

City of Indian Wells, California

Comprehensive Annual Financial Report

June 30, 2020

CITY OF INDIAN WELLS, CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
Fiscal Year Ended June 30, 2020

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December 9, 2020

Honorable Mayor, Members of the City Council and
Citizens of the City of Indian Wells, California:

We are pleased to present the City of Indian Wells Comprehensive Annual Financial Report (CAFR) for the fiscal year ending June 30, 2020.

During the coronavirus pandemic (COVID-19), the community has done its best to stay safe and healthy, support local businesses and remain engaged by connecting in new ways.



Through all of this, residents have shown their resilience. I could not be prouder of our community. The pandemic has shown how tight knit we truly are. Council has been working hard to adjust our financial strategy to mitigate the impact to the community by pursuing long-term planning and setting adjusted financial goals and timelines. Specific impacts caused by the Coronavirus pandemic will be discussed in the Factors Affecting Financial Condition section of this transmittal.

This transmittal letter provides a non-technical summary of the City's finances, services, achievements, and economic prospects. A narrative introduction and analysis of the financial statements is found in the Management's Discussion and Analysis (MD&A), which immediately follows the independent auditor's report. The MD&A complements this letter of transmittal and should be read in conjunction with it. The notes, along with the other financial and operational data included in the CAFR, provide a complete analysis of the City's financial position as of June 30, 2020.

The CAFR is prepared in accordance with generally accepted accounting principles in the United States of America. The accuracy of the data, the completeness and fairness

of the presentation and the adequacy of its disclosures, rests with the City's management. This includes the design, implementation, and maintenance of internal controls over the preparation and fair presentation of financial statements which are free from material misstatement and for assurance the assets of the City are protected from loss, theft or misuse. Because the cost of internal controls should not exceed the anticipated benefits, the objective is to provide reasonable, rather than absolute assurance the financial statements are free from any material misstatements. We believe the information presented is complete and reliable in all material respects.

Government Code 26909 (a) requires the City, as a local agency of the County, contract with a certified public accountant to perform an annual audit of the accounts and records of the City and the audit conform to Generally Accepted Auditing Standards. Further, Government Code 26909 (b) states an audit report shall be filed with the State Controller and with the County Auditor in which the district is located within 12 months of the end of the fiscal year. This report is published to fulfill these requirements for the fiscal year ending June 30, 2020.

Eide Bailly LLP, Certified Public Accountants issued an unmodified opinion on the City of Indian Wells financial statements for the fiscal year ended June 30, 2020. The independent auditor's report is located in the financial section of this report. The independent audit involved examining evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and estimates made by management, and evaluating the overall financial statement presentation.

In addition to the annual audit, Eide Bailly LLP performs various Agreed Upon Procedures (AUPs) reviews at the Indian Wells Golf Resort, the Housing Authority communities, the Tennis Stadium, and Indian Wells hotel partners.

Profile of the City of Indian Wells

The City of Indian Wells, incorporated in 1967, is located 120 miles east of Los Angeles in the eastern portion of Riverside County known as the Coachella Valley.

Its pristine natural setting, upscale residential country clubs, first-class resorts, championship golf courses, and abundance of leisure and cultural activities distinguish the Indian Wells community. The City boasts 5,403

full-time residents spread over 15.04 square miles. An additional 4,000 to 5,000 part-time residents call Indian Wells home during the winter season.



Indian Wells operates under the City Council/City Manager form of Government. Policy-making and legislative authority are vested in a governing council (Council) consisting of the Mayor and four other members, all elected on a non-partisan basis. Council members serve four-year terms and are elected at large. The City Council appoints the City Manager and City Attorney.

The City Manager heads the executive branch of the government, implements policies as directed and established by the City Council, and manages the administrative and operational functions utilizing City staff. The City provides a full range of services, including police and fire protection, construction and maintenance of streets and infrastructure, economic development, planning and community development, building and safety, arts and culture, and recreational activities.

The biennial budget serves as the foundation for the City's financial planning and control. The City Council is required to adopt the biennial budget resolution by July 1. The budget is presented on a basis consistent with generally accepted accounting principles. The City's budget was revamped to emphasize program budgeting rather than the traditional departmental format. This new format simplifies reporting of City expenditures and allocation of resources consistent with City goals. Program budgets emphasize the objectives of the City and allocate expenses back to these objectives.

Outstanding Community Benefits



The City of Indian Wells offers an outstanding quality of life, numerous cultural and social activities, a cohesive and innovative City government, luxurious hotel properties, and championship golf at the Indian Wells Golf Resort.

Moreover, the City supports many major sporting and cultural events throughout the

year. These include the BNP Paribas Open, the largest Association of Tennis Professionals (ATP) World Tour and the Women's Tennis Association (WTA) combined two-week event in the world, held at the Indian Wells Tennis Garden, Ironman 70.3, Desert Town Hall, and the Indian Wells Arts Festival. The Living Desert Zoo and Gardens was recently named the Best Zoo in America by 24/7 Wall Street, is situated in Indian Wells and neighboring Palm Desert.

Indian Wells enjoys one of the lowest crime rates and quickest public safety response times in the Coachella Valley thanks to diligent law enforcement and fire/paramedic

services. The Joslyn Center offers a wide variety of activities appealing to many interests and energy levels.

Indian Wells boasts a very successful resident benefit program. With an Indian Wells Resident Benefit Card, residents enjoy select discounts at the Indian Wells Golf Resort, Indian Wells Tennis Garden, and all four Indian Wells hotel properties. Other special events include art exhibitions and lectures, complimentary tickets to the BNP Paribas Open and Desert Town Hall, resident social gatherings, community patriotic events, and much more.



Factors Affecting Financial Condition

When the coronavirus hit this spring, the devastating impact caused many in the local tourism community extreme financial hardship. The BNP Paribas Open was canceled the day before the tournament was to begin. Soon thereafter, Governor Gavin Newsom issued the Stay at Home Order for all of California to help stop the spread of COVID-19.

The cancellation of the tennis tournament, Coachella and Stagecoach music festivals, and numerous conferences and seminars created a significant impact on the City's finances. As a tourist destination, Indian Wells is heavily dependent on large-scale events and dollars spent by travelers to support the local economy. These events are estimated to bring \$1 billion in economic activity to the region.

Thankfully, Indian Wells was as well-prepared for an economic disaster as possible. Over the past several years, the City has followed several Financial Priorities to maintain fiscal responsibilities:

- No Cuts to Public Safety;
- No Use of City Reserves;
- Set aside \$2 million annually into reserves over the last eight years for future projects;
- Payoff pension and other post-employment obligations. The City eliminated all pension liabilities and set aside money into reserves as part of a long-term strategy to plan for the next economic downturn.

Today, Indian Wells has a capital reserve fund of \$25 million, which is part of nearly \$44 million in cash reserves held by the City. This fiscally conservative discipline has earned the City of Indian Wells the prestige of being the 4th most fiscally sound community in California in the Senator Moorlach Report.

Even with access to these financial resources, when the Governor issued the Stay at Home order, the City developed new budget projections, froze spending, and delayed projects, to minimize the financial hit to the City. Initially, the projected losses due to COVID-19 was well over \$11 million. Due to the immediate City response, the City presented a revised budget, which balanced the budget over the two-year budget cycle. Overall, the City experienced \$7.9 million in losses in General Fund revenue through the end of Fiscal Year 2019-20 due to COVID-19. To adjust for these losses, City staff successfully cut spending by nearly \$2.7 million, delayed projects, and other expenses to future years; all within the last few months of the fiscal year.

After experiencing the impacts to the City's budget in the first year due to the pandemic, the City once again adjusted its two-year budget in June with revised revenue projections, cuts to expenditures, and project delays to continue with the conservative approach to City's finances. This budget revision included no cuts to public safety or dipping into City reserves. While the City remains cautiously optimistic, staff and Council are planning for all scenarios.

In October 2020, the City adopted yet another revised budget for Fiscal Year 2020-2021 to pre-plan for the possible cancellation or delay of the 2021 tennis tournament and music festivals. The cancellation of these events could mean an additional loss of \$5.5 million in General Fund revenues. This is a worst-case scenario, but the City is preparing nonetheless, without dipping into the City's reserves or affecting public safety funding. When these events return, so too will the funding for the delayed capital projects.

In an effort to provide greater transparency and understanding of the City's finances, the City of Indian Wells established a new financial portal on the City's website to continually release and update fiscal information. This digital portal is kept up to date with the latest City financial information, including any fluctuations related to the pandemic.

Strategic Goals and Priorities

The purpose of strategic planning is to anticipate the future, envision what the organization must become to operate effectively in that future, and make plans for moving the organization from what it is to what it needs to become to be successful.

The Strategic Plan identifies strategic issues, establishes broad goals, and states general priorities. The Indian Wells strategic planning effort coordinates organizational

priorities on a citywide basis. During the strategic planning process, Council identified a list of issues facing the City and worked to prioritize the list to focus the City's efforts in four broad goals for the upcoming two-year budget cycle.

Goal 1: Implement Strategies to Improve the City's Long-term Fiscal Position

Improve understanding of the City's long-term financial position in order to identify the revenue necessary to maintain the high-quality standards of Indian Wells.

Action Items

- Report on key indicators and long-term cash flows

Goal 2: Encourage and Expand Economic Development Opportunities

Create economic development opportunities to improve the City's fiscal position.

Action Items

- Support approved/pending projects
- Seek new development opportunities
- Expand tourism as economic development and build business opportunities

Goal 3: Golf Resort Strategic Plan

Increase revenues at the Indian Wells Golf Resort to cover a portion of the Resident subsidy and capital costs within the next 3-5 years.

Action Items

- Expand banquet capacity and efficiency to improve financial performance
- Deliver a more consistent and favorable a la cart guest experience



Accomplishments

- ***City Finances***
 - Developed strategy to immediately respond to COVID-19.
 - Changed the organizational culture on seeking grants. In FY19-20, City received over \$600,000 in grants, including: two street grants totaling \$464,000; General Plan Grant of \$160,000; emergency preparedness of \$12,000. Awaiting word on over \$400,000 in park grants for the golf resort.
 - Added new sections to the Budget document improving transparency.
 - Facilitated the BNP Paribas clear bag partnership with Recycling Funds instead of General Funds, saving the City \$50,000.
 - Negotiated extension of agreements with Tennis Garden due to COVID-19.
 - Refunded Series 2010 A Successor Agency bonds creating \$1.3 million in net present value savings.
 - Negotiated shared design expenses with Brixton on Channel lining design, saving the City tens of thousands of dollars.
 - Encouraged staff to defer salary increases until the end of the year.
 - Updated User Fee Schedule.

- ***Economic Development***
 - Created new Economic Development Division of the City to focus efforts on promoting existing businesses and new investments in Indian Wells.
 - Improved relationship with IW Chamber and other chambers.
 - Moving forward with the EIFD study.
 - General Plan Update to include significant incentives for Economic Development.
 - Obtained DIR letter for TMC site.

- ***Golf Resort***
 - Completed remodel of Vue – on time, under budget, and developed relaunch strategy.
 - Financial Reporting - Redesigned financial reporting of IWGR operations improving transparency and financial analysis.
 - Brought forth tree trimming during COVID-19 that saved City thousands of dollars.
 - Completed extension to Troon Agreement.
 - Improved maintenance conditions on Celebrity Course.

- ***Public Safety***
 - Promoted positive changes in Sheriff patrols, Ring Partnership, community outreach, and increased traffic enforcement.

- Changed fire staffing model to provide a paramedic on every shift of fire engine.
- ***Housing Items***
 - Attempted a partnership with CSUSB-Palm Desert on the development of student housing for university and earn RHNA credit for City.
 - Resolved affordable housing rent issues.
 - Completed Short Term Rental Ordinance fix.
- ***City Internal Operations***
 - Completed the reorganization of staff at City Hall to make City operate more efficiently and effectively (i.e. cross training of positions).
 - Filled several vacancies, promoted Jon Berg to CD Director, and much more.
 - Had one-on-one coffee with all staff to learn more about them, future goals, and their strengths in the organization.
 - Added some additional fun activities for staff (i.e. Ice Cream Social, baseball and football jersey days).
 - Coordinated the remote work activities of staff to maintain operations and productivity.
 - Ride-a-longs with Cal Fire and Sheriff's Department.
- ***Miscellaneous Projects***
 - Completed Eisenhower Campaign.
 - Updated City's Wireless Design Ordinance.
 - Completed purchase of Toscana property.
- ***Stakeholder Meetings and Community Outreach***
 - Visited both Affordable Housing Projects and met with residents.
 - Met with developers to seek their investment in the City (i.e. Lewis, Majestic, Lennar, etc.).
 - Meet regularly with General Managers at local resorts.
 - Established relationships with local HOAs.
 - Presented at Rotary Club.
 - Spend significant amount of time meeting with other stakeholders in the community (i.e. Sunline, Rescue Mission, CVAG, CVEP, neighboring cities, CVB, Chamber of Commerce, and many more).
- ***Communication***
 - Improved communication with the City Council.
 - Worked with staff to improve communication with staff reports, email blasts, etc.
 - Speak frequently with IW Village ownership on potential grocer at center.
 - Revised legislative platform.

