FY 2010-11	-	-	-	-	-
FY 2011-12	-	-	-	-	-
FY 2012-13	-	-	-	-	-

Notes: Revenue available for Library Lease Revenue Bonds consists of lease payments made by the City of Rancho Mirage to the Rancho Mirage Joint Powers Financing Authority.

The 1995 Library Lease Revenue Bonds refinanced the 1991 Library Lease Revenue Bonds during FY 1995-96. The bonds were refunded fully in April 2005 by the 2005 Public Facilities Lease Revenue Bonds.

Civic Center Revenue Bonds were refunded in full in July 2001. In prior years, the revenue available consisted of property tax revenues received by the Rancho Mirage Redevelopment Agency that were used to make loan payments to the Rancho Mirage Joint Powers Financing Authority.

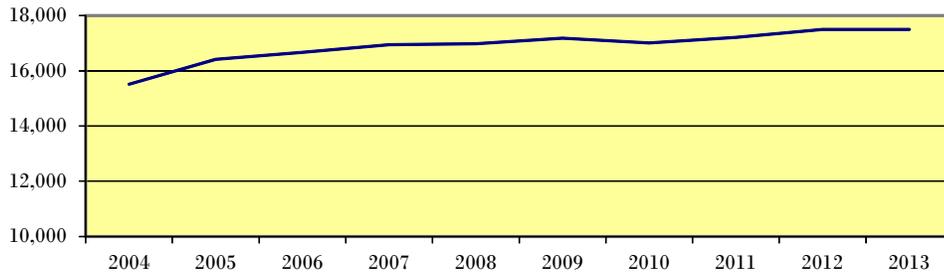
Source: City of Rancho Mirage

## CITY OF RANCHO MIRAGE

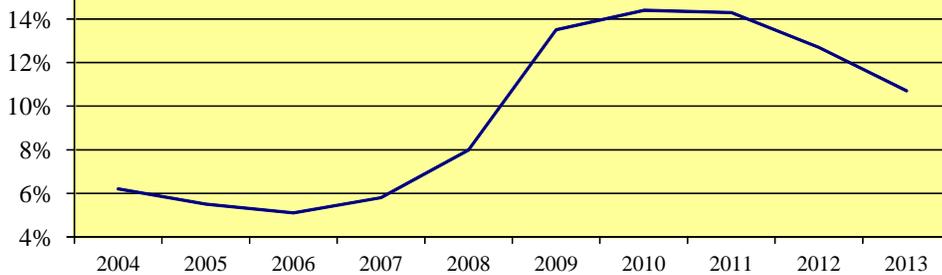
### Demographic and Economic Statistics Last Ten Calendar Years

Fiscal Year	Population <sup>1</sup>	Personal Income	Per Capita Personal Income <sup>2</sup>	Unemployment Rate <sup>3</sup>
2004	15,518	1,024,901,828	66,046	6.2%
2005	16,416	1,103,450,688	67,218	5.5%
2006	16,672	1,179,277,248	70,734	5.1%
2007	16,944	1,233,269,040	72,785	5.8%
2008	16,975	1,330,568,400	78,384	8.0%
2009	17,180	1,327,784,200	77,287	13.5%
2010	17,008	1,390,591,088	81,761	14.4%
2011	17,218	1,191,451,164	69,198	14.3%
2012	17,504	1,168,742,080	66,770	12.7%
2013	17,643	1,098,188,535	62,245	10.7%

**City Population**



**County Unemployment Rate**



Sources: (1) California State Department of Finance  
 (2) U.S. Census Bureau  
 (3) U.S. Bureau of Labor Statistics (for Riverside County)

**CITY OF RANCHO MIRAGE**

**Principal Employers**

2013				
<u>Employer</u>	<u>Number of Employees</u>	<u>Primary Description</u>	<u>Rank</u>	<u>Percent of Total Principal Employment</u>
Eisenhower Medical Center	2,480	Hospital / Clinics	1	43.48%
Agua Caliente Resort & Casino	1,300	Casino	2	22.79%
Rancho Las Palmas Resort & Spa	500	Hotel	3	8.77%
Westin Mission Hills Resort & Spa	470	Hotel	4	8.24%
Betty Ford Center	269	Rehabilitation Center	5	4.72%
Mission Hills Country Club	211	Country Club	6	3.70%
The Cheesecake Factory	180	Restaurant	7	3.16%
The Home Depot	149	Home Improvement Store	8	2.61%
PF Chang's China Bistro	75	Restaurant	9	1.31%
Babe's Bar-B-Que & Brewhouse	70	Restaurant	10	1.23%

Source: Rancho Mirage Chamber of Commerce

Data not available for prior years.

Total Employment - Labor Force of Principal Employers	5704
Top 10 percentage	100.00%

**CITY OF RANCHO MIRAGE**

**Full-time and Part-time City Employees  
By Function  
Last Ten Fiscal Years**

**Full-Time and Part-time Employees as of June 30**

<u>Function</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
<b>General Fund</b>										
City Clerk	6.00	6.00	5.00	6.00	6.00	6.00	4.00	4.00	4.00	4.00
City Manager/Management Services	7.00	8.00	11.00	12.00	12.00	12.00	10.00	11.00	3.00	3.00
City Attorney <sup>1</sup>	-	-	-	-	-	-	-	-	-	-
Administration	2.00	2.00	2.00	1.00	1.00	1.00	1.00	1.00	6.00	6.00
Finance	5.00	5.00	5.00	5.00	5.00	5.00	5.00	4.00	4.00	4.00
Information Services	2.00	2.00	2.00	2.00	2.00	2.00	7.00	2.00	2.00	2.00
Planning	9.50	9.00	9.00	9.00	8.00	8.00	4.00	7.00	7.00	6.00
Building	6.00	6.50	5.00	5.00	5.00	5.00	5.50	4.00	4.00	4.00
Code Compliance	3.00	3.00	3.00	3.00	4.00	4.00	5.50	6.00	6.00	5.00
Engineering	9.00	9.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
Street Maintenance	5.00	5.00	5.00	5.00	5.00	5.00	4.50	4.00	5.00	5.00
Buildings & Grounds	4.00	4.00	4.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Emergency Services	-	-	1.00	1.00	1.00	1.00	-	-	-	-
General Government	1.00	1.00	1.00	1.00	1.00	1.00	1.00	-	-	-
Tourism & Marketing	-	-	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Economic Development	-	-	-	-	-	-	-	1.00	2.00	2.00
<b>GENERAL FUND SUB-TOTAL</b>	<b>59.50</b>	<b>60.50</b>	<b>63.00</b>	<b>66.00</b>	<b>66.00</b>	<b>66.00</b>	<b>63.50</b>	<b>60.00</b>	<b>59.00</b>	<b>57.00</b>
Parkland Fund	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	1.00	1.00
Library Fund	8.00	8.00	11.00	11.00	15.00	15.00	14.00	13.00	12.00	12.00
Library Fund (full-time equivalents) <sup>2</sup>	7.92	8.25	4.92	14.61	15.23	17.91	12.79	12.61	11.58	11.55
Housing Authority	4.50	4.50	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
<b>TOTAL</b>	<b>81.92</b>	<b>83.25</b>	<b>84.92</b>	<b>97.61</b>	<b>102.23</b>	<b>104.91</b>	<b>96.29</b>	<b>91.61</b>	<b>87.58</b>	<b>85.55</b>

<sup>1</sup> Attorney services have been contracted out since FY 2004

<sup>2</sup> The Library utilizes several part-time employees whose hours, when combined, constitute full-time equivalents

Note: Police and fire services are provided by the County of Riverside.