Document Structure

In addition to the fund-by-fund financial information presented in the City's financial statements, the Government-wide Financial Statements are presented. The Government-wide Financial Statements include a Statement of Net Position providing the total net position of the City including infrastructure, and the Statement of Activities displaying the cost of providing government services.

These statements are further analyzed in a narrative section called Management's Discussion and Analysis (MD&A). The MD&A provides "financial highlights" and interprets the financial reports by analyzing trends and by explaining changes, fluctuations, and variances in the financial data. In addition, the MD&A is intended to disclose any known significant events or decisions affecting the financial condition of the City.

The Comprehensive Annual Financial Report includes the financial activity for all funds of the City. The City provides a wide range of services including planning, building, public works, engineering, maintenance, and general administrative activities. Contracted services include police and fire protection, and landscape maintenance.

The following governmental agencies provide services to the citizens of the City of Indian Wells and are excluded from this report because the City does not have financial accountability over these agencies: State of California and its departments, County of Riverside and its departments, Cove Communities Services Commission, Coachella Valley Association of Governments, Riverside County Transportation Commission, Riverside County Waste Management District, Desert Sands Unified School District, County Superintendent of Schools, Coachella Valley Unified School District, Desert Community College District, Coachella Valley Mosquito and Vector Control District, Coachella Valley Water District, SunLine Transit Agency, Greater Palm Springs Convention and Visitors Bureau, and the Desert Resorts Regional Airport Authority.

Established Financial Controls

The framework of internal controls is designed to provide reasonable, but not absolute assurance these objectives are met. The concept of reasonable assurance recognizes: (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management.

Independent Audit

An annual independent audit of the City's financial statements was conducted. The accounting firm of Eide Bailly LLP, was appointed by the City Council and reported to the Finance Committee to perform the annual audit. The auditors' report on the basic

financial statements, as well as the combining and individual fund statements and schedules is included in the financial section of this report.

Annual Internal Control Review

The City is responsible for ensuring an adequate internal control structure is in place. The internal control structure is subject to constant evaluation by the management of the City and annual review by independent auditors. Reviews determine the adequacy of the internal control structure, as well as determine if the City complied with applicable laws and regulations. The results of the City's annual audit for the fiscal year ended June 30, 2020 provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

Accounting Controls

In the public sector, a city government maintains a variety of "funds" which provide the basis for separately recording the financial data related to a specific activity. A fund is an accounting entity with a complete set of self-balancing accounting records. Each fund is established due to some restriction on the use of the resources received by fund. In the private sector, a corporation may have many subsidiaries which make up the parent corporation. Likewise, in the public sector, all of the funds make up the complete financial resources of the City. This report includes the transactions of all entities over which the City Council has authority (as defined by the Governmental Accounting Standards Board).

The City's accounting system operates on a modified accrual basis of accounting for all governmental and agency type funds. Under the modified accrual basis of accounting, revenues are recorded when received in cash or accrued when they are both measurable and collectible within the accounting period or soon enough after the end of the period to pay liabilities of the period. Expenditures other than interest or long-term debt, are recorded when liabilities are incurred. At year-end, the City prepared the required entries necessary to report the City's financial position and activities on an accrual basis of accounting, which recognizes revenues when earned, and expenses when incurred.

In addition to maintaining funds to record accounting transactions, internal controls exist within the accounting system to ensure the safety of assets from misappropriation, unauthorized use or disposition, and to maintain the accuracy of financial record keeping. These internal controls must be established consistent with sound management practices based upon the cost/benefit of the controls imposed. The cost of a control should not be excessive to its derived benefit as viewed by City management. The internal controls in existence at the City of Indian Wells are sufficient to ensure, in all material respects, both the safety of the City's assets and the accuracy of the financial record keeping system.

Certificate of Award for Outstanding Financial Reporting

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 Indian Wells for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2019. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. The City of Indian Wells has won this award for 29 consecutive years.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such Comprehensive Annual Financial Report must satisfy both Generally Accepted Accounting Principles and applicable legal requirements.

The Comprehensive Annual Financial Report of the City of Indian Wells for the fiscal year ended June 30, 2020 is hereby presented. To the best of our knowledge and belief, the enclosed information is accurate in all material respects and is reported in a manner designed to fairly present the financial position of the City. All disclosures necessary to enable an understanding of the City's financial activities are included.

Acknowledgments

The preparation of this report would not have been possible without the dedication and professionalism of Finance Department staff. I wish to thank all City departments for their valuable contributions incorporated into this report. I also want to thank the City's independent auditors, Eide Bailly LLP, Certified Public Accountants for their work and professionalism in conducting the annual audit. Finally, I would like to thank the City Council and Finance Committee for providing resources and preserving the City's framework of internal controls.

Respectfully submitted,



Chris Freeland
City Manager



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Indian Wells
California**

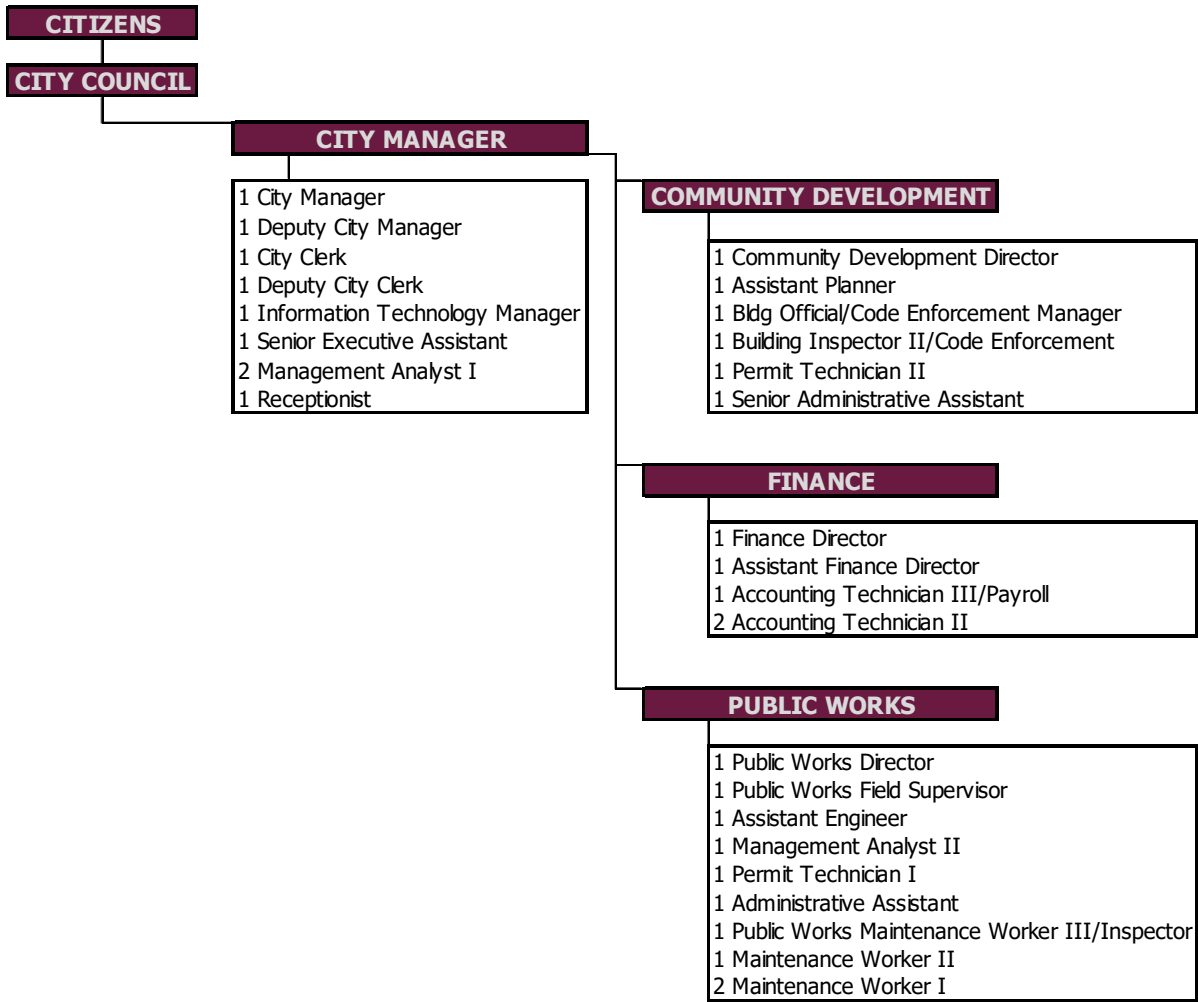
For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morill

Executive Director/CEO

**City of Indian Wells
ORGANIZATION CHART
June 30, 2020**



CITY OF INDIAN WELLS

LIST OF PRINCIPAL OFFICIALS

JUNE 30, 2020

Council – Manager Form of Government

City Council

Ty Peabody
Mayor

Dana Reed
Mayor Pro Tem

Richard Balocco
Council Member

Kimberly Muzik
Council Member

Ted J. Mertens
Council Member

City Administration

Christopher J. Freeland
City Manager

Kevin McCarthy, Finance Director
Peter Castro, Deputy City Manager
Ken Seumalo, Public Works Director
Jon Berg, Community Development Director



Independent Auditor's Report

The Honorable Mayor and Members of City Council
City of Indian Wells, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Indian Wells, California (City), as of and for the year ended June 30, 2020, 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.

Auditor's 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, business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2020, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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 proportionate share of net pension liability, schedule of plan contributions, schedule of changes in the net OPEB liability and related ratios, schedule of OPEB contributions, budgetary comparison information, and related notes, as listed on the table of contents, be presented to supplement the basic financial statements. Such information, although not a 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 introductory section, combining and individual non-major fund financial statements and budgetary comparison schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual non-major fund financial statements and budgetary comparison schedules are the responsibility of management and were derived from and relate 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 combining and individual non-major fund statements and budgetary comparison schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have 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 them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 9, 2020, 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 solely 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 the effectiveness of the City's 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.

A handwritten signature in black ink that reads "Eide Sully LLP". The signature is written in a cursive, flowing style.

Riverside, California
December 9, 2020

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Management's Discussion and Analysis

As the management of the City of Indian Wells, we offer readers of the financial statements this narrative overview and analysis of the City's financial activities for the fiscal year ended June 30, 2020. Management's Discussion and Analysis provides readers with a basic overview of the financial results and financial position of the City of Indian Wells. We encourage readers to consider the information presented here in conjunction with additional information furnished in the letter of transmittal found on pages i-xiv, and the accompanying basic financial statements found on pages 25-36 of the report.

Financial Highlights

- The assets and deferred outflows of resources of the City of Indian Wells exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$303.5 (net position). The unrestricted net position, represents the amounts available to meet the City's ongoing obligations to citizens and creditors, was \$64.4 million, about 21.2% of the total net position. The City's investment in capital assets is \$213.0 million and \$26.1 million is subject to legal restrictions on their use.
- The City of Indian Wells total net position decreased \$8.4 million primarily due to \$6.2 million in capital depreciation and tourism impacts due to the coronavirus pandemic.
- At the close of the current fiscal year, the City of Indian Wells governmental funds reported combined fund balances of \$94.2 million, a decrease of \$0.9 million in comparison with the prior year. Of this amount, \$9.3 million, or 9.9%, is available for spending at the government's discretion (unassigned fund balance). Of the remaining amount, \$5.7 million, or 6.2%, of the governmental fund balances are committed for capital projects; \$19.0 million, or 20.2%, constitutes non-spendable reserves; \$26.2 million, or 27.8%, are restricted fund balances because of external limitations on spending. Assigned fund balances total \$34.0 million, or 36.1%, are reserved for long-term capital projects and are internally imposed limitations placed upon the funds by the Governing Board.
- At the end of the current fiscal year, unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) for the general fund was \$15.9 million, or approximately 90.1% of total general fund expenditures.
- Governmental Activities capital assets net of depreciation decreased \$3.1 million from \$167.0 million to \$163.9 million. The City acquired \$0.9 million in new capital assets during the fiscal year and depreciation expense was \$4.0 million.

- The City of Indian Wells reported a \$1.2 million net pension asset for its proportionate share of the net pension liability of the Miscellaneous Plan as of June 30, 2020.
- The City of Indian Wells is committed to provide postemployment benefits to its employees. Other than the pension mentioned above, the only postemployment benefit the City offers is retiree medical. As of June 30, 2020, the City had liabilities of \$0.8 million for postemployment benefits. During the fiscal year 2019-20, the City made contributions with the intent to completely payoff the unfunded OPEB liability. Pursuant to the requirements of GASB 75, the June 30, 2020 net OPEB liability reflected in the financial statements has a measurement date of June 30, 2019.
- As a result of this year's business activities, the Indian Wells Golf Resort collected \$11.3 million in operating revenues. Expenses at the Indian Wells Golf Resort totaled \$15.5 million. Operating costs totaled \$12.8 million, general and administrative costs totaled \$0.4 million, and depreciation totaled \$2.3 million.
- Capital assets from Business-type Activities net of depreciation decreased \$0.7 million from \$49.8 million to \$49.1 million. The Indian Wells Golf Resort acquired \$1.7 million in new capital assets during the fiscal year. Deletions totaled \$0.1 and depreciation expense was \$2.1 million.

Overview of the Financial Statements

The discussion and analysis provided here are intended to serve as an introduction to the City of Indian Wells' basic financial statements. The City of Indian Wells' basic financial statements consist of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) the notes to financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the City of Indian Wells' finances, in a manner similar to a private-sector business.

The *statement of net position* presents financial information on all of the City of Indian Wells' assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Indian Wells' is improving or deteriorating.

The *statement of activities* presents information showing how the City of Indian Wells' net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both Government-wide Financial Statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, highways and streets, sanitation, economic development, and culture and recreation. The Government-wide Financial Statements include not only the City itself (known as the primary government), but a legally separate maintenance district for which the City is financially accountable.

The City of Indian Wells Fire Access Maintenance District No. 1, although legally separate, functions as a department of the City, and therefore included as an integral part of the primary government. The government-wide financial statements can be found on pages 25-26 of this report.

Fund Financial Statements - A *fund* is a grouping of related accounts used to maintain control over resources segregated for specific activities or objectives. The *Fund Financial Statements* provides information about the City's most significant funds (major funds) but not the City as a whole. Some funds are required by State and Federal law or by bond covenants. Other funds are utilized simply to control and manage resources intended for particular purposes. The City of Indian Wells, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds - *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the Government-wide Financial Statements. However, unlike the Government-wide Financial Statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than the Government-wide Financial Statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the Government-wide Financial Statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues,

expenses, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenses, and changes in fund balances for the major funds of the government. The City of Indian Wells maintains individual governmental funds, which are distinguished between major and non-major funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances. Data collected from the governmental funds is combined into a single aggregate presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City of Indian Wells chose to report eighteen (18) Landscape and Lighting District funds as the Consolidated LLMD rather than reporting each of the funds separately. The City combines five (5) Gas Tax funds as the Consolidated Gas Tax Fund for this reporting purpose as well.

The City adopts a biennial budget. A budgetary comparison schedule is provided for the General Fund to demonstrate compliance with this budget.

Proprietary funds - *Proprietary funds* are used to report the same functions presented as *business-type activities* in the Government-wide Financial Statements. *Internal service funds* are used to accumulate and allocate costs internally among various functions. Proprietary funds provide the same type of information as the Government-wide Financial Statements, only in more detail.

Fiduciary funds - The City utilizes *Fiduciary funds* to account for assets held by the City in a trustee capacity, or as an agent for other governmental entities, private organizations, or individuals. The City's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. We exclude these activities from the City's Government-Wide Financial Statements because the City cannot use these assets to finance its operations.

Notes to the Financial Statements - The financial statements include the *Notes to the Financial Statements* which provide important narrative details about the information contained in the financial statements. Information contained in the Notes to the Financial Statements is critical to a reader's full understanding of the Government-Wide and Fund Financial Statements.

Required Supplementary Information - In addition to the required elements of the Basic Financial Statements, we included *Required Supplementary Information* which includes budgetary information for the General Fund and major special revenue funds and required schedules for pension and other post-employment benefits.

Combining and individual fund statements and schedules - Provide combining fund information and budgetary schedules immediately following the required supplementary information.

Government-Wide Overall Financial Analysis

This analysis focuses on the Statement of Net Position (Table 1) and the Statement of Net Activities (Table 2) of the City's activities. As noted earlier, looking at the changes in net position over time may serve as a useful indicator of a government's financial position.

Analysis of the Statement of Net Position

The following table lists a condensed Statement of Net Position for the fiscal years ending June 30, 2020 and 2019.

Table 1
Statement of Net Position
(in Millions)

	Governmental Activities		Business -Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current and restricted assets	\$ 103.0	\$ 101.7	\$ (4.3)	\$ (0.8)	\$ 98.7	\$ 100.9
Capital assets	163.8	167.0	49.1	49.8	212.9	216.8
Total Assets	266.8	268.7	44.8	49.0	311.6	317.7
Deferred Outflows of Resources	2.7	2.9	-	0.1	2.7	3.0
Current Liabilities	6.2	5.0	0.9	1.0	7.1	6.0
Non-current Liabilities	1.4	1.0	-	-	1.4	1.0
Total Liabilities	7.6	6.0	0.9	1.0	8.5	7.0
Deferred Inflows of Resources	2.2	1.7	0.1	0.1	2.3	1.8
Net Position:						
Net investment in capital assets	163.9	167.0	49.1	49.8	213.0	216.8
Restricted						
Community development	3.8	3.1	-	-	3.8	3.1
Housing	13.0	13.9	-	-	13.0	13.9
Public safety	6.7	5.7	-	-	6.7	5.7
Public works	2.6	2.4	-	-	2.6	2.4
Unrestricted	69.7	71.8	(5.3)	(1.8)	64.4	70.0
Total Net Position	\$ 259.7	\$ 263.9	\$ 43.8	\$ 48.0	\$ 303.5	\$ 311.9

Current and other assets increased in governmental activities by \$1.3 million from the prior year. Total liabilities in governmental activities increased \$1.6 million from the previous year primarily due to the increase of current liabilities for outstanding vendor invoices.

The City's assets exceeded liabilities by \$303.5 million at the close of the most recent fiscal year. Of the total net position, the City's net investment in capital assets is \$213.0 million and \$64.4 million represents unrestricted net position available for meeting the City's ongoing obligations to citizens and creditors. The City restricted \$26.1 million based on expected use. These restricted resources can be used only for those purposes specified by their providers, such as grantors, bondholders, or higher levels of government. It is important to note these resources are constrained by external parties.

Analysis of the Statement of Activities

Table 2 below lists a condensed Statement of Activities for the fiscal years ending June 30, 2020 and 2019.

	Governmental Activities		Business -Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues						
Program Revenues:						
Charges for services	\$ 1.6	\$ 1.7	\$ 11.3	\$ 15.1	\$ 12.9	\$ 16.8
Operating contributions and grants	8.6	8.3	-	-	8.6	8.3
Capital contributions and grants	0.5	0.2	-	-	0.5	0.2
General Revenues:						
Taxes						
Property taxes	3.3	3.4	-	-	3.3	3.4
Transient occupancy taxes	4.9	8.8	-	-	4.9	8.8
Sales taxes	0.8	1.5	-	-	0.8	1.5
Franchise taxes	1.0	1.0	-	-	1.0	1.0
Business licenses taxes	0.1	0.1	-	-	0.1	0.1
Admission taxes	-	3.6	-	-	-	3.6
Investment income	4.3	4.3	-	-	4.3	4.3
Other	0.7	0.8	-	-	0.7	0.8
Total Revenues	25.8	33.7	11.3	15.1	37.1	48.8
Expenses:						
General government	8.4	5.7	-	-	8.4	5.7
Public safety	9.2	9.1	-	-	9.2	9.1
Community development	4.6	6.1	-	-	4.6	6.1
Public works	7.8	9.6	-	-	7.8	9.6
Golf resort	-	-	15.5	17.3	15.5	17.3
Total Expenses	30.0	30.5	15.5	17.3	45.5	47.8
Increase (decrease) in net position before transfers	(4.2)	3.2	(4.2)	(2.2)	(8.4)	1.0
Transfers	-	2.0		(2.0)	-	-
Increase (decrease) in net position	(4.2)	5.2	(4.2)	(4.2)	(8.4)	1.0
Net Position, Beginning of Year	263.9	258.7	48.0	52.2	311.9	310.9
Net Position, End of Year	\$ 259.7	\$ 263.9	\$ 43.8	\$ 48.0	\$ 303.5	\$ 311.9

Revenues:

Governmental Activities

The City earned \$25.8 million during fiscal year 2019/20 compared to \$33.7 million the previous year. The decline in revenue is primarily due to the following:

- The coronavirus pandemic. During the fiscal year, the BNP Paribas tennis tournament, Coachella, and Stagecoach music festivals were cancelled.
 - Cancellation of the BNP Paribas tennis tournament caused a decrease of \$3.6 million in admission tax collections compared to the prior year.
- In March 2020, Governor Gavin Newsom issued the Stay at Home Order for all of California to help stop the spread of COVID-19.
- Soon thereafter, City hotels closed.
 - Reductions in tourism caused a decrease of \$3.9 million in transient occupancy tax collections compared to the prior year.
 - Similarly, reductions in tourism lead to a \$0.7 million reduction in sales tax collections.

Business-type Activities

- Due to the coronavirus pandemic, in March 2020, the Indian Wells Golf Resort was required to close temporarily and reopen with limited operations after Coronavirus guidelines were developed and implemented by the State of California.
 - Limited operations is directly related to a \$3.8 million revenue decline compared to the prior year.

Expenses:

Governmental Activities

- Expenses for all governmental activities totaled \$30.0 million. Offsetting cost increases which were largely inflationary in nature, staff reduced the remaining operating costs to the extent possible resulting in a decrease of \$0.5 million compared to the prior year.

Business-type Activities

- Indian Wells Golf Resort operating costs reached \$15.5 million as follows:
 - Operations \$12.8 million
 - General and Administration \$0.4 million
 - Depreciation \$2.3 million

Financial Analysis of Governmental Funds

Governmental funds. The focus of the City's *governmental funds* is to provide information on near term inflows, outflows, and balances of *spend-able* resources. Such information is useful in assessing the City's financing requirements. As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$94.2 million as follows:

Table 3
Fund Balances by Category
Fiscal Year Ending 6/30/2020

	<u>General Fund</u>	<u>All Other Funds</u>	<u>Total Funds</u>
Nonspendable:			
Prepaid costs	2,865	48,795	51,660
Notes and loans	18,917,870	-	18,917,870
Restricted for:			
Community development	-	16,762,539	16,762,539
Public safety	-	6,728,419	6,728,419
Public works	-	2,732,362	2,732,362
Committed for:			
Capital projects	5,500,000	148,955	5,648,955
Assigned To:			
Capital projects	-	34,045,927	34,045,927
Unassigned:	10,443,842	(1,171,973)	9,271,869
Total Fund Balances	<u>\$ 34,864,577</u>	<u>\$ 59,295,024</u>	<u>\$ 94,159,601</u>

Governmental fund balances ended the year totaling \$94.2 million. Of this amount, \$19.0 million constitutes non-spendable reserves; an additional \$26.2 million are restricted fund balances because of external limitations on spending.

Approximately \$5.7 million of the governmental fund balances are committed for capital projects. Assigned fund balances total \$34.0 million and reserved for long-term capital projects and replacements. The assigned fund balances are internally imposed limitations placed upon the funds by the Governing Board responsible for adopting the fund budget. The remainder of the fund balance is \$9.3 million representing unassigned fund balances.

Business-type activities The City’s intent is to charge fees to customers to cover all or most of the cost of certain services it provides. The Indian Wells Golf Resort activities are reported in this category.

**Table 4
Business-Type Activities
Fiscal Year Ending 6/30/2020**

	Golf Resort Operations
Operating Revenues:	
Charges for services	\$ 11,340,304
Total Revenues	11,340,304
Operating Expenses:	
Operations	12,832,454
General and Administration	411,147
Depreciation	2,260,960
Total Expenditures	15,504,561
Operating Income (loss)	(4,164,257)
Non-operating Revenues (Expenses)	
Investment Income (loss)	16,498
Income (Loss) before transfers	(4,147,759)
Transfers in	-
Transfers out	-
Changes in Net Position	(4,147,759)
Net Position, Beginning of the Year	48,011,924
Net Position at End of Year	\$ 43,864,165

As a result of this year’s business activities, the Indian Wells Golf Resort collected \$11.3 million in operating revenues. Revenues from operations include golf fees, food & beverage receipts, and event sales.

Expenses at the Indian Wells Golf Resort totaled \$15.5 million. Operating costs totaled \$12.8 million, general, and administrative costs totaled \$0.4 million, and depreciation totaled \$2.3 million.