Source: City of Rancho Mirage

**CITY OF RANCHO MIRAGE**

**Operating Indicators by Function  
Last Ten Fiscal Years**

	Fiscal Year				
	2004	2005	2006	2007	2008
<b>Public Works:</b>					
Permits issued:					
Grading	131	112	91	80	48
Encroachment	292	236	223	240	195
Pool drainage	-	-	5	18	73
Transportation	80	101	99	89	114
Miscellaneous	74	56	58	23	11
Maintenance of:					
Miles of streets	73.5	73.5	73.5	73.8	73.8
Miles of bike paths	21.3	21.9	21.9	22.3	22.9
Number of major intersections	26	26	26	26	26
Number of traffic signals & safety lighting	48	50	54	52	52
Number of traffic signs	2,074	2,091	2,099	2,113	2,132
Number of street lights	196	198	202	206	208
<b>Parks and Recreation:</b>					
Number of parks	5.0	5.0	5.0	5.0	5.0
Total acreage	12.6	12.6	12.6	12.6	12.6
<b>Library</b>					
Items checked out	368,626	378,363	389,729	481,604	615,016
Patron visits to the library	235,905	236,571	279,769	320,551	349,768
Reference questions	44,711	45,318	55,362	63,299	74,067
Holds/reserves placed	22,943	25,746	30,611	40,395	47,347
Total website pageviews-not consistently recorded	966,986	602,116	364,092	660,143	1,061,113
Library cardholders as of June	19,094	19,518	24,250	29,520	35,749
<b>Community Development</b>					
Number of building permits issued	2,445	2,387	1,525	1,193	1,427
Estimated valuation of building permits issued	232,925,182	165,034,703	91,031,942	128,161,385	96,054,794

NA = Not available

Source: City of Rancho Mirage

Fiscal Year				
2009	2010	2011	2012	2013
30	20	20	21	33
193	114	156	178	131
28	20	35	42	44
80	62	62	65	57
15	28	39	12	5
73.8	74.0	74.0	74.0	74.0
23.0	23.6	24.6	25.0	25.0
26	26	26	27	27
60	60	61	62	62
2,140	2,172	3,702	3,624	3,624
208	208	208	208	208
5.0	5.0	5.0	5.0	5.0
12.6	12.6	12.6	13.0	13.0
641,346	622,148	599,379	598,217	596,504
367,785	358,165	314,049	323,607	332,207
83,279	88,023	85,158	99,966	102,054
52,426	52,583	74,719	72,162	64,207
1,211,457	808,119	342,144	575,128	939,045
41,053	37,498	34,977	40,154	39,212
1,127	1,104	1,057	989	1,284
44,351,780	47,973,671	32,614,403	30,272,385	47,745,353

**CITY OF RANCHO MIRAGE**

**Capital Asset Statistics  
By Function  
Last Ten Fiscal Years**

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Public Works:</b>										
Miles of Public Streets	73.5	73.5	73.5	73.8	73.8	73.8	74.0	74.0	74.0	74.0
Miles of Public Bike Paths	21.3	21.9	21.9	22.3	22.9	23.0	23.6	24.6	25.0	25.0
Number of Major Intersections	26	26	26	26	26	26	26	26	27	27
Number of Traffic Signals and Safety Lighting	48	50	54	52	52	60	60	61	62	62
Number of traffic signs	2,074	2,091	2,099	2,113	2,132	2,140	2,172	3,702	3,624	3,624
Number of street lights	196	198	202	206	208	208	208	208	208	208
<b>Parks and Recreation:</b>										
Number of Parks	5	5	5	5	5	5	5	5	5	5
Total Acreage	12.6	12.6	12.6	12.6	12.6	12.6	12.6	12.6	13.0	13.0
<b>Buildings:</b>										
Civic Center	1	1	1	1	1	1	1	1	1	1
Civic Center Annex	-	-	-	-	-	1	1	1	1	1
Library	1	1	1	1	1	1	1	1	1	1
Corporation Yard	1	1	1	1	1	1	1	1	1	1
<b>Housing Authority</b>										
Age-Restricted Housing	1	2	3	3	3	4	4	4	4	4

Source: City of Rancho Mirage

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***FORMER REDEVELOPMENT AGENCY LONG-TERM DEBT INFORMATION***

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**CITY OF RANCHO MIRAGE**

**FORMER REDEVELOPMENT AGENCY LONG-TERM DEBT INFORMATION**

Long-term debt activity for the former redevelopment agency for the year ended June 30, 2013 was as follows:

	Beginning Balance	Retirements	Ending Balance	Due within One year
Tax allocation bonds payable:				
2001A-1 subordinate lien tax allocation bonds	\$ 1,420,000	\$ 100,000	\$ 1,320,000	\$ 105,000
2001A-E subordinate lien tax allocation bonds	3,175,000	225,000	2,950,000	235,000
2001A-1 tax allocation bonds	11,670,000	555,000	11,115,000	575,000
2001A-E tax allocation bonds	12,160,000	340,000	11,820,000	355,000
2001B-1 tax allocation bonds	2,770,000	75,000	2,695,000	75,000
2001B-E tax allocation bonds	1,020,000	25,000	995,000	30,000
2002A subordinate lien tax allocation bonds	3,795,000	475,000	3,320,000	495,000
2003 A-1 subordinate lien tax allocation bonds	1,672,872	(91,382)	1,764,254	-
2003 A-E subordinate lien tax allocation bonds	3,780,000	250,000	3,530,000	260,000
2003 A-T subordinate lien tax allocation bonds	1,060,000	20,000	1,040,000	15,000
2003 A Housing TABs	26,800,000	1,255,000	25,545,000	1,300,000
2003 A-1 tax allocation bonds	2,297,611	(129,397)	2,427,008	-
2003 A-E tax allocation bonds	15,500,000	435,000	15,065,000	450,000
2003 A-T tax allocation bonds	3,875,000	100,000	3,775,000	105,000
2003 B subordinate lien tax allocation bonds	1,755,000	35,000	1,720,000	40,000
2006 A-Whitewater TA ref bonds	19,575,000	1,015,000	18,560,000	1,075,000
2006 A-Northside TA ref bonds	21,920,000	410,000	21,510,000	435,000
2008 A subordinate lien tax allocation bonds	19,845,000	510,000	19,335,000	525,000
Deferrals on refunding and issuance (discounts)/premiums	(498,543)	(46,040)	(452,503)	(46,040)
<b>TOTALS</b>	<b>\$ 153,591,940</b>	<b>\$ 5,558,181</b>	<b>\$ 148,033,759</b>	<b>\$ 6,028,960</b>

**CITY OF RANCHO MIRAGE**

**FORMER REDEVELOPMENT AGENCY LONG-TERM DEBT INFORMATION**

2001A-1 Subordinate Lien Tax Allocation Parity Bonds and 2001A-E Subordinate Lien Tax Allocation Bonds

On July 1, 2001, the Redevelopment Agency of the City of Rancho Mirage issued \$2,340,000 of Subordinate Lien Tax Allocation Bonds, Series 2001A-1 and \$4,680,000 of Subordinate Lien Tax Allocation Bonds, Series 2001A-E. The 2001A bonds were issued for the purpose of financing certain improvements in the Whitewater Redevelopment Project Area of the Agency, to fund an escrow for future improvements in the project area, to purchase a debt service reserve fund surety bond for the bonds, and to pay the costs of issuing the bonds. Payment of principal, premium, if any and interest on the 2001A-1 bonds and the 2001A-E bonds were subordinate to payment of principal, premium, if any and interest on the Whitewater Project Area 1994A bonds and the Whitewater Project Area 1997A bonds and certain other outstanding obligations of the Agency. The 1994A and the 1997A bonds were referred to herein as the Senior Lien Bonds. On February 1, 2012 these Bonds were transferred from the Rancho Mirage Redevelopment Agency to the Successor Agency and the balance outstanding is no longer included in the City's Statement of Net Position.