Analysis of Individual Funds

The General Fund

The General Fund is the primary operating fund of the City. At the end of the most recent fiscal year, the fund balance in the City's General Fund was \$34.9 million. The fund balance breaks down as follows: non-spendable assets comprise \$18.9 million in notes and loans, \$5.5 million of the governmental fund balances are committed for capital projects, and \$10.5 million is unassigned.

As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures. Unassigned fund balance represents 72.7% of total general fund expenditures, while total fund balance represents 242.6% of that same amount.

Table 5
General Fund Financial Summary

	2020	2019	\$ Change	% Change
Revenues:				
Taxes	\$ 9,837,497	\$ 18,057,355	\$ (8,219,858)	-45.5%
Licenses and permits	541,605	504,326	37,279	7.4%
Intergovernmental	485,587	478,269	7,318	1.5%
Charges for services	427,652	485,714	(58,062)	-12.0%
Interest income	327,061	747,096	(420,035)	-56.2%
Fines and forfeitures	58,587	43,100	15,487	35.9%
Other income	501,879	479,349	22,530	4.7%
Total Revenues	12,179,868	20,795,209	(8,615,341)	-41.4%
Expenditures:				
General government	6,712,868	7,023,498	(310,630)	-4.4%
Public safety	3,717,090	3,646,539	70,551	1.9%
Community development	1,358,158	1,401,939	(43,781)	-3.1%
Public works	2,581,583	2,160,868	420,715	19.5%
Total Expenditures	14,369,699	14,232,844	136,855	1.0%
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,189,831)	6,562,365	(8,752,196)	-133.4%
Other Financing Sources (Uses)				
Transfer in	6,000,000	1,242,257	4,757,743	100.0%
Transfer out	(9,438,991)	(4,450,000)	(4,988,991)	112.1%
Total Transfers	(3,438,991)	(3,207,743)	(231,248)	7.2%
Net Change in Fund Balance	\$ (5,628,822)	\$ 3,354,622	\$ (8,983,444)	-267.8%

General Fund revenues decreased 41.4% during fiscal year 2019/20 compared to the prior year primarily due to tourism impacts due to the coronavirus pandemic. During spring of 2020, the BNP Paribas tennis tournament, Coachella, and Stagecoach music festivals were cancelled, and City hotels closed. Total taxes decreased \$8.2 million, or 45.5%, primarily due to loss tourism.

General Fund expenditures increased \$0.1 million (1.0%) during fiscal year 2019/20 primarily due to increases to public safety costs. See Fund Financial Statements tab page 27-30.

The Housing Authority Fund

The Housing Authority Fund oversees the City affordable housing operations. The Fund accounts for the general expenditures for affordable housing operations and reports annually to the State Department of Housing Community Development on the community housing projects. At the end of the most recent fiscal year, the fund balance in the Housing Authority was \$13.0 million.

Table 6
Housing Authority Financial Summary

	2020	2019	\$ Change	% Change
Revenues:				
Interest income	\$ 315,388	\$ 312,958	\$ 2,430	0.8%
Total Revenues	315,388	312,958	2,430	0.8%
Expenditures:				
General government	974,036	1,783,077	(809,041)	-45.4%
Community development	250,000	200,000	50,000	25.0%
Total Expenditures	1,224,036	1,983,077	(759,041)	-38.3%
Excess (Deficiency) of Revenues Over (Under) Expenditures	(908,648)	(1,670,119)	761,471	-45.6%
Other Financing Sources (Uses)				
Proceeds from Sale of Land	-	907,592	(907,592)	-100.0%
Transfer in	-	-	-	0.0%
Transfer out	-	-	-	0.0%
Total Transfers	-	907,592	(907,592)	-100.0%
Net Change in Fund Balance	\$ (908,648)	\$ (762,527)	\$ (146,121)	19.2%

Revenues consist of \$0.3 million in interest income earned during fiscal year 2019/20. Expenditures totaling \$1.2 million during fiscal year 2019/20 include staff salaries and benefits, professional services such as annual audits and legal counsel, general liability insurance premiums, contributions to non-profit homelessness organizations, and capital maintenance projects. Fiscal year 2019/20 expenditures decreased \$0.8 million compared to the prior year primarily due to fewer capital maintenance projects. See Fund Financial Statements tab page 27-30.

The Emergency Services Upgrade Fund

The Emergency Services Upgrade Fund oversees contractual services for fire suppression, fire prevention, fire investigation, fire safety education, emergency management, and paramedic services. The City of Indian Wells contracts with the Riverside County Fire Department, a subcontract of CALFIRE. At the end of the most recent fiscal year, the fund balance in the Emergency Services Upgrade Fund was \$3.6 million.

Table 7
Emergency Services Upgrade Financial Summary

	2020	2019	\$ Change	% Change
Revenues:				
Taxes	\$ 3,277,041	\$ 3,139,323	\$ 137,718	4.4%
Charges for services	524,273	599,541	(75,268)	-12.6%
Interest income	109,888	104,103	5,785	5.6%
Assessments	608,207	617,839	(9,632)	-1.6%
Other income	21,183	13,576	7,607	56.0%
Total Revenues	4,540,592	4,474,382	66,210	1.5%
Expenditures:				
Public safety	3,989,203	3,743,527	245,676	6.6%
Capital Outlay	-	718,049	(718,049)	-100.0%
Total Expenditures	3,989,203	4,461,576	(472,373)	-10.6%
Excess (Deficiency) of Revenues Over (Under) Expenditures	551,389	12,806	538,583	4205.7%
Other Financing Sources (Uses)				
Transfer in	-	-	-	0.0%
Transfer out	-	-	-	0.0%
Total Transfers	-	-	-	0.0%
Net Change in Fund Balance	\$ 551,389	\$ 12,806	\$ 538,583	4205.7%

Revenues collected during fiscal year 2019/20 include a \$3.3 million fire tax credit (a form of property tax) collected by the County of Riverside on behalf of the City. Charges for services in the amount of \$0.5 million collected from the ambulance billing program and a citywide assessment that generates another \$0.6 million annually.

Expenditures totaling \$4.0 million during fiscal year 2019/20 include staff salaries and benefits, professional services, contract fire costs, general liability insurance premiums, and capital maintenance projects. Fiscal year 2019/20 expenditures decreased \$0.5 million compared to the prior year primarily due to fewer capital maintenance projects. See Fund Financial Statements tab page 27-36.

The Park Facilities in Lieu Fund

The Park Facilities in Lieu Fund used to account for the accumulation of resources from Quimby Act Park Fee exactions, which are restricted for the acquisition and construction of parks, recreation and open space capital projects. At the end of the most recent fiscal year, the fund balance in the Park Facilities in Lieu Fund was a deficit balance of \$1.1 million.

Table 8
Park Facilities In Lieu Financial Summary

	2020	2019	\$ Change	% Change
Revenues:				
Other income	\$ 82,504	\$ 49,168	\$ 33,336	67.8%
Total Revenues	82,504	49,168	33,336	67.8%
Expenditures:				
General government	-	-	-	0.0%
Total Expenditures	-	-	-	0.0%
Excess (Deficiency) of Revenues Over (Under) Expenditures	82,504	49,168	33,336	67.8%
Other Financing Sources (Uses)				
Transfer in	-	-	-	0.0%
Transfer out	-	-	-	0.0%
Total Transfers	-	-	-	0.0%
Net Change in Fund Balance	\$ 82,504	\$ 49,168	\$ 33,336	67.8%

The General Fund Receivable from the Park Facilities in Lieu Fund of \$1.1 million represents monies advanced to the Park Facilities in Lieu Fund for certain construction at the Golf Resort. As Park-in-Lieu fees are collected, the advance will be paid down. The advance is estimated to be paid off in 30 years. See Fund Financial Statements tab page 27-30.

City Streets Capital Reserve

City Streets Capital Reserve Fund is part of the City’s Capital Asset Replacement Plan. The purpose of capital reserves is to provide the funding necessary to construct capital improvement projects within the City. The Capital Asset Replacement Plan establishes annual contribution requirements to fund the capital improvement program and the long-term capital replacement program.

Table 9
City Streets Capital Reserve Financial Summary

	2020	2019	\$ Change	% Change
Revenues:				
Interest income	\$ 617,608	\$ 419,089	\$ 198,519	47.4%
Total Revenues	617,608	419,089	198,519	47.4%
Expenditures:				
Public works	-	-	-	0.0%
Total Expenditures	-	-	-	0.0%
Excess (Deficiency) of Revenues Over (Under) Expenditures	617,608	419,089	198,519	47.4%
Other Financing Sources (Uses)				
Transfer in	-	17,774,089	(17,774,089)	100.0%
Transfer out	-	-	-	0.0%
Total Transfers	-	17,774,089	(17,774,089)	-100.0%
Net Change in Fund Balance	\$ 617,608	\$ 18,193,178	\$ (17,575,570)	-96.6%

The City Streets Capital Reserve is funded through interest income and transfers in. When capital funding is needed, the City Council is required to approve the transfer of funds from the capital replacement funds to the capital improvement fund.

The City Council may approve this transfer as a part of the annual budget cycle or as a transfer for a specific capital improvement. Prior to such approval, the City Council shall be presented applicable financial information regarding the capital replacement funds including: beginning fund balances, anticipated revenues, and the anticipated ending fund balance after the proposed transfer of funds. See Fund Financial Statements tab page 27-30.

General Fund Budgetary Highlights

Actual revenues received in the General Fund were \$7.5 million lower than budgeted before transfers primarily attributed to the following:

- Tourism impacts due to the coronavirus pandemic.
- During spring of 2020, the BNP Paribas tennis tournament, Coachella, and Stagecoach music festivals were cancelled.
- City hotels closed
- Total taxes decreased \$8.2 million, or 45.5%, due to loss tourism.

The final budget for General Fund expenditures and transfers out was \$4.8 million less than the original budget due to decreases in appropriations primarily attributed to the following:

- Staff reduced the remaining operating costs to the extent possible due to tourism impacts brought about by the coronavirus pandemic.

Government Activities

Table 10 presents the cost of each of the City’s five largest programs: general government, community development, public safety, public works and golf resort—as well as each program’s *net* cost (total cost less revenues generated by the activities).

The net cost of services indicates the overall cost of government is greater than the revenues generated to support it from fees and user charges. This is an indication the taxes and general revenues charged by the City are necessary to support its operations.

Table 10
Net Cost of Governmental Activities
(in Millions)

	Total Cost of Services		Net Cost of Services	
	2020	2019	2020	2019
Government Activities				
General government	\$ 8,368,804	\$ 5,701,156	\$ (7,824,630)	\$ (5,179,787)
Public safety	9,192,146	9,115,680	(3,358,456)	(3,372,127)
Community development	4,586,068	6,117,322	(3,616,811)	(5,127,282)
Public works	7,786,633	9,598,922	(4,529,546)	(6,644,779)
Total Governmental Activities	29,933,651	30,533,080	(19,329,443)	(20,323,975)
Business-Type Activities				
Golf resort	15,504,561	17,315,778	(4,164,257)	(2,207,381)
Other	-	7,000	-	(7,000)
Total Business-Type Activates	15,504,561	17,322,778	(4,164,257)	(2,214,381)
Total Primary Government	<u>\$ 45,438,212</u>	<u>\$ 47,855,858</u>	<u>\$ (23,493,700)</u>	<u>\$ (22,538,356)</u>

See the Statement of Activities on page 26 for further detail.

Capital Assets

The Statement of Net Position includes such infrastructure assets as City-maintained buildings, bridges, streets, storm drains, equipment, traffic signals, and vehicles. Infrastructure assets, except for land, are depreciated to reflect a net infrastructure amount.

Government Activities

Table 11
Summary of Changes in Capital Assets
(in millions)

	Balance at July 1, 2019	Additions	Deletions	Balance at June 30, 2020
Capital assets, not being depreciated:				
Land	\$ 44,218,783	\$ 6,088	\$ -	\$ 44,224,871
Construction in progress	84,927	131,714	-	216,641
Total capital assets not being depreciated	44,303,710	137,802	-	44,441,512
Capital assets, being depreciated:				
Intangible	2,500,000	-	-	2,500,000
Buildings and improvements	67,177,393	393,807	-	67,571,200
Equipment	1,551,191	189,032	(40,178)	1,700,045
Infrastructure	113,993,594	187,864	-	114,181,458
Total capital assets being depreciated	185,222,178	770,703	(40,178)	185,952,703
Less accumulated depreciation for:				
Intangible	(1,625,000)	(250,000)	-	(1,875,000)
Buildings and improvements	(25,957,081)	(1,679,581)	-	(27,636,662)
Equipment	(1,483,878)	(70,812)	-	(1,554,690)
Infrastructure	(33,457,743)	(2,013,135)	-	(35,470,878)
Total accumulated depreciation	(62,523,702)	(4,013,528)	-	(66,537,230)
Total capital assets being depreciated, net	122,698,476	(3,242,825)	(40,178)	119,415,473
Total capital assets, net	\$ 167,002,186	\$ (3,105,023)	\$ (40,178)	\$ 163,856,985

The City completed \$0.8 million in new capital assets during the fiscal year. Construction in process was \$0.1 million. The City spent \$0.4 million on affordable housing improvements. The City spent \$0.2 million for roadway improvements throughout the City and \$0.2 million for Public Works equipment acquisitions.

Deletions totaled \$0.1 million and depreciation expense was \$4.0 million. The net investment in capital assets decreased \$3.1 million from \$167.0 million to \$163.9 million.

Business-Type Activities

Table 12
Summary of Changes in Capital Assets
Business-Type Activities
(in millions)

	Balance at July 1, 2019	Additions	Deletions	Balance at June 30, 2020
Capital assets, not being depreciated:				
Land	\$ 13,910,956	\$ -	\$ -	\$ 13,910,956
Construction in progress	133,938	-	(133,938)	-
Total capital assets not being depreciated	14,044,894	-	(133,938)	13,910,956
Capital assets, being depreciated:				
Buildings and improvements	83,743,128	1,332,043	-	85,075,171
Equipment	5,260,296	364,036	-	5,624,332
Infrastructure	433,389	-	-	433,389
Total capital assets being depreciated	89,436,813	1,696,079	-	91,132,892
Less accumulated depreciation for:				
Buildings and improvements	(48,973,238)	(1,999,820)	-	(50,973,058)
Equipment	(4,593,271)	(253,917)	-	(4,847,188)
Infrastructure	(93,900)	(7,223)	-	(101,123)
Total accumulated depreciation	(53,660,409)	(2,260,960)	-	(55,921,369)
Total capital assets being depreciated, net	35,776,404	(564,881)	-	35,211,523
Total capital assets, net	\$ 49,821,298	\$ (564,881)	\$ (133,938)	\$ 49,122,479

The Indian Wells Golf Resort completed \$1.6 million in new capital assets during the fiscal year including enhancements to the VUE Grill and Bar kitchen, VUE staircase, Shots in the Night laser golf experience, and the replacement well pump on the Celebrity golf course. Total depreciation is \$2.3 million, and deletions are \$0.1 million.

The net investment in capital assets decreased \$0.7 million from \$49.8 million to \$49.1 million. Details of the City's capital assets can be found in Note 7 Capital Assets on page 56-57 of the Notes to Basic Financial Statements.

Long-term Liabilities

At year-end, the City governmental activities had \$0.2 million of long-term liabilities.

Table 13
Summary of Changes in Long-Term Liabilities

Description	2020	2019	\$ Change	% Change
Net Pension Liability/(Asset)	\$ (1,218,808)	\$ 73,946	\$ (1,292,754)	-1748.2%
Net OPEB Liability	857,704	621,813	235,891	37.9%
Compensated absences	542,168	420,081	122,087	29.1%
Total Long Term Debt	<u>\$ 181,064</u>	<u>\$ 1,115,840</u>	<u>\$ (934,776)</u>	<u>-83.8%</u>

The City reported a net pension (asset) for its proportionate share of the net pension liability of the Miscellaneous Plan as of June 30, 2020, in the amount of \$(1.2) million. The City's net pension asset for the Miscellaneous Plan is measured as the proportionate share of the net pension liability.

The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The City's proportionate share of the net pension liability for the Miscellaneous Plan as of June 30, 2018 and 2019, was as follows:

Proportion - June 30, 2018	0.00080%
Proportion - June 30, 2019	<u>-0.01189%</u>
Change - Increase/(Decrease)	-0.01269%

The City has established a Retiree Healthcare Plan (HC Plan) and participates in an agent multiple employer defined benefit retiree healthcare plan administered by the CalPERS, which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the HC Plan are established by City contracts with the employee associations. The City participates in the California Employers' Retiree Benefit Fund (CERBT). The City reported a net liability of \$0.8 million as of June 30, 2020.

The City reported \$0.5 million in compensated absences liability as of June 30, 2020. The City reserves the outstanding compensated absences liability in the Employee Leave Accrual Fund. The long-term strategy of the Employee Leave Accrual Fund is to set aside cash reserves in case of separation. Different types of paid leave accrue to full-time employees including vacation, holiday, administrative, sick, and compensatory time accruals. The amount of leave employees is eligible to accrue is governed by Memorandum of Understandings (MOUs), personnel contracts, and the Personnel Rules and Regulations.

Details of the City's outstanding debt can be found in Note 8 Long-Term Liabilities, Note 9 Defined Benefit Pension Plan, and Note 12 Other Post Employment Benefit Plan of the Notes to Basic Financial Statements.

Economic Factors and Next Year's Budgets and Rates

When the coronavirus hit in March 2020, it was a devastating impact to the local tourism community. The BNP Paribas Open was canceled the day before the tournament was to begin. Cancellation of the tennis tournament, Coachella and Stagecoach music festivals, and numerous conferences and seminars created a significant impact on the City's finances. As a tourist destination, Indian Wells is heavily dependent on large-scale events and dollars spent by travelers to support the local economy. These events are estimated to bring \$1 billion in economic activity to the region.

Indian Wells is well-prepared for an economic disaster. Over the past several years, the City has followed several Financial Priorities to maintain fiscal responsibility. Today, Indian Wells has a capital reserve fund of \$25 million, which is part of nearly \$44 million in cash reserves held by the City.

The City developed new budget projections, froze spending, and delayed projects, to minimize the financial hit to the City. Initially, the projected losses due to COVID-19 was well over \$11 million. To adjust for these losses, the City cut spending by \$2.7 million, delayed projects, and other expenses to future years; all within the last few months of the fiscal year.

In October 2020, the City adopted a revised budget for Fiscal Year 2020-2021 to pre-plan for the possible cancellation or delay of the 2021 tennis tournament and music festivals. The cancellation of these events could mean an additional loss of \$5.5 million in General Fund revenues. This is a worst-case scenario, but the City is preparing nonetheless, without dipping into the City's reserves or affecting public safety funding.

To provide greater transparency and understanding of the City's finances, the City of Indian Wells established a new financial portal on the City's website to continually release and update fiscal information. This digital portal is kept up to date with the latest City financial information, including any fluctuations related to the pandemic.

Request for Information

This financial report is designed to provide a general overview of the City of Indian Wells' finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, 44-950 Eldorado Drive, Indian Wells, California 92210.

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City of Indian Wells, California
Statement of Net Position
June 30, 2020

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and investments	\$ 68,731,438	\$ 1,640,786	\$ 70,372,224
Restricted cash and investments	759,642	-	759,642
Receivables			
Accounts	2,559,482	234,215	2,793,697
Accrued interest	149,890	2,222	152,112
Prepaid costs	51,660	417,865	469,525
Inventories	-	308,017	308,017
Other assets	11,159	-	11,159
Internal balances	6,991,627	(6,991,627)	-
Notes receivable	1,298,153	-	1,298,153
Due from Successor Agency	21,212,192	-	21,212,192
Net pension asset	1,183,584	35,224	1,218,808
Capital assets not being depreciated	44,441,512	13,910,956	58,352,468
Capital assets, net of depreciation	119,415,473	35,211,523	154,626,996
	<u>266,805,812</u>	<u>44,769,181</u>	<u>311,574,993</u>
Deferred Outflows of Resources			
Deferred amounts related to pensions	1,306,179	38,872	1,345,051
Deferred amounts related to OPEB	1,438,238	-	1,438,238
	<u>2,744,417</u>	<u>38,872</u>	<u>2,783,289</u>
Liabilities			
Accounts payable	5,697,574	874,452	6,572,026
Accrued liabilities	114,256	5,093	119,349
Deposits payable	359,551	-	359,551
Noncurrent liabilities:			
Due within one year:			
Compensated absences	116,998	-	116,998
Due in more than one year:			
Compensated absences	425,170	-	425,170
Net OPEB liability	857,704	-	857,704
	<u>7,571,253</u>	<u>879,545</u>	<u>8,450,798</u>
Deferred Inflows of Resources			
Deferred amounts related to pensions	2,162,071	64,343	2,226,414
Deferred amounts related to OPEB	72,378	-	72,378
	<u>2,234,449</u>	<u>64,343</u>	<u>2,298,792</u>
Net Position			
Net investment in capital assets	163,856,985	49,122,479	212,979,464
Restricted for			
Community development projects	3,801,007	-	3,801,007
Housing	12,961,532	-	12,961,532
Public safety	6,728,419	-	6,728,419
Public works	2,732,362	-	2,732,362
Unrestricted	69,664,222	(5,258,314)	64,405,908
	<u>\$ 259,744,527</u>	<u>\$ 43,864,165</u>	<u>\$ 303,608,692</u>

City of Indian Wells, California
Statement of Activities
Years Ended June 30, 2020

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating	Capital	Primary Government		
			Contributions and Grants	Contributions and Grants	Governmental Activities	Business-type Activities	Total
Government Activities							
General government	\$ 8,368,804	\$ 58,587	\$ 485,587	\$ -	\$ (7,824,630)	\$ -	\$ (7,824,630)
Public safety	9,192,146	525,383	5,308,307	-	(3,358,456)	-	(3,358,456)
Community development	4,586,068	969,257	-	-	(3,616,811)	-	(3,616,811)
Public works	7,786,633	9,288	2,760,299	487,500	(4,529,546)	-	(4,529,546)
Total governmental activities	<u>29,933,651</u>	<u>1,562,515</u>	<u>8,554,193</u>	<u>487,500</u>	<u>(19,329,443)</u>	<u>-</u>	<u>(19,329,443)</u>
Business-type Activities							
Golf resort operations	<u>15,504,561</u>	<u>11,340,304</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,164,257)</u>	<u>(4,164,257)</u>
Total business-type activities	<u>15,504,561</u>	<u>11,340,304</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,164,257)</u>	<u>(4,164,257)</u>
Total Primary Government	<u>\$ 45,438,212</u>	<u>\$ 12,902,819</u>	<u>\$ 8,554,193</u>	<u>\$ 487,500</u>	<u>(19,329,443)</u>	<u>(4,164,257)</u>	<u>(23,493,700)</u>
General Revenues							
Taxes							
Property taxes, levied for general purpose					3,303,647	-	3,303,647
Transient occupancy taxes					4,944,773	-	4,944,773
Sales taxes					821,533	-	821,533
Franchise taxes					995,921	-	995,921
Business licenses taxes					131,115	-	131,115
Investment income					4,275,362	16,498	4,291,860
Other					685,064	-	685,064
Total general revenues					<u>15,157,415</u>	<u>16,498</u>	<u>15,173,913</u>
Change in Net Position					(4,172,028)	(4,147,759)	(8,319,787)
Net Position, Beginning of Year					263,916,555	48,011,924	311,928,479
Net Position, End of Year					<u>\$ 259,744,527</u>	<u>\$ 43,864,165</u>	<u>\$ 303,608,692</u>

City of Indian Wells, California
Balance Sheet - Governmental Funds
June 30, 2020

	Special Revenue Funds			Capital Projects Funds		Nonmajor Governmental Funds	Total Governmental Funds
	General	Housing Authority	Emergency Services Upgrade	Park Facilities In Lieu	City Streets Capital Reserve		
Assets							
Cash and investments	\$ 10,493,344	\$ 9,478,796	\$ 3,452,513	\$ -	\$ 18,769,675	\$ 25,863,965	\$ 68,058,293
Receivables							
Accounts	2,162,668	-	153,065	-	-	243,749	2,559,482
Accrued interest	23,292	20,761	7,562	-	41,111	55,690	148,416
Prepaid costs	2,865	-	-	-	-	48,795	51,660
Other assets	11,159	-	-	-	-	-	11,159
Due from other funds	8,181,586	-	-	-	-	-	8,181,586
Notes receivable	1,178,678	-	-	-	-	119,475	1,298,153
Due from Successor Agency	17,739,192	3,473,000	-	-	-	-	21,212,192
Total assets	\$ 39,792,784	\$ 12,972,557	\$ 3,613,140	\$ -	\$ 18,810,786	\$ 26,331,674	\$ 101,520,941
Liabilities and Fund Balances							
Liabilities							
Accounts payable	\$ 4,568,547	\$ 3,107	\$ 3,483	\$ -	\$ -	\$ 1,122,437	\$ 5,697,574
Accrued liabilities	103,203	7,918	3,011	-	-	124	114,256
Deposits payable	256,457	-	-	-	-	103,094	359,551
Due to other funds	-	-	-	1,142,983	-	46,976	1,189,959
Total liabilities	4,928,207	11,025	6,494	1,142,983	-	1,272,631	7,361,340
Fund Balances							
Nonspendable							
Prepaid costs	2,865	-	-	-	-	48,795	51,660
Notes and loans	18,917,870	-	-	-	-	-	18,917,870
Restricted for							
Community development	-	12,961,532	-	-	-	3,801,007	16,762,539
Public safety	-	-	3,606,646	-	-	3,121,773	6,728,419
Public works	-	-	-	-	-	2,732,362	2,732,362
Committed to							
Capital projects	5,500,000	-	-	-	-	148,955	5,648,955
Assigned							
Capital projects	-	-	-	-	18,810,786	15,235,141	34,045,927
Unassigned	10,443,842	-	-	(1,142,983)	-	(28,990)	9,271,869
Total fund balances	34,864,577	12,961,532	3,606,646	(1,142,983)	18,810,786	25,059,043	94,159,601
Total Liabilities and Fund Balances	\$ 39,792,784	\$ 12,972,557	\$ 3,613,140	\$ -	\$ 18,810,786	\$ 26,331,674	\$ 101,520,941