The 2001A-1 bonds have annual interest ranging from 3.75 percent to 4.625 percent and annual principal installments ranging from \$70,000 to \$110,000 through April 1, 2015 and are subject to mandatory redemption from a sinking fund account in amounts ranging from \$115,000 to \$160,000 on April 1 beginning 2016 through 2023. The 2001A-E bonds have annual interest ranging from 3.75 percent to 4.8 percent and annual principal installments ranging from \$165,000 to \$245,000 through April 1, 2015 and are subject to mandatory redemption from a sinking fund account in amounts ranging from \$260,000 to \$365,000 on April 1 beginning 2016 through 2023. The 2001A-1 and the 2001A-E bonds are secured by the surplus tax revenues of the Agency.

The 2001A-1 and 2001A-E bond resolution and indentures require that bond reserve be equal to the full amount of maximum annual debt service on all outstanding Senior Lien Bonds. As of June 30, 2013, the reserve for the 2001A-1 and 2001A-E bonds was held by the fiscal agent in the form of a surety bond. On February 1, 2012 these Bonds were transferred from the Rancho Mirage Redevelopment Agency to the Successor Agency and the balance outstanding is no longer included in the City's Statement of Net Position.

The annual payment amounts required to retire the 2001A-1 bonds outstanding as of June 30, 2013 are as follows:

Fiscal Year	Interest Due April 1	Interest Due October 1	Total Interest	Principal Due April 1	Total Annual Debt Service
2014	\$ 32,584	\$ 32,584	\$ 65,168	\$ 105,000	\$ 170,168
2015	30,169	30,169	60,338	110,000	170,338
2016	27,625	27,625	55,250	115,000	170,250
2017	24,750	24,750	49,500	125,000	174,500
2018	21,625	21,625	43,250	130,000	173,250
2019	18,375	18,375	36,750	135,000	171,750
2020	15,000	15,000	30,000	140,000	170,000
2021	11,500	11,500	23,000	145,000	168,000
2022	7,875	7,875	15,750	155,000	170,750
2023	4,000	4,000	8,000	160,000	168,000
<b>TOTALS</b>	<b>\$ 193,503</b>	<b>\$ 193,503</b>	<b>\$ 387,006</b>	<b>\$ 1,320,000</b>	<b>\$ 1,707,006</b>

**CITY OF RANCHO MIRAGE**

**FORMER REDEVELOPMENT AGENCY LONG-TERM DEBT INFORMATION  
(CONTINUED)**

The annual payment amounts required to retire the 2001A-E bonds outstanding as of June 30, 2013 are as follows:

Fiscal Year	Interest Due April 1	Interest Due October 1	Total Interest	Principal Due April 1	Total Annual Debt Service
2014	\$ 74,755	\$ 74,755	\$ 149,510	\$ 235,000	\$ 384,510
2015	69,174	69,174	138,348	245,000	383,348
2016	63,294	63,294	126,588	260,000	386,588
2017	56,631	56,632	113,263	270,000	383,263
2018	49,713	49,712	99,425	285,000	384,425
2019	42,409	42,410	84,819	300,000	384,819
2020	34,722	34,722	69,444	315,000	384,444
2021	26,650	26,650	53,300	330,000	383,300
2022	18,194	18,194	36,388	345,000	381,388
2023	9,353	9,353	18,706	365,000	383,706
<b>TOTALS</b>	<b>\$ 444,895</b>	<b>\$ 444,896</b>	<b>\$ 889,791</b>	<b>\$ 2,950,000</b>	<b>\$ 3,839,791</b>

2001A-1 Tax Allocation Bonds, 2001A-E Tax Allocation Bonds, 2001B-1 Subordinate Lien Tax Allocation Bonds and 2001B-E Subordinate Lien Tax Allocation Bonds

On July 1, 2001, the Redevelopment Agency of the City of Rancho Mirage issued \$16,860,000 of Tax Allocation Bonds, Series 2001A-1, \$14,425,000 of Tax Allocation Bonds, Series 2001A-E, \$3,440,000 of Subordinate Lien Tax Allocation Bonds, Series 2001B-1 and \$1,195,000 Subordinate Lien Tax Allocation Bonds, Series 2001B-E. The 2001A bonds were issued for the purpose of financing certain improvements in the Redevelopment Plan — 1984 Project Area of the Agency, to fund an escrow for future improvements in the project area, and to pay the costs of issuing the bonds. The 2001B bonds were issued to advance refund \$3,010,000 of the outstanding 1991A Civic Center Revenue Bonds, finance certain improvements within the 1984 Project Area, to fund an escrow for future improvements within the project area, fund a reserve account for the 2001B Bonds, and to pay the cost of issuing the bonds. The proceeds used to advance refund the 1991A series were used to purchase U.S government securities. Those securities were placed in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 1991A series. Payment of principal, premium, if any, and interest on the series 2001B bonds is subordinate to payment of principal, premium, if any and interest on the 2001A bonds and certain other outstanding obligations of the Agency.

The 2001A-1 bonds have annual interest ranging from 3.75 percent to 4.625 percent and annual principal installments ranging from \$405,000 to \$605,000 through April 1, 2015 and are subject to mandatory redemption from a sinking fund account in amounts ranging from \$365,000 to \$750,000 on April 1 beginning 2016 through 2033. The 2001A-E bonds have annual interest ranging from 3.75 percent to 4.75 percent and annual principal installments ranging from \$250,000 to \$370,000 through April 1, 2015 and are subject to mandatory redemption from a sinking fund account in amounts ranging from \$390,000 to \$920,000 on April 1 beginning 2016 through 2033. The 2001A-1 and 2001A-E bonds are secured by the surplus tax revenues of the Agency.

**CITY OF RANCHO MIRAGE**

**FORMER REDEVELOPMENT AGENCY LONG-TERM DEBT INFORMATION  
(CONTINUED)**

The 2001B-1 bonds have annual interest ranging from 3.75 percent to 4.80 percent and annual principal installments ranging from \$50,000 to \$90,000 through April 1, 2012 and are subject to mandatory redemption from a sinking fund account in amounts ranging from \$75,000 to \$215,000 on April 1 beginning 2013 through 2033. The 2001B-E bonds have annual interest ranging from 4.0 percent to 5.0 percent and annual principal installments ranging from \$20,000 to \$25,000 through April 1, 2012 and are subject to mandatory redemption from a sinking fund account in amounts ranging from \$25,000 to \$50,000 on April 1 beginning 2013 through 2024. The 2001B-1 and 2001B-E bonds are secured by the surplus tax revenues of the Agency.

The 2001A bond resolution and indentures require that the bond reserve policy, when added to the amounts on deposit in the Senior Reserve Account established under the Senior indenture, be equal to the full amount of maximum annual debt service on all outstanding Senior Lien Bonds and the Series 2001A bonds. As of June 30, 2010, the 2001A reserve policy was held in the form of a surety bond by the fiscal agent. The 2001B bond resolution and indentures require that the subordinate bond reserve be equal to the full amount of maximum annual debt service on all outstanding Series 2001B bonds. The amount required for the bond reserve of the 2001B bonds is \$316,815. On February 1, 2012 these Bonds were transferred from the Rancho Mirage Redevelopment Agency to the Successor Agency and the balance outstanding is no longer included in the City's Statement of Net Position.