City of Indian Wells, California
Reconciliation of the Balance Sheet to the Statement of Net Position - Governmental Funds
June 30, 2020

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

Total fund balances - total governmental funds	\$ 94,159,601
Capital assets net of related accumulated depreciation have not been included as financial resources in governmental fund activity	163,856,985
Compensated absences are not considered due and payable and therefore have not been included in the governmental funds	(542,168)
Deferred outflows related to pensions	1,306,179
Deferred inflows related to pensions	(2,162,071)
Proportionate share of net pension asset is not a financial resource and, therefore, has not been included in governmental fund activity	1,183,584
Internal service funds are used by management to charge the costs of certain activities, such as employee benefits, to individual funds. The assets and liabilities of the internal service funds are included in governmental activities of the statement of net position	<u>1,942,417</u>
Net Position of Governmental Activities	<u><u>\$ 259,744,527</u></u>

City of Indian Wells, California
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds
Year Ended June 30, 2020

	General	Special Revenue Funds		Capital Projects		Nonmajor Governmental Funds	Total Governmental Funds
		Housing Authority	Emergency Services Upgrade	Park Facilities In Lieu	City Streets Capital Reserve		
Revenues							
Taxes	\$ 9,837,497	\$ -	\$ 3,277,041	\$ -	\$ -	\$ 359,492	\$ 13,474,030
Licenses and permits	541,605	-	-	-	-	1,110	542,715
Intergovernmental	485,587	-	-	-	-	981,759	1,467,346
Charges for services	427,652	-	524,273	-	-	-	951,925
Investment income	327,061	315,388	109,888	-	617,608	946,428	2,316,373
Fines and forfeitures	58,587	-	-	-	-	9,288	67,875
Rental income	-	-	-	-	-	1,892,369	1,892,369
Assessments	-	-	608,207	-	-	3,428,483	4,036,690
Developer fees	-	-	-	82,504	-	178,112	260,616
Other income	501,879	-	21,183	-	-	162,002	685,064
Total revenues	12,179,868	315,388	4,540,592	82,504	617,608	7,959,043	25,695,003
Expenditures							
Current							
General government	6,712,868	974,036	-	-	-	197,900	7,884,804
Public safety	3,717,090	-	3,989,203	-	-	1,402,233	9,108,526
Community development	1,358,158	250,000	-	-	-	1,308,233	2,916,391
Public works	2,581,583	-	-	-	-	2,744,756	5,326,339
Capital outlay	-	-	-	-	-	1,350,837	1,350,837
Total expenditures	14,369,699	1,224,036	3,989,203	-	-	7,003,959	26,586,897
Excess (Deficiency) of Revenues over (under) Expenditures	(2,189,831)	(908,648)	551,389	82,504	617,608	955,084	(891,894)
Other Financing Sources (Uses)							
Transfers in	6,000,000	-	-	-	-	9,530,608	15,530,608
Transfers out	(9,438,991)	-	-	-	-	(6,091,617)	(15,530,608)
Total other financing sources (uses)	(3,438,991)	-	-	-	-	3,438,991	-
Net Change in Fund Balances	(5,628,822)	(908,648)	551,389	82,504	617,608	4,394,075	(891,894)
Fund Balances, Beginning of Year	40,493,399	13,870,180	3,055,257	(1,225,487)	18,193,178	20,664,968	95,051,495
Fund Balances, End of Year	\$ 34,864,577	\$ 12,961,532	\$ 3,606,646	\$ (1,142,983)	\$ 18,810,786	\$ 25,059,043	\$ 94,159,601

City of Indian Wells, California

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of
 Activities - Governmental Funds
 Year Ended June 30, 2020

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

Net change in fund balances - total governmental funds	\$ (891,894)
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. Adjustments for capital outlay, net of asset deletions and the net depreciation expense is reported in the governmental activities	(3,145,201)
Compensated absences expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	(122,087)
Governmental funds report pension contributions as expenditures. However, in the statement of activities, pension expense is measured as the change in net pension liability and the amortization of deferred outflows and inflows related to pensions. This amount represents the net change in pension related amounts	(429,937)
Internal service funds are used by management to charge the costs of certain activities, such as employee benefits, to individual funds. The net revenues (expenses) of the internal service fund is reported with governmental activities	<u>417,091</u>
Change in net position of governmental activities	<u><u>\$ (4,172,028)</u></u>

City of Indian Wells, California
Statement of Net Position - Proprietary Funds
June 30, 2020

	Business-Type Activities	Governmental Activities
	Golf Resort Operations	Internal Service Funds
Assets		
Current Assets		
Cash and investments	\$ 1,640,786	\$ 673,145
Restricted cash and investments	-	759,642
Receivables		
Accounts	234,215	-
Accrued interest	2,222	1,474
Prepaid costs	417,865	-
Inventories	308,017	-
Total current assets	2,603,105	1,434,261
Noncurrent Assets		
Net pension asset	35,224	-
Capital assets, not being depreciated	13,910,956	-
Capital assets, net of depreciation	35,211,523	-
Total noncurrent assets	49,157,703	-
Total assets	51,760,808	1,434,261
Deferred Outflows of Resources		
Deferred amounts related to pension	38,872	-
Deferred amounts related to OPEB	-	1,438,238
Total deferred outflows of resources	38,872	1,438,238
Liabilities		
Current Liabilities		
Accounts payable	874,452	-
Accrued liabilities	5,093	-
Due to other funds	6,991,627	-
Total current liabilities	7,871,172	-
Noncurrent Liabilities		
Net OPEB liability	-	857,704
Total liabilities	7,871,172	857,704
Deferred Inflows of Resources		
Deferred amounts related to pension	64,343	-
Deferred amounts related to OPEB	-	72,378
Total deferred inflows of resources	64,343	72,378
Net Position		
Net investment in capital assets	49,122,479	-
Unrestricted	(5,258,314)	1,942,417
Total Net Position	\$ 43,864,165	\$ 1,942,417

City of Indian Wells, California
Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds
Year Ended June 30, 2020

	Business-Type Activities	Governmental Activities
	Golf Resort Operations	Internal Service Funds
Operating Revenues		
Charges for services	\$ 11,340,304	\$ -
Interdepartmental charges	-	795,155
Total operating revenues	<u>11,340,304</u>	<u>795,155</u>
Operating Expenses		
Operations	12,832,454	-
General and administration	411,147	444,683
Depreciation	2,260,960	-
Total operating expenses	<u>15,504,561</u>	<u>444,683</u>
Operating Income (Loss)	<u>(4,164,257)</u>	<u>350,472</u>
Nonoperating Revenues (Expenses)		
Investment income	16,498	-
Interest income	-	66,619
Total nonoperating revenues (expenses)	<u>16,498</u>	<u>66,619</u>
Changes in Net Position	(4,147,759)	417,091
Net Position, Beginning of Year	<u>48,011,924</u>	<u>1,525,326</u>
Net Position, End of Year	<u>\$ 43,864,165</u>	<u>\$ 1,942,417</u>

City of Indian Wells, California
Statement of Cash Flows - Proprietary Funds
Year Ended June 30, 2020

	Business-Type Activites	Governmental Activities
	Golf Resort Operations	Internal Service Funds
Operating Activities		
Cash received from customers	\$ 11,854,270	\$ -
Cash received from interfund service provided	-	795,155
Cash payments to suppliers for goods and services	(12,968,310)	(1,223,981)
Cash payments to employees for services	(415,951)	-
Net Cash used for Operating Activities	(1,529,991)	(428,826)
Non-Capital Financing Activities		
Cash received from other funds	4,393,057	-
Capital and Related Financing Activities		
Purchase of capital assets	(1,562,141)	-
Investing Activities		
Interest received on investments	14,276	43,450
Net Change in Cash and Cash Equivalents	1,315,201	(385,376)
Cash and Cash Equivalents, Beginning of Year	325,585	1,058,521
Cash and Cash Equivalents, End of Year	\$ 1,640,786	\$ 673,145

City of Indian Wells, California
Statement of Cash Flows - Proprietary Funds
Year Ended June 30, 2020

	Business-Type Activites	Governmental Activities
	Golf Resort Operations	Internal Service Funds
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:		
Operating income (loss)	\$ (4,164,257)	\$ 350,472
Adjustments to reconcile operating income (loss) to net cash from (used for) operating activities:		
Depreciation	2,260,960	-
Changes in		
Accounts receivable	513,966	-
Prepays	133,013	-
Inventory	(175,667)	-
Net OPEB liability and related balances	-	(779,198)
Net pension liability and related balances	12,794	-
Accounts payable	(93,202)	-
Accrued liabilities	1,701	(100)
Deposits payable	(19,299)	-
	\$ (1,529,991)	\$ (428,826)
Net Cash from (used for) operating activities		

City of Indian Wells, California
Statement of Net Position - Fiduciary Funds
Year Ended June 30, 2020

	Private-Purpose Trust Fund <u>Successor Agency of the Former RDA</u>
Assets	
Cash and investments	\$ 9,685,076
Receivables	
Accrued interest	21,213
Prepaid costs	154,702
Restricted assets	
Cash and investments with fiscal agents	<u>52,544</u>
Total assets	<u>9,913,535</u>
Deferred Outflows of Resources	
Deferred loss on refunding	<u>389,306</u>
Liabilities	
Accrued interest	998,981
Due to City	17,739,192
Long-term liabilities	
Due in one year	5,560,000
Due in more than one year	<u>77,866,509</u>
Total liabilities	<u>102,164,682</u>
Net Position (Deficit)	
Held in trust for other purposes	<u><u>\$ (91,861,841)</u></u>

City of Indian Wells, California
Statement of Changes in Net Position - Fiduciary Funds
Year Ended June 30, 2020

	<u>Private-Purpose Trust Fund</u> <u>Successor Agency of the Former RDA</u>
Additions	
Taxes	<u>\$ 11,527,320</u>
Deductions	
Administrative expenses	339,401
Interest and fiscal charges	<u>2,758,279</u>
Total deductions	<u>3,097,680</u>
Changes in Net Position	8,429,640
Net Position (Deficit), Beginning of the Year	<u>(100,291,481)</u>
Net Position (Deficit), End of the Year	<u><u>\$ (91,861,841)</u></u>

Note 1 - Significant Accounting Policies

Reporting Entity

The City of Indian Wells (City) was incorporated during July 1967, under the General Laws of the State of California. The City became a charter City in 2003. The City operates under a Council-Manager form of government and provides the following services: public safety (police and fire), highways and streets, sanitation, public improvements, planning and zoning, and general administrative services.

In accordance with GASB Statement No. 14, *The Financial Reporting Entity* and Statement No. 61, *The Financial Reporting Entity: Omnibus*, the City (the primary government) has included within its reporting entity, for financial reporting purposes, all component units which meet the requirement described in these statements. GASB Statements No. 14 and No. 61 define financial accountability as follows: The primary government is accountable if the primary government appoints a voting majority of that organization and is able to impose its will or there is a potential for the organization to provide specific financial burdens to or impose specific financial burdens on the primary government. A primary government may also be financially accountable for government organizations that are fiscally dependent on the primary government. An organization is fiscally dependent if it is unable to adopt its budget, levy taxes, set rates or charges, or issue bonded debt without approval from the City. 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 City's operations and so data from these units are reported with the primary government. A brief description of each component unit follows:

The City of Indian Wells Fire Access Maintenance District No. 1 (FAMD No. 1) was established during April 1973 to provide for the maintenance of access roads for fire and safety vehicles within the special district referred to as FAMD No. 1. Even though the FAMD No. 1 is a legally separate entity, it is reported as if it were part of the City because the City Council 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 FAMD No. 1.