The annual payment amounts required to retire the 2001A-1 bonds outstanding as of June 30, 2013 are as follows:

Fiscal Year	Interest Due April 1	Interest Due October 1	Total Interest	Principal Due April 1	Total Annual Debt Service
2014	\$ 275,590	\$ 275,591	\$ 551,181	\$ 575,000	\$ 1,126,181
2015	262,366	262,365	524,731	605,000	1,129,731
2016	248,375	248,375	496,750	635,000	1,131,750
2017	232,500	232,500	465,000	665,000	1,130,000
2018	215,875	215,875	431,750	365,000	796,750
2019	206,750	206,750	413,500	385,000	798,500
2020	197,125	197,125	394,250	400,000	794,250
2021	187,125	187,125	374,250	425,000	799,250
2022	176,500	176,500	353,000	445,000	798,000
2023	165,375	165,375	330,750	465,000	795,750
2024	153,750	153,750	307,500	495,000	802,500
2025	141,375	141,375	282,750	520,000	802,750
2026	128,375	128,375	256,750	545,000	801,750
2027	114,750	114,750	229,500	570,000	799,500
2028	100,500	100,500	201,000	600,000	801,000
2029	85,500	85,500	171,000	630,000	801,000
2030	69,750	69,750	139,500	645,000	784,500
2031	53,625	53,625	107,250	680,000	787,250
2032	36,625	36,625	73,250	715,000	788,250
2033	18,750	18,750	37,500	750,000	787,500
<b>TOTALS</b>	<b>\$ 3,070,581</b>	<b>\$ 3,070,581</b>	<b>\$ 6,141,162</b>	<b>\$ 11,115,000</b>	<b>\$ 17,256,162</b>

**CITY OF RANCHO MIRAGE**

**FORMER REDEVELOPMENT AGENCY LONG-TERM DEBT INFORMATION  
(CONTINUED)**

The annual payment amounts required to retire the 2001A-E bonds outstanding as of June 30, 2013 are as follows:

<u>Fiscal Year</u>	<u>Interest Due April 1</u>	<u>Interest Due October 1</u>	<u>Total Interest</u>	<u>Principal Due April 1</u>	<u>Total Annual Debt Service</u>
2014	\$ 306,806	\$ 306,807	\$ 613,613	\$ 355,000	\$ 968,613
2015	298,375	298,375	596,750	370,000	966,750
2016	289,588	289,587	579,175	390,000	969,175
2017	279,594	279,594	559,188	405,000	964,188
2018	269,216	269,215	538,431	430,000	968,431
2019	258,197	258,197	516,394	450,000	966,394
2020	246,666	246,665	493,331	475,000	968,331
2021	234,494	234,494	468,988	500,000	968,988
2022	221,681	221,682	443,363	525,000	968,363
2023	207,900	207,900	415,800	550,000	965,800
2024	193,463	193,462	386,925	580,000	966,925
2025	178,238	178,237	356,475	610,000	966,475
2026	162,225	162,225	324,450	640,000	964,450
2027	145,425	145,425	290,850	675,000	965,850
2028	127,706	127,707	255,413	710,000	965,413
2029	109,069	109,069	218,138	750,000	968,138
2030	89,382	89,381	178,763	785,000	963,763
2031	68,775	68,775	137,550	830,000	967,550
2032	46,988	46,987	93,975	870,000	963,975
2033	24,150	24,150	48,300	920,000	968,300
<b>TOTALS</b>	<u>\$ 3,757,938</u>	<u>\$ 3,757,934</u>	<u>\$ 7,515,872</u>	<u>\$ 11,820,000</u>	<u>\$ 19,335,872</u>

**CITY OF RANCHO MIRAGE**

**FORMER REDEVELOPMENT AGENCY LONG-TERM DEBT INFORMATION  
(CONTINUED)**

The annual payment amounts required to retire the 2001B-1 bonds outstanding as of June 30, 2013 are as follows:

<u>Fiscal Year</u>	<u>Interest Due April 1</u>	<u>Interest Due October 1</u>	<u>Total Interest</u>	<u>Principal Due April 1</u>	<u>Total Annual Debt Service</u>
2014	\$ 75,100	\$ 75,100	\$ 150,200	\$ 75,000	\$ 225,200
2015	73,038	73,037	146,075	80,000	226,075
2016	70,838	70,837	141,675	85,000	226,675
2017	68,500	68,500	137,000	90,000	227,000
2018	66,025	66,025	132,050	95,000	227,050
2019	63,413	63,412	126,825	100,000	226,825
2020	60,662	60,663	121,325	105,000	226,325
2021	57,775	57,775	115,550	110,000	225,550
2022	54,750	54,750	109,500	120,000	229,500
2023	51,450	51,450	102,900	125,000	227,900
2024	48,012	48,013	96,025	130,000	226,025
2025	44,437	44,438	88,875	140,000	228,875
2026	40,500	40,500	81,000	145,000	226,000
2027	36,422	36,422	72,844	155,000	227,844
2028	32,062	32,063	64,125	165,000	229,125
2029	27,422	27,422	54,844	175,000	229,844
2030	22,500	22,500	45,000	185,000	230,000
2031	17,297	17,297	34,594	195,000	229,594
2032	11,812	11,813	23,625	205,000	228,625
2033	6,047	6,047	12,094	215,000	227,094
<b>TOTALS</b>	<u>\$ 928,062</u>	<u>\$ 928,064</u>	<u>\$ 1,856,126</u>	<u>\$ 2,695,000</u>	<u>\$ 4,551,126</u>

**CITY OF RANCHO MIRAGE**

**FORMER REDEVELOPMENT AGENCY LONG-TERM DEBT INFORMATION  
(CONTINUED)**

The annual payment amounts required to retire the 2001B-E bonds outstanding as of June 30, 2013 are as follows:

Fiscal Year	Interest Due April 1	Interest Due October 1	Total Interest	Principal Due April 1	Total Annual Debt Service
2014	\$ 28,202	\$ 28,202	\$ 56,404	\$ 30,000	\$ 86,404
2015	27,358	27,358	54,716	30,000	84,716
2016	26,514	26,515	53,029	30,000	83,029
2017	25,671	25,670	51,341	35,000	86,341
2018	24,686	24,687	49,373	35,000	84,373
2019	23,702	23,702	47,404	35,000	82,404
2020	22,718	22,717	45,435	40,000	85,435
2021	21,593	21,592	43,185	40,000	83,185
2022	20,468	20,467	40,935	45,000	85,935
2023	19,202	19,202	38,404	45,000	83,404
2024	17,936	17,937	35,873	50,000	85,873
2025	16,530	16,530	33,060	50,000	83,060
2026	15,105	15,105	30,210	55,000	85,210
2027	13,537	13,538	27,075	55,000	82,075
2028	11,970	11,970	23,940	60,000	83,940
2029	10,260	10,260	20,520	65,000	85,520
2030	8,407	8,408	16,815	70,000	86,815
2031	6,412	6,413	12,825	70,000	82,825
2032	4,417	4,418	8,835	75,000	83,835
2033	2,280	2,280	4,560	80,000	84,560
<b>TOTALS</b>	<b>\$ 346,968</b>	<b>\$ 346,971</b>	<b>\$ 693,939</b>	<b>\$ 995,000</b>	<b>\$ 1,688,939</b>

2002A Subordinate Lien Tax Allocation Bonds

On January 1, 2002, the Redevelopment Agency of the City of Rancho Mirage issued \$7,895,000 Subordinate Lien Tax Allocation Bonds, Series 2002A. The 2002A bonds were issued for the purpose of financing certain improvements in the Whitewater Project Area of the Agency, advance refund \$6,730,000 of the outstanding 1992A tax allocation bonds, purchase a debt service reserve surety bond for the bonds, and to pay the cost of issuing the bonds. The proceeds used to advance refund the 1992A series were used to purchase U.S government securities. Those securities were placed in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 1992A series. Payment of principal, premium, if any, and interest on the series 2002A bonds is subordinate to payment of principal, premium, if any and interest on the Whitewater project 1994A bonds and the Whitewater project 1997A bonds, referred to as the "Senior Lien Bonds.

The 2002A bonds have annual interest ranging from 3.00 percent to 4.80 percent and annual principal installments ranging from \$365,000 to \$615,000 through April 1, 2019 and are subject to mandatory redemption from a sinking fund account in amounts ranging from \$515,000 to \$540,000 on April 1 beginning 2015 through 2016. The 2002A bonds are secured by the surplus tax revenues of the Agency.

**CITY OF RANCHO MIRAGE**

**FORMER REDEVELOPMENT AGENCY LONG-TERM DEBT INFORMATION  
(CONTINUED)**

The 2002A bond resolution and indentures require that a municipal bond insurance policy be purchased which provides for the principal and interest on the bonds when due to the extent that the trustee has not received payment therefore. As of June 30, 2013, the reserve for the 2002A bond was held by the fiscal agent in the form of a surety bond. On February 1, 2012 these Bonds were transferred from the Rancho Mirage Redevelopment Agency to the Successor Agency and the balance outstanding is no longer included in the City's Statement of Net Position.

On November 19, 2003, the Redevelopment Agency of the City of Rancho Mirage issued \$1,074,378 of Subordinate Lien Tax Allocation Bonds, Series 2003 A-1, \$5,140,000 of Subordinate Lien Tax Allocation Bonds, Series 2003 A-E, and \$1,180,000 of Subordinate Lien Tax Allocation Bonds, Series 2003 A-T. The bonds were issued by the Agency for the purpose of financing certain improvements in the Whitewater Redevelopment Project Area, (or, in the case of the Series 2003 A-E Bonds, funding a funding an escrow for future improvements in the project area), funding a reserve account for the bonds, and paying the costs of issuing the bonds. Payment of principal, premium, if any, and interest on the bonds is subordinate to payment of principal, premium, if any, and interest on the Senior Lien Bonds.

The annual payment amounts required to retire the 2002A bonds outstanding as of June 30, 2013 are as follows:

Fiscal Year	Interest Due April 1	Interest Due October 1	Total Interest	Principal Due April 1	Total Annual Debt Service
2014	\$ 77,064	\$ 77,064	\$ 154,128	\$ 495,000	\$ 649,128
2015	66,174	66,174	132,348	515,000	647,348
2016	54,329	54,329	108,658	540,000	648,658
2017	41,909	41,909	83,818	565,000	648,818
2018	28,773	28,772	57,545	590,000	647,545
2019	14,760	14,760	29,520	615,000	644,520
<b>TOTALS</b>	<b>\$ 283,009</b>	<b>\$ 283,008</b>	<b>\$ 566,017</b>	<b>\$ 3,320,000</b>	<b>\$ 3,886,017</b>

2003 A-1 Subordinate Lien Tax Allocation Bonds, 2003 A-E Subordinate Lien Tax Allocation Bonds, and 2003 A-T Subordinate Lien Tax Allocation Bonds

The Series 2003 A-E Bonds have annual interest ranging from 2.00 percent to 4.25 percent and annual principal installments ranging from \$215,000 to \$300,000 through April 2012 and are subject to redemption prior to maturity. The bonds are secured by an irrevocable pledge of the surplus tax revenues of the agency. In addition, the 2003 A-E bonds are also secured by amounts on deposit in the escrow fund as provided in the indenture. The 2003 A-1 Bonds are capital appreciation bonds, issued in an amount of \$1,074,377 and have a maturity value of \$3,340,000 and mature April 1, 2025, and are not subject to redemption prior to maturity. The bonds are secured by an irrevocable pledge of the surplus tax revenues of the agency.

The series 2003 A-T bonds are capital appreciation bonds and are subject to redemption prior to maturity. \$140,000 4.90 percent term series 2003 A-T bonds are due April 1, 2013. \$1,040,000 5.76 percent term series 2003 A-T bonds are April 1, 2004. The bonds are secured by an irrevocable pledge of the surplus tax revenues of the agency. As of June 30, 2013, the series 2003 reserve was held by the fiscal agent in the form of a surety bond. On February 1, 2012 these Bonds were transferred from the Rancho Mirage Redevelopment Agency to the Successor Agency and the balance outstanding is no longer included in the City's Statement of Net Position.

**CITY OF RANCHO MIRAGE**

**FORMER REDEVELOPMENT AGENCY LONG-TERM DEBT INFORMATION  
(CONTINUED)**

The annual payment amounts required to retire the 2003A-1 bonds outstanding as of June 30, 2013 are as follows:

Fiscal Year	Accreted Value
2014	\$ -
2015	-
2016	-
2017	-
2018	-
2019	-
2020	-
2021	-
2022	-
2023	-
2024	-
2025	3,340,000
Total accreted value	3,340,000
Less future accretion	(1,575,746)
	<u>\$ 1,764,254</u>

The annual payment amounts required to retire the 2003A-E bonds outstanding as of June 30, 2013 are as follows:

Fiscal Year	Interest Due April 1	Interest Due October 1	Total Interest	Principal Due April 1	Total Annual Debt Service
2014	\$ 77,825	\$ 77,825	\$ 155,650	\$ 260,000	\$ 415,650
2015	72,788	72,787	145,575	270,000	415,575
2016	67,388	67,387	134,775	280,000	414,775
2017	61,612	61,613	123,225	290,000	413,225
2018	55,631	55,632	111,263	300,000	411,263
2019	49,256	49,257	98,513	315,000	413,513
2020	41,972	41,972	83,944	335,000	418,944
2021	34,225	34,225	68,450	345,000	413,450
2022	26,247	26,247	52,494	360,000	412,494
2023	17,922	17,922	35,844	380,000	415,844
2024	9,134	9,135	18,269	395,000	413,269
TOTALS	<u>\$ 514,000</u>	<u>\$ 514,002</u>	<u>\$ 1,028,002</u>	<u>\$ 3,530,000</u>	<u>\$ 4,558,002</u>

**CITY OF RANCHO MIRAGE**

**FORMER REDEVELOPMENT AGENCY LONG-TERM DEBT INFORMATION  
(CONTINUED)**

The annual payment amounts required to retire the 2003A-T bonds outstanding as of June 30, 2013 are as follows:

Fiscal Year	Interest Due April 1	Interest Due October 1	Total Interest	Principal Due April 1	Total Annual Debt Service
2014	\$ 29,952	\$ 29,952	\$ 59,904	\$ 15,000	\$ 74,904
2015	29,520	29,520	59,040	20,000	79,040
2016	28,944	28,944	57,888	20,000	77,888
2017	28,368	28,368	56,736	20,000	76,736
2018	27,792	27,792	55,584	25,000	80,584
2019	27,072	27,072	54,144	30,000	84,144
2020	26,208	26,208	52,416	55,000	107,416
2021	24,624	24,624	49,248	70,000	119,248
2022	22,608	22,608	45,216	75,000	120,216
2023	20,448	20,448	40,896	75,000	115,896
2024	18,288	18,288	36,576	635,000	671,576
<b>TOTALS</b>	<b>\$ 283,824</b>	<b>\$ 283,824</b>	<b>\$ 567,648</b>	<b>\$ 1,040,000</b>	<b>\$ 1,607,648</b>

2003 A Tax Allocation Housing Bonds

On November 19, 2003, the Redevelopment Agency of the City of Rancho Mirage issued \$34,565,000 of Tax Allocation Housing Bonds, Series 2003 A. The bonds were issued by the Agency for the purpose of financing certain improvements to the supply of low and moderate income housing in, or otherwise benefiting, the Whitewater Redevelopment Project and the Redevelopment Plan-1984 Project, purchasing a debt service reserve fund surety bond for the Bonds, and paying the costs of issuing the bonds.

The \$21,085,000 serial bonds have annual interest ranging from 2.00 percent to 5.25 percent and annual principal installments ranging from \$1,025,000 to \$1,770,000. The \$5,850,000, 4.63 percent term bonds are due April 1, 2024. The \$7,630,000 5.00 percent term bonds are due April 1, 2033. The bonds are subject to optional and mandatory redemption prior to maturity. The Bonds are secured by an irrevocable pledge of the Housing Tax Revenues.

The 2003A bond resolution and indentures require that a municipal bond insurance policy be purchased which provides for the principal and interest on the bonds when due to the extent that the trustee has not received payment therefore. On February 1, 2012 these Bonds were transferred from the Rancho Mirage Redevelopment Agency to the Successor Agency and the balance outstanding is no longer included in the City's Statement of Net Position.