The Housing Authority (Housing Authority) of the City of Indian Wells was established in February 2012, to assume the housing activities from the former Redevelopment Agency. The activity of the Housing Authority is reported in the Special Revenue Funds. Even though the Housing Authority is a legally separate entity, it is reported as if it were part of the City because the City Council along with two appointed tenant commissioners serves as the governing board of the Housing Authority. Additionally, there is a financial benefit or burden relationship between the primary government and the component unit. Separate financial statements are not prepared for the Housing Authority.

Measurement Focus and Basis of Accounting

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

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

Government-wide Financial Statements

Government-wide financial statements display information about the reporting government as a whole. These statements include separate columns for the governmental and business-type activities of the primary government (including its blended component units). All fiduciary activities are reported only in the fund financial statements.

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.

Government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Under the economic resources measurement focus, all (both current and long-term) economic resources and obligations of the reporting government are reported in the government-wide financial statements. Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Under the accrual basis of accounting, revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

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. Internally dedicated resources, taxes, and other items that are not properly included among program revenues are reported as general revenues.

Amounts paid to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as expenditure. Proceeds of long-term debt are recorded as a liability in the government-wide financial statements, rather than as another 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 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, deferred outflows (inflows), liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. 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 funds are presented after the government-wide financial statements. These statements display information about major funds individually and other governmental funds in the aggregate for governmental funds.

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.

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. Revenues, expenditures, gains, losses, assets, and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33.

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. The reported fund balance (net current resources) is considered to be a measure of "available spendable resources". Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current resources. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Non-current portions of long-term receivables due to governmental funds are reported on their balance sheets in spite of their spending measurement focus. Special reporting treatments are used to indicate, however, that they should not be considered "available spendable resources", since they do not represent current resources.

Due to the nature of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by non-current liabilities. Since they do not affect current resources, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

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 other financing sources rather than as a fund liability. Amounts paid to reduce long-term indebtedness are reported as fund expenditures.

When both restricted and unrestricted resources are combined in a fund, expenditures are considered to be paid first from restricted resources, and then from unrestricted resources.

Proprietary Funds

The City's enterprise funds and internal service funds are proprietary funds. The proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds and of the government's internal service funds are charges to customers for services. Operating expenses for the proprietary funds include the cost of services, administrative expenses, and depreciation of capital assets.

All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Fiduciary Funds

The private purpose trust fund is reported using the economic resources measurement focus and the accrual basis of accounting. The fiduciary fund is excluded from the government-wide financial statements.

Fund Classifications

The City reports the following major governmental funds:

The *General Fund* is the primary operating fund of the City. It accounts for all activities of the general government, except those required to be accounted for in another fund.

The *Housing Authority Fund* is used to account for the housing activity of the former Redevelopment Agency for the benefit of providing low and moderate income housing in Indian Wells. The fund's revenue sources include investment income. Revenues are restricted by government code for funding of housing units to benefit low and moderate income households.

The *Emergency Services Upgrade Fund* is used to accumulate the resources accruing from a special fire tax levied, and restricted to provide enhancement levels of fire protection, suppression and emergency paramedic services.

The *Park Facilities in Lieu Fund* is used to account for the accumulation of resources from Quimby Act Park Fee exactions, which are restricted for the acquisition and construction of parks, recreation and open space capital projects.

The *City Streets Capital Reserve Fund* establishes reserve funding for streets throughout the City. Funding allows for an array of maintenance projects to extend the city roadways' life. The City follows the Pavement Management Program (PMP) to identify street projects in the categories of slurry seal, overlay and reconstruction.

The City reports the following major enterprise fund:

The *Golf Resort Operations Fund* is used to account for the operations of the Indian Wells Golf Resort. Customer purchases received by the course will be used to support the day to day activities of the golf course.

The City's fund structure also includes the following fund types:

The *Proprietary Fund - Internal Service Funds* are used to account for employee benefit activities and services performed for other departments within the City on a cost reimbursement basis.

The *Fiduciary Fund - Private Purpose Trust Fund* is used to account for the assets and liabilities of the former redevelopment agency and is allocated revenue to pay estimated installment payments of enforceable obligations until obligations of the former redevelopment agency are paid in full and assets have been liquidated.

Cash and Investments

Investments are reported in the accompanying balance sheet at fair value, except for certain certificates of deposit and investment contracts that are reported at cost. These investments are not transferable and they have terms that are not affected by changes in market interest rates. Investment income includes interest earnings and the net increase (decrease) in fair value of investments.

The City categorized the fair value measurements for its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The City pools cash and investments of all funds, except for amounts held within the Section 115 trust, amounts held by fiscal agents, and amounts held by management companies for the Indian Wells Golf Resort, Indian Wells Villas and Mountain View Villas. Each fund's share in this pool is displayed in the accompanying financial statements as pooled cash and investments. Investment income earned by the pooled investments is allocated to the various funds based on each fund's average cash and investment balance.

Cash and Cash Equivalents

The City considers all cash and investments as being highly liquid as cash is pooled for investment purposes with other funds of the City.

Restricted Section 115 Trust Cash and Investments

All assets in the Section 115 Trust are irrevocably dedicated to funding obligations of the City's pension beneficiaries, other post-employment beneficiaries or costs of administering the Trust. The funds are not considered plan assets of either the pension plan or OPEB plan and are therefore considered restricted assets of the City.

Capital Assets

Capital assets, which include property, plant, equipment, infrastructure (i.e., roads, bridges, sidewalks, and similar items), and intangible assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets, other than infrastructure assets, are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. The government reports infrastructure assets on a network and subsystem basis. Accordingly, the amounts spent for the construction or acquisition of infrastructure assets are capitalized and reported in the government-wide financial statements.

In the case of the initial capitalization of infrastructure assets, the government chose to include all such items regardless of their acquisition date or amount. The government was able to estimate the historical cost for the initial reporting of these assets through back trending (i.e., estimating the current replacement cost the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost of the acquisition year or estimated acquisition year). As the government constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or extend its useful life beyond the original estimate. In the case of donations the government values these capital assets at the acquisition value of the item at the date of its donation.

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

Building and improvements	10-50 years
Equipment	3-15 years
Infrastructure	5-60 years
Intangible assets	Depreciated over contractual life

Intangible assets are amortized over their contractual useful lives using the straight-line method in the government-wide financial statements. Amortization is charged as an expense against operations and accumulated amortization is reported on the respective balance sheet.

Deferred Outflows/Inflows of Resources

The City reports deferred outflows and inflows of resources. A deferred outflow of resources is a consumption of net position by the government that is applicable to a future reporting period. A deferred inflow of resources represents an acquisition of net position by the government that is applicable to a future period.

The City reports deferred outflows and inflows of resources related to pensions and other post employment benefits on the government-wide statement of net position and the proprietary funds statement of net position, under the full accrual basis of accounting. Refer to Notes 9 and 12 for items identified as deferred inflows and outflows related to pension and other post employment benefits, respectively, as of June 30.

Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on July 1 and are payable in two equal installments due November 1 and February 1, respectively, and are delinquent if not paid by December 10 and April 10, respectively. The County of Riverside bills and collects the property taxes and remits them to the City in installments during the year. All material amounts associated with the reporting period are collected soon enough to be considered to be "available" to finance the expenditures of the reporting period.

The County of Riverside is permitted by State law (Proposition 13) to levy taxes at 1 percent of full market value (at time of purchase) and can increase the assessed values no more than 2 percent annually. The City receives a share of this basic levy proportionate to what was received in the 1976 to 1978 period.

Inventory

Inventory in the Golf Resort Operations Enterprise Fund is carried at cost using the consumption method on a first-in, first-out basis.

Prepaid Costs

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The City uses the consumption method to record prepaid costs.

Compensated Absences

Governmental fund types recognize the vested vacation and compensatory time as an expenditure in the current year to the extent it is paid during the year. Accrued vacation and compensatory time relating to governmental funds is included as a liability in the long-term liabilities as those amounts are payable from future resources.

Fund Balances

In the fund financial statements, governmental funds report the following fund balance classifications:

- **Nonspendable** include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- **Restricted** include amounts that are constrained on the use of resources by either (a) external creditors, grantors, contributors, or laws or regulations of other governments or (b) by law through constitutional provisions or enabling legislation.
- **Committed** include amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the City's highest authority, city council. The formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is by resolution.
- **Assigned** include amounts that are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. The City Manager and/or Finance Director are authorized to assign amounts to a specific purpose, which was established by the governing body in Resolution No. 2011-30.
- **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 that have not been restricted, committed, or assigned to specific purposes.

It is the policy of the City to maintain an unassigned fund balance in the general fund at fiscal year-end of not less than 25 percent of the operating budget. It is the intent of the City Council to limit use of fund balances in the General Fund to address unanticipated one-time needs.

The City maintains a contingency reserve of \$2,250,000 included in the general fund unassigned fund balance. The purpose of this reserve is to meet unexpected circumstances, such as a General Fund revenue shortfall.

Net Position and Fund Balance Flow Assumptions

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Use of Estimates

The preparation of 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 and disclosures at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Pension

In government-wide financial statements, the retirement plan (pension) is required to be recognized and disclosed using the accrual basis of accounting, regardless of the amount recognized as pension expenditures on the governmental fund statements, which use the modified accrual basis of accounting.

In general, the City recognizes a net pension liability, which represents the City's proportionate share of the excess of the total pension liability over the fiduciary net position of the pension reflected in the actuarial report provided by the California Public Employees' Retirement System (CalPERS). The net pension liability is measured as of the City's prior fiscal year-end. Changes in the net pension liability are recorded, in the period incurred, as pension expense or as deferred inflows of resources or deferred outflows of resources depending on the nature of the change. The changes in net pension liability that are recorded as deferred inflows of resources or deferred outflows of resources (that arise from changes in actuarial assumptions or other inputs and differences between expected or actual experience) are amortized over the weighted average remaining service life of all participants in the respective pension plan and are recorded as a component of pension expense beginning with the period in which they are incurred.

For purposes of measuring the net pension liability and deferred outflows/inflows of resources relating to pensions and pension expense, information about the fiduciary net position of the City's pension plan with CalPERS and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefits terms. Investments are reported at fair value.

Projected earnings on pension investments are recognized as a component of pension expense. Differences between projected and actual investment earnings are reported as deferred inflows of resources or deferred outflows of resources and amortized as a component of pension expense on a closed basis over a five-year period beginning with the period in which the difference occurred. Each subsequent year will incorporate an additional closed basis five-year period of recognition.

Other Post-Employment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City's plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

Generally accepted accounting principles require that the reported results must pertain to liability and asset information with certain defined timeframes. For this report, the following timeframes are used:

Valuation Date	June 30, 2019
Measurement Date	June 30, 2019
Measurement Period	July 1, 2018 to June 30, 2019

New Accounting Pronouncements

Adopted in the Current Year

GASB Statement No. 95— In May 2020, the GASB issued Statement No. 95, *Postponement of the Effective Dates of Certain Authority Guidance*. The objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. The requirements of this Statement are effective immediately as they delayed the effective dates of several GASB Statements. The effective dates listed in the Future Governmental Accounting Standards Board (GASB) Pronouncement section have been updated to reflect the postponed effective dates.

Effective in Future Years

The City is currently evaluating the potential impact of the following issued, but not yet effective, accounting standards.

GASB Statement No. 84 – In January 2017, GASB issued Statement No. 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement is effective for reporting periods beginning after December 15, 2019, or FY 2020/2021.

GASB Statement No. 87 – In June 2017, GASB issued Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases; enhancing the comparability of financial statements between governments; and also enhancing the relevance, reliability (representational faithfulness), and consistency of information about the leasing activities of governments. This Statement is effective for reporting periods beginning after June 15, 2021, or FY 2021/2022.

GASB Statement No. 89 – In June 2018, the GASB issued Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*. The objectives of this Statement are (a) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (b) to simplify accounting for certain interest costs. This Statement is effective for reporting periods beginning after December 15, 2020, or FY 2021/2022.

GASB Statement No. 90 – In September 2018, the GASB issued Statement No. 90, *Majority Equity Interests, An Amendment of GASB Statements No. 14 and No. 61*. The objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. The Statement is effective for reporting periods beginning after December 15, 2019, or FY 2020/2021.

GASB Statement No. 91 – In May 2019, the GASB issued Statement No. 91, *Conduit Debt Obligations*. The objective of this Statement is to provide a single method of reporting conduit debt obligations by issues and eliminate diversity in practice. The Statement is effective for reporting periods beginning after December 15, 2021, or FY 2022/2023. The City has not determined the effect on the financial statements.

GASB Statement No. 92 – In January 2020, the GASB issued Statement No. 92, *Omnibus 2020*. The objectives of this Statement are to enhance comparability in accounting and financial reporting to improve the consistency of authoritative literature by addressing practices issues that have been identified during implementation and application of certain GASB Statements. The Statement is effective for reporting periods beginning after June 15, 2021, or FY 2021/2022.

GASB Statement No. 93– In March 2020, the GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. The objective of this Statement is to address the accounting and financial reporting implications that result from the replacement of an IBOR. The Statement is effective for reporting periods beginning after June 15, 2021, or FY 2021/2022.

GASB Statement No. 94– In March 2020, the GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The objective of this Statement is improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). The Statement is effective for reporting periods beginning after June 15, 2022, or FY 2022/2023.

GASB Statement No. 96– In May 2020, the GASB issued Statement No. 96, *Subscription-based Information Technology Arrangements*. The objective of this Statement is to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). The Statement is effective for reporting periods beginning after June 15, 2022, or FY 2022/2023.

GASB Statement No. 97– In June 2020, the GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting For Internal Revenue Code Section 457 Deferred Compensation Plans – An Amendment of GASB Statement No.14 and No.84 and A Supersession of GASB Statement No.32*. The objective of this Statement is (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The Statement is effective for reporting periods beginning after June 15, 2021, or FY 2021/2022.

Note 2 - Cash and Investments

Cash and investments at June 30, 2020, are classified in the accompanying financial statements as follows:

	Governmental Activities	Business-Type Activities	Fiduciary Activities	Total
Cash and investments	\$ 68,731,438	\$ 1,640,786	\$ 9,685,076	\$ 80,057,300
Restricted assets				
Restricted cash and investments	759,642	-	-	759,642
Cash and investments with fiscal agent	-	-	52,544	52,544
	\$ 69,491,080	\$ 1,640,786	\$ 9,737,620	\$ 80,869,486

Cash and investments at June 30, 2020, consisted of the following:

Petty cash	\$ 1,400
Demand accounts	22,249,813
Investments	58,618,273
Total Cash and Investments	\$ 80,869,486

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 or the City's investment policy. The table also identifies certain provisions of the California Government Code or the City's investment policy that address interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustee 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.

City of Indian Wells, California

Notes to Financial Statements

June 30, 2020

Investment Types	Maximum Maturity	Maximum Percentage Allowed	Maximum Investment in One Issuer
U.S. Treasury Bills, Bonds and Notes	5 years*	70%	N/A
Federal Agency Securities	5 years*	70%	\$ 15,000,000
Local Agency Bonds	5 years*	20%	5,000,000
State of California Obligations	5 years*	20%	5,000,000
Municipal Mutual Funds	N/A	20%	10% per Single issue
Certificates of Deposit and Negotiable Certificates of Deposits	5 years	30%	250,000 per issuer
Repurchase Agreements	30 days	10%	2,000,000
Medium-Term Corporate Notes	5 years	20%	2,000,000
Local Agency Investment Fund (LAIF)	N/A	60%	20,000,000 per entity

* Per the City's investment policy, the portfolio shall equal the amount of two years current general fund operating reserves maturing at no more than 5 years from the date of purchase. Once this requirement is met, a maximum of 30% of the total portfolio may be invested in maturities greater than five years, but not exceeding 10 years consisting of those investments listed in Government Code Section 53601 where there is no limitation specified therein regarding the term or remaining maturity of the instrument. Investments greater than 5 years from the date of purchase shall be brought to the City Council for review and approval prior to purchase.

Investments Authorized by Debt Agreements

Investment of debt proceeds held by bond trustee are governed by provisions of the debt agreements and the general provisions of the California Government Code, rather than the City's investment policy. Investments authorized for funds held by fiscal agent include, U.S. Treasury Obligations, U.S. Government Sponsored Entities Securities, Certificates of Deposits, Commercial Paper, Local Agency Bonds, Money Market Mutual Funds, Investment Contracts, and Repurchase Agreements. There are no limitations on the maximum amount that can be invested in one issuer, maximum percentage allowed or the maximum maturity of an investment, except for the maturity of Banker's Acceptance which are limited to one year.

Investments Authorized by the City Section 115 Trust

Investments of the Trust are governed by the provisions of the City of Indian Wells Section 115 Trust Agreement, rather than the general provisions of the California Government Code or the City's investment policy. Investments authorized for funds held in the Section 115 Trust include, Equity and Fixed Income Mutual Funds. The strategic range allowed for Equity and Fixed Income Mutual Funds is 50-70% and 30-50%, respectively. There are no limitations on the maximum amount that can be invested in one issuer or the maximum maturity of an investment.

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.

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	Remaining Maturity (in Months)			Total
	12 Months Or Less	13-36 Months	37-60 Months	
Federal Agency Securities	\$ 1,015,730	\$ 5,119,900	\$ 11,073,220	\$ 17,208,850
Negotiable Certificates of Deposit	253,320	5,479,985	5,218,459	10,951,764
Local Agency Investment Fund	16,862,866	-	-	16,862,866
Medium Term Corporate Notes	2,029,380	8,223,215	2,037,570	12,290,165
Local Agency Bonds	-	492,440	-	492,440
Section 115 Trust				
Equity Mutual Funds	449,404	-	-	449,404
Fixed Income Mutual Funds	280,992	-	-	280,992
Money Market Mutual Funds	29,246	-	-	29,246
Held by Fiscal Agent				
Money Market Mutual Funds	52,546	-	-	52,546
	<u>\$ 20,973,484</u>	<u>\$ 19,315,540</u>	<u>\$ 18,329,249</u>	<u>\$ 58,618,273</u>

Fair Value Classifications

Fair value measurements are categorized based on the valuation inputs used to measure fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments categorized as Level 2 are valued using the market approach using quoted market prices of similar assets.

Investments' fair value measurements are as follows as of June 30, 2020:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Fair Value</u>
Federal Agency Securities	\$ -	\$ 17,208,850	\$ -	\$ 17,208,850
Medium Term Corporate Notes	-	12,290,165	-	12,290,165
Negotiable Certificates of	-	10,951,764	-	10,951,764
Local Agency Bonds	-	492,440	-	492,440
Section 115 Trust				
Equity Mutual Funds	449,404	-	-	449,404
Fixed Income Mutual Funds	280,992	-	-	280,992
Total Leveled Investments	<u>\$ 730,396</u>	<u>\$ 40,943,219</u>	<u>\$ -</u>	<u>41,673,615</u>
Local Agency Investment Fund				16,862,866
Money Market Mutual Funds				
Section 115 Trust				
Money Market Mutual Funds				29,246
Held by Fiscal Agent				
Money Market Mutual Funds				<u>52,546</u>
Total Investment Portfolio				<u>\$ 58,618,273</u>

Investments in LAIF are uncategorized as deposits and withdrawals are made on the basis of \$1 and not fair value. Money market mutual funds are valued at net asset value \$1 dollar per share (amortized cost) and as such are uncategorized in the fair value hierarchy.

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 minimum rating required by (where applicable) the California Government Code, the City's investment policy, or debt agreements, and the Standards and Poor's credit rating as of year-end for each investment type:

Investment Type	Minimum Legal Rating*	Total as of June 30, 2020	Not Rated	AAA	AA	A	BBB
Federal Agency Securities	n/a	\$ 17,208,850	\$ -	\$ -	\$ 17,208,850	\$ -	\$ -
Negotiable Certificates of Deposit	n/a	10,951,764	10,951,764	-	-	-	-
Local Agency Investment Fund	n/a	16,862,866	16,862,866	-	-	-	-
Medium Term Corporate Notes	A	12,290,165	-	-	5,251,120	5,013,065	2,025,980
Local Agency Bonds	A	492,440	-	-	492,440	-	-
Section 115 Trust							
Equity Mutual Funds	n/a	449,404	449,404	-	-	-	-
Fixed Income Mutual Funds	n/a	280,992	280,992	-	-	-	-
Money Market Mutual Funds	n/a	29,246	-	29,246	-	-	-
Held by Fiscal Agent							
Money Market Mutual Funds	A	52,546	-	-	-	52,546	-
		<u>\$ 58,618,273</u>	<u>\$ 28,545,026</u>	<u>\$ 29,246</u>	<u>\$ 22,952,410</u>	<u>\$ 5,065,611</u>	<u>\$ 2,025,980</u>

*n/a - not applicable

Concentration of Credit Risk

Investments in any one issuer that represent 5 percent or more of total City's investments are as follows:

Issuer	Investment Type	Reported Amount	Percent of Portfolio
Federal Farm Credit Bank	Federal Agency Securities	\$ 11,073,220	19%
Federal Home Loan Mortgage Corporation	Federal Agency Securities	4,104,410	7%

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 fair 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.

Investment in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 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.

Note 3 - Accounts Receivable

Receivables at June 30, 2020, are composed of the following:

	Other Receivable	Taxes Receivable	Total
Governmental Activities:			
General	\$ 223,592	\$ 1,939,076	\$ 2,162,668
Emergency Services Operations	141,460	11,605	153,065
Nonmajor Governmental Funds	52,538	191,211	243,749
	<u>\$ 417,590</u>	<u>\$ 2,141,892</u>	<u>\$ 2,559,482</u>
Business-type Activities:			
Golf Resort Operations	<u>\$ 134,923</u>	<u>\$ -</u>	<u>\$ 134,923</u>

Note 4 - Notes Receivable

	Outstanding at June 30, 2020
Governmental Activities	
Indian Wells Village Utility Undergrounding	\$ 119,475
Club Drive Property Sale	<u>1,178,678</u>
	<u>\$ 1,298,153</u>

The notes issued relating to the Indian Wells Village Utility Undergrounding relates to the costs the City covered for the tenants of the Indian Wells Village to run electricity from the streets up to the individual properties. The tenants are responsible for repaying the City. The notes are due and payable in full on the earlier of (i) the date of any transfer not authorized by the Lender; (ii) the date of any default; or (iii) twenty years from the effective date of the Loan Agreement. Outstanding principal balance shall bear simple interest at the rate of one percent per annum, and if default occurs, interest on the principal balance shall accrue at the lesser of ten percent compounded annually or the maximum amount permitted by law from the date of default to the date of repayment in full of the disbursed principal amount of the loan and any interest due thereon. The notes are secured by a Deed of Trust against the Property.

The note issued relating to the Club Drive Property sale at 45200 Club Drive to Indian Wells Medical Offices, LLC is amortized over 20 years commencing on May 1, 2018. Final payment of the note is due and payable on April 1, 2038. Payments are due monthly in the amount of \$8,584. Prepayment in full of principal sum plus \$50,000 premium is allowed within the five years following the date of this note. No penalty or premium due for prepayment following the initial five years of the note. The note is secured by a deed of trust against the property.

Note 5 - Due to and Due from Other Funds

Interfund receivables and payable balances at June 30, 2020, are as follows:

<u>Due to Other Funds</u>	<u>Due From Other Funds</u>	<u>Amount</u>
Park Facilities in Lieu	General Fund	\$ 1,142,983
Golf Resort	General Fund	6,991,627
Non-major Governmental Funds	General Fund	46,976
		<u>\$ 8,181,586</u>

The General Fund Receivable from the Park Facilities in Lieu Fund of \$1,142,983 represents monies advanced to the Park Facilities in Lieu Fund for certain construction at the Golf Resort. As Park-in-Lieu fees are collected, the advance will be paid down. The advance is estimated to be paid off in 30 years.

The General Fund Receivable from the Golf Resort Operations Fund of \$5,528,848 represent monies advances to the Golf Resort Operations Fund for certain construction at the Golf Resort. The advance is estimated to be paid as funds become available, anticipated to be within 10 years.

The General Fund Receivable from the Non-major Governmental Funds of \$46,976 represents monies advanced to the Non-major funds to cover current period financial needs. As the Non-major funds collect revenues these amounts will be reimbursed to the General Fund. The advance is estimated to be paid off within 5 years.

Note 6 - Interfund Transfers

Transfers in and out for the year ended June 30, 2020, are as follows:

<u>Transfer Out of Fund</u>	<u>Transfer In to Fund</u>	<u>Amount</u>
General Fund	Non-major Governmental Fund	\$ 9,438,991
Non-major Governmental Fund	General Fund	6,000,000
Non-major Governmental Fund	Non-major Governmental Fund	91,617
		\$ 15,530,608

The General Fund transferred \$9,438,991 to Non-Major Governmental Funds to provide funding for approved Construction in Progress projects.

The Non-Major Governmental Funds returned \$6,000,000 to the General Fund to reduce Construction in Progress funding for projects that were deferred as a result of the COVID-19 pandemic and subsequent response.

The Non-major Governmental Funds transferred \$91,617 to other Non-major Governmental Funds to reimburse for the Miles Bridge project.

Note 7 - Capital Assets

Capital asset activity