**CITY OF RANCHO MIRAGE**

**FORMER REDEVELOPMENT AGENCY LONG-TERM DEBT INFORMATION  
(CONTINUED)**

The annual payment amounts required to retire the 2003A Housing Tax Allocation bonds outstanding as of June 30, 2013 are as follows:

Fiscal Year	Interest Due April 1	Interest Due October 1	Total Interest	Principal Due April 1	Total Annual Debt Service
2014	\$ 606,772	\$ 606,772	\$ 1,213,544	\$ 1,300,000	\$ 2,513,544
2015	582,397	582,397	1,164,794	1,350,000	2,514,794
2016	556,241	556,240	1,112,481	1,400,000	2,512,481
2017	528,241	528,240	1,056,481	1,455,000	2,511,481
2018	498,231	498,232	996,463	1,515,000	2,511,463
2019	458,463	458,462	916,925	1,595,000	2,511,925
2020	416,594	416,594	833,188	1,680,000	2,513,188
2021	372,494	372,494	744,988	1,770,000	2,514,988
2022	326,031	326,032	652,063	1,860,000	2,512,063
2023	283,019	283,019	566,038	1,950,000	2,516,038
2024	237,925	237,925	475,850	2,040,000	2,515,850
2025	190,750	190,750	381,500	690,000	1,071,500
2026	173,500	173,500	347,000	725,000	1,072,000
2027	155,375	155,375	310,750	765,000	1,075,750
2028	136,250	136,250	272,500	800,000	1,072,500
2029	116,250	116,250	232,500	840,000	1,072,500
2030	95,250	95,250	190,500	885,000	1,075,500
2031	73,125	73,125	146,250	925,000	1,071,250
2032	50,000	50,000	100,000	975,000	1,075,000
2033	25,625	25,625	51,250	1,025,000	1,076,250
<b>TOTALS</b>	<b>\$ 5,882,533</b>	<b>\$ 5,882,532</b>	<b>\$ 11,765,065</b>	<b>\$ 25,545,000</b>	<b>\$ 37,310,065</b>

2003A-1 Tax Allocation Bonds, 2003A-T Tax Allocation Bonds, 2003A-E Tax Allocation Bonds, 2003B Subordinate Lien Tax Allocation Bonds

On November 19, 2003, the Redevelopment Agency of the City of Rancho Mirage issued \$1,456,027 of Tax Allocation Bonds, Series 2003A-1, \$4,540,000 of Tax Allocation Bonds, Series 2003A-T, \$17,845,000 of Tax Allocation Bonds, Series 2003A-E, and \$1,960,000 of Subordinate Lien Tax Allocation Bonds, Series 2003B. The Series 2003A Bonds were issued by the Agency for the purpose of financing certain improvements in the Redevelopment Plan- 1984 Project (the "Project Area") (or, in the case of the Series 2003A-E Bonds, funding an escrow for future improvements in the project area), and paying the costs of issuing the Series 2003A Bonds. The Series 2003B Bonds were issued by the Agency for the purpose of funding an escrow for future improvements in the project area, funding a reserve account for the Series 2003B Bonds upon release of funds from escrow, and paying the costs of issuing the Series 2003B Bonds. Payment of principal, premium, if any, and interest on the Series 2003B Bonds is subordinate to the payment of principal, premium, if any, and interest on the Series 2003A Bonds and certain other outstanding obligations of the Agency.

**CITY OF RANCHO MIRAGE**

**FORMER REDEVELOPMENT AGENCY LONG-TERM DEBT INFORMATION  
(CONTINUED)**

The \$5,225,000 Series 2003A-E Serial Bonds have annual interest ranging from 2.00 percent to 4.25 percent and annual principal payments ranging from \$365,000 to \$530,000. In addition, \$3,685,000 4 5/8 percent Term Series 2003A-E Bonds are due April 1, 2024, \$3,090,000 4.75 percent Term Series 2003A-E Bonds are due April 1, 2028, and \$5,845,000 4.75 percent Term Series 2003A-E Bonds are due April 1, 2034. The bonds are subject to redemption prior to maturity.

The Series 2003A-1 Bonds are capital appreciation bonds. The bonds are not subject to redemption prior to maturity. \$749,033 of the series 2003A-1 Bonds mature April 1, 2034 at an accreted value of \$3,940,000 and \$706,994 of the series 2003A-1 Bonds mature April 1, 2035 at an accreted value of \$3,940,000. The Series 2003AT Term Bonds have annual interest ranging from 3.78 percent to 5.86 percent and principal amounts ranging from \$305,000 to \$2,030,000.

The \$450,000 Series 2003B Serial Bonds have annual interest ranging from 3.00 percent to 5.00 percent and annual principal payments ranging from \$35,000 to \$45,000. In addition, \$280,000 5.25 percent Term Series 2003B Bonds are due April 1, 2023, \$355,000 5 3/8 percent Term Series 2003B Bonds are due April 1, 2028, and \$875,000 5.50 percent Term Series 2003B Bonds are due April 1, 2034.

The Series 2003A Bonds are secured by the pledged tax revenues of the Agency and from amounts on deposit in the reserve account established under the Senior Indenture. In addition, the Series 2003A-E Bonds are secured by amounts on deposit in the Escrow Fund established under the Senior Indenture (the "2003 Escrow Fund"). The Series 2003B Bonds are secured by the surplus tax revenues of the Agency and from amounts on deposit in the reserve account established under the Subordinate Indenture. In addition, the Series 2003B Bonds are secured by amounts on deposit in the escrow fund established under the Subordinate Indenture (the "2003B Escrow Fund").

The 2003A Supplemental Indenture requires that amounts on deposit in bond reserve account, when added to amount on deposit in the Senior Reserve Account established under the Senior Indenture equal the Reserve Requirement which is the lesser of 10 percent of the bond proceeds of each series of bonds outstanding, 125 percent of Average Annual Debt Service or Maximum Annual debt service on all Series of Bonds. The Senior Reserve Account has cash and debt service reserve surety bonds equal to or exceeding the Reserve Requirement for all bonds outstanding including the Series 2003A. No additional deposit is required for the Series 2003B bonds reserve fund since these bond proceeds are in escrow and therefore excluded from the Reserve Requirement. On February 1, 2012 these Bonds were transferred from the Rancho Mirage Redevelopment Agency to the Successor Agency and the balance outstanding is no longer included in the City's Statement of Net Position.

**CITY OF RANCHO MIRAGE**

**FORMER REDEVELOPMENT AGENCY LONG-TERM DEBT INFORMATION  
(CONTINUED)**

The annual payment amounts required to retire the 2003A-E tax allocation bonds outstanding as of June 30, 2013 are as follows:

<u>Fiscal Year</u>	<u>Interest Due April 1</u>	<u>Interest Due October 1</u>	<u>Total Interest</u>	<u>Principal Due April 1</u>	<u>Total Annual Debt Service</u>
2014	\$ 347,022	\$ 347,022	\$ 694,044	\$ 450,000	\$ 1,144,044
2015	338,303	338,303	676,606	465,000	1,141,606
2016	329,003	329,003	658,006	490,000	1,148,006
2017	319,203	319,203	638,406	510,000	1,148,406
2018	308,684	308,685	617,369	530,000	1,147,369
2019	297,422	297,422	594,844	550,000	1,144,844
2020	284,703	284,703	569,406	570,000	1,139,406
2021	281,522	271,522	553,044	600,000	1,153,044
2022	257,647	257,647	515,294	625,000	1,140,294
2023	243,194	243,194	486,388	655,000	1,141,388
2024	228,047	228,047	456,094	685,000	1,141,094
2025	212,206	212,207	424,413	715,000	1,139,413
2026	195,225	195,225	390,450	755,000	1,145,450
2027	177,294	177,294	354,588	790,000	1,144,588
2028	158,531	158,532	317,063	830,000	1,147,063
2029	138,819	138,819	277,638	865,000	1,142,638
2030	118,275	118,275	236,550	905,000	1,141,550
2031	96,781	96,782	193,563	950,000	1,143,563
2032	74,219	74,219	148,438	995,000	1,143,438
2033	50,588	50,587	101,175	1,040,000	1,141,175
2034	25,888	25,887	51,775	1,090,000	1,141,775
<b>TOTALS</b>	<b>\$ 4,482,576</b>	<b>\$ 4,472,578</b>	<b>\$ 8,955,154</b>	<b>\$ 15,065,000</b>	<b>\$ 24,020,154</b>

**CITY OF RANCHO MIRAGE**

**FORMER REDEVELOPMENT AGENCY LONG-TERM DEBT INFORMATION  
(CONTINUED)**

The annual payment amounts required to retire the 2003A-T tax allocation bonds outstanding as of June 30, 2013 are as follows:

<u>Fiscal Year</u>	<u>Interest Due April 1</u>	<u>Interest Due October 1</u>	<u>Total Interest</u>	<u>Principal Due April 1</u>	<u>Total Annual Debt Service</u>
2014	\$ 108,783	\$ 108,783	\$ 217,566	\$ 105,000	\$ 322,566
2015	105,967	105,967	211,934	115,000	326,934
2016	102,833	102,834	205,667	115,000	320,667
2017	99,700	99,699	199,399	125,000	324,399
2018	96,293	96,294	192,587	125,000	317,587
2019	92,887	92,887	185,774	140,000	325,774
2020	88,855	88,855	177,710	145,000	322,710
2021	84,679	84,679	169,358	155,000	324,358
2022	80,215	80,215	160,430	165,000	325,430
2023	75,463	75,463	150,926	180,000	330,926
2024	70,279	70,279	140,558	180,000	320,558
2025	65,095	65,095	130,190	195,000	325,190
2026	59,479	59,479	118,958	210,000	328,958
2027	53,326	53,326	106,652	220,000	326,652
2028	46,880	46,880	93,760	230,000	323,760
2029	40,141	40,141	80,282	245,000	325,282
2030	32,963	32,962	65,925	265,000	330,925
2031	25,198	25,198	50,396	265,000	315,396
2032	17,433	17,434	34,867	290,000	324,867
2033	8,937	8,936	17,873	305,000	322,873
<b>TOTALS</b>	<u>\$ 1,355,406</u>	<u>\$ 1,355,406</u>	<u>\$ 2,710,812</u>	<u>\$ 3,775,000</u>	<u>\$ 6,485,812</u>

**CITY OF RANCHO MIRAGE**

**FORMER REDEVELOPMENT AGENCY LONG-TERM DEBT INFORMATION  
(CONTINUED)**

The annual payment amounts required to retire the 2003B bonds outstanding as of June 30, 2013 are as follows:

<u>Fiscal Year</u>	<u>Interest Due April 1</u>	<u>Interest Due October 1</u>	<u>Total Interest</u>	<u>Principal Due April 1</u>	<u>Total Annual Debt Service</u>
2014	\$ 46,022	\$ 46,022	\$ 92,044	\$ 40,000	\$ 132,044
2015	45,097	45,097	90,194	45,000	135,194
2016	44,028	44,028	88,056	40,000	128,056
2017	43,053	43,053	86,106	40,000	126,106
2018	42,078	42,078	84,156	45,000	129,156
2019	40,953	40,953	81,906	50,000	131,906
2020	39,641	39,640	79,281	55,000	134,281
2021	38,197	38,197	76,394	60,000	136,394
2022	36,622	36,622	73,244	55,000	128,244
2023	35,178	35,178	70,356	60,000	130,356
2024	33,603	33,603	67,206	65,000	132,206
2025	31,856	31,857	63,713	70,000	133,713
2026	29,975	29,975	59,950	70,000	129,950
2027	28,094	28,094	56,188	75,000	131,188
2028	26,078	26,078	52,156	75,000	127,156
2029	24,063	24,062	48,125	80,000	128,125
2030	21,863	21,862	43,725	80,000	123,725
2031	19,662	19,663	39,325	95,000	134,325
2032	17,050	17,050	34,100	95,000	129,100
2033	14,437	14,438	28,875	105,000	133,875
2034	11,550	11,550	23,100	420,000	443,100
<b>TOTALS</b>	<u>\$ 669,100</u>	<u>\$ 669,100</u>	<u>\$ 1,338,200</u>	<u>\$ 1,720,000</u>	<u>\$ 3,058,200</u>

**CITY OF RANCHO MIRAGE**

**FORMER REDEVELOPMENT AGENCY LONG-TERM DEBT INFORMATION  
(CONTINUED)**

The annual payment amounts required to retire the 2003A-1 tax allocation bonds outstanding as of June 30, 2013 are as follows:

<u>Fiscal Year</u>	<u>Accreted Value</u>
2014	\$ -
2015	-
2016	-
2017	-
2018	-
2019	-
2020	-
2021	-
2022	-
2023	-
2024	-
2025	-
2026	-
2027	-
2028	-
2029	-
2030	-
2031	-
2032	-
2033	-
2034	3,940,000
2035	3,940,000
	<hr/>
Total accreted value	7,880,000
	<hr/>
Less future accretion	(5,452,992)
	<hr/>
	\$ 2,427,008
	<hr/> <hr/>

2006 A — Whitewater Tax Allocation Refunding Bonds

On April 20, 2006, the Redevelopment Agency of the City of Rancho Mirage issued \$24,910,000 Tax Allocation Refunding Bonds, Series 2006A (Whitewater Sub-Area). Proceeds of the Bonds were used to pay the costs of issuing the Bonds, to purchase a debt service reserve fund surety bond for the Bonds and to refund the Agency's Whitewater Redevelopment Project, Tax Allocation Refunding Bonds, Series 1994A, originally issued in the principal amount of \$23,090,000, which have been fully repaid, the Agency's Whitewater Redevelopment Project Tax Allocation Parity Bonds, 1997A, originally issued in the principal amount of \$4,850,000, have been fully repaid, and the Agency's Whitewater Redevelopment Project Subordinate Tax Allocation Bonds, Series 1997B, originally issued in the principal amount of \$3,575,000, of which have been fully repaid.

**CITY OF RANCHO MIRAGE**

**FORMER REDEVELOPMENT AGENCY LONG-TERM DEBT INFORMATION  
(CONTINUED)**

The prior Bonds were issued by the Agency to finance and refinance certain improvements in, or benefiting, the Whitewater Sub-Area of its Merged Redevelopment Project.

The Bonds are limited obligation of the Agency payable solely from and secured by the Surplus Tax Revenues to be derived from the Sub-Area, and from the amounts on deposit in certain funds as described herein. Upon issuance of the Bonds, there will no longer be any outstanding indebtedness with a lien on the Surplus Tax Revenues senior to the lien of the Bonds.

The Whitewater Sub-Area encompasses approximately 5,076 acres, or about 34 percent of the total incorporated area of the City. Approximately 66 percent of the Whitewater Sub-Area consists of steep mountain slopes and is currently not considered to be developable.

Beginning April 1, 2007, the 2006A Bonds are due in annual installments of \$890,000 to \$2,480,000 through April 1, 2024. Interest ranging from 3.5 percent to 5 percent is due in semi-annual installment on April 1 and October 1 of each year. The reserve requirement is held by the fiscal agent in the form of a surety bond. On February 1, 2012 these Bonds were transferred from the Rancho Mirage Redevelopment Agency to the Successor Agency and the balance outstanding is no longer included in the City's Statement of Net Position.

The annual payment amounts required to retire the 2006A tax allocation (Whitewater) bonds outstanding as of June 30, 2013 are as follows:

Fiscal Year	Interest Due April 1	Interest Due October 1	Total Interest	Principal Due April 1	Total Annual Debt Service
2014	\$ 462,657	\$ 462,656	\$ 925,313	\$ 1,075,000	\$ 2,000,313
2015	437,125	437,125	874,250	1,125,000	1,999,250
2016	409,000	409,000	818,000	1,180,000	1,998,000
2017	379,500	379,500	759,000	1,235,000	1,994,000
2018	348,625	348,625	697,250	1,295,000	1,992,250
2019	316,250	316,250	632,500	1,365,000	1,997,500
2020	282,125	282,125	564,250	2,045,000	2,609,250
2021	231,000	231,000	462,000	2,145,000	2,607,000
2022	177,375	177,375	354,750	2,250,000	2,604,750
2023	121,125	121,125	242,250	2,365,000	2,607,250
2024	62,000	62,000	124,000	2,480,000	2,604,000
<b>TOTALS</b>	<b>\$ 3,226,782</b>	<b>\$ 3,226,781</b>	<b>\$ 6,453,563</b>	<b>\$ 18,560,000</b>	<b>\$ 25,013,563</b>

2006 A — Northside Tax Allocation Refunding Bonds

On April 20, 2006 the Redevelopment Agency of the City of Rancho Mirage issued \$24,210,000 Tax Allocation Refunding Bonds, Series 2006A (Northside Sub-Area). The proceeds of the Bonds were used to pay the costs of issuing the Bonds, to purchase a debt service reserve fund surety bond for the Bonds and to refund the Agency's Redevelopment Plan-1984 Project, Tax Allocation Refunding Bonds, Series 1994A, originally issued in the principal amount of \$16,930,000 have been fully repaid and the Agency's Redevelopment Plan-1984 Project, Tax Allocation Bond Series, 1999A, originally issued in the principal amount of \$8,680,000 have been fully repaid.

**CITY OF RANCHO MIRAGE**

**FORMER REDEVELOPMENT AGENCY LONG-TERM DEBT INFORMATION  
(CONTINUED)**

The prior Bonds were issued by the Agency to finance and refinance certain improvements in, or benefiting, the Northside Sub-Area of its Merged Redevelopment Project.

The Northside Sub-Area encompasses approximately 4,717 acres, or about 30 percent of the total incorporated area of the City. The entire Northside Sub-Area consists of developed or developable land and is primarily residential in character.

Beginning April 1, 2007, the 2006A Bonds are due in annual installments of \$385,000 to \$1,715,000 through April 1, 2033. Interest ranging from 3.5 percent to 5.0 percent is due in semi-annual installments on April 1 and October 1 of each year. As of June 30, 2013 the reserve requirement is held by the fiscal agent in the form of a surety bond. On February 1, 2012 these Bonds were transferred from the Rancho Mirage Redevelopment Agency to the Successor Agency and the balance outstanding is no longer included in the City's Statement of Net Position.

The annual payment amounts required to retire the 2006A tax allocation (Northside) bonds outstanding as of June 30, 2013 are as follows:

Fiscal Year	Interest Due April 1	Interest Due October 1	Total Interest	Principal Due April 1	Total Annual Debt Service
2014	\$ 511,200	\$ 511,200	\$ 1,022,400	\$ 435,000	\$ 1,457,400
2015	500,869	500,869	1,001,738	450,000	1,451,738
2016	490,744	490,744	981,488	465,000	1,446,488
2017	479,119	479,119	958,238	495,000	1,453,238
2018	467,363	467,362	934,725	855,000	1,789,725
2019	445,988	445,987	891,975	890,000	1,781,975
2020	426,519	426,519	853,038	940,000	1,793,038
2021	405,956	405,957	811,913	970,000	1,781,913
2022	384,131	384,132	768,263	1,020,000	1,788,263
2023	359,906	359,907	719,813	1,065,000	1,784,813
2024	334,613	334,612	669,225	1,115,000	1,784,225
2025	308,131	308,132	616,263	1,170,000	1,786,263
2026	281,806	281,807	563,613	1,215,000	1,778,613
2027	254,469	254,469	508,938	1,275,000	1,783,938
2028	222,594	222,594	445,188	1,335,000	1,780,188
2029	189,219	189,219	378,438	1,400,000	1,778,438
2030	154,219	154,219	308,438	1,490,000	1,798,438
2031	116,969	116,969	233,938	1,570,000	1,803,938
2032	79,682	79,681	159,363	1,640,000	1,799,363
2033	40,732	40,731	81,463	1,715,000	1,796,463
<b>TOTALS</b>	<b>\$ 6,454,229</b>	<b>\$ 6,454,229</b>	<b>\$ 12,908,458</b>	<b>\$ 21,510,000</b>	<b>\$ 34,418,458</b>

**CITY OF RANCHO MIRAGE**

**FORMER REDEVELOPMENT AGENCY LONG-TERM DEBT INFORMATION  
(CONTINUED)**

2008 A Subordinate Lien Tax Allocation Bonds

On July 30, 2008 the Redevelopment Agency of the City of Rancho Mirage issued \$22,040,000 Subordinate Lien Tax Allocation Bonds, Series 2008A (Northside Sub-Area). The proceeds of the Bonds were used to pay the costs of issuing the Bonds, to fund a reserve account for the Bonds, and to finance certain improvements in its Merged Redevelopment Project.

The Sub-Area encompasses approximately 4,717 acres, or about 30 percent of the total incorporated area of the City. The entire Sub-Area consists of developed or developable land and is primarily residential in character.

Beginning April 1, 2009, the 2008A Bonds are due in annual installments of \$460,000 to \$1,350,000 through April 1, 2035. Interest ranging from 3.0 percent to 4.75 percent is due in semi-annual installments on April 1 and October 1 of each year. On February 1, 2012 these Bonds were transferred from the Rancho Mirage Redevelopment Agency to the Successor Agency and the balance outstanding is no longer included in the City's Statement of Net Position.

The annual payment amounts required to retire the 2008A bonds outstanding as of June 30, 2013 are as follows:

Fiscal Year	Interest Due April 1	Interest Due October 1	Total Interest	Principal Due April 1	Total Annual Debt Service
2014	\$ 477,672	\$ 477,672	\$ 955,344	\$ 525,000	\$ 1,480,344
2015	467,172	467,172	934,344	545,000	1,479,344
2016	456,272	456,272	912,544	580,000	1,492,544
2017	444,309	444,310	888,619	595,000	1,483,619
2018	431,666	431,665	863,331	620,000	1,483,331
2019	417,716	417,715	835,431	650,000	1,485,431
2020	403,091	403,090	806,181	675,000	1,481,181
2021	387,903	387,903	775,806	705,000	1,480,806
2022	371,160	371,159	742,319	740,000	1,482,319
2023	353,585	353,584	707,169	775,000	1,482,169
2024	334,210	334,209	668,419	815,000	1,483,419
2025	313,835	313,834	627,669	850,000	1,477,669
2026	292,585	292,584	585,169	900,000	1,485,169
2027	270,085	270,084	540,169	945,000	1,485,169
2028	245,869	245,868	491,737	995,000	1,486,737
2029	220,372	220,372	440,744	1,045,000	1,485,744
2030	193,594	193,593	387,187	1,100,000	1,487,187
2031	164,719	164,718	329,437	1,150,000	1,479,437
2032	134,531	134,537	269,068	1,215,000	1,484,068
2033	102,638	102,637	205,275	1,280,000	1,485,275
2034	69,038	69,037	138,075	1,280,000	1,418,075
2035	35,438	35,437	70,875	1,350,000	1,420,875
<b>TOTALS</b>	<b>\$ 6,587,460</b>	<b>\$ 6,587,452</b>	<b>\$ 13,174,912</b>	<b>\$ 19,335,000</b>	<b>\$ 32,509,912</b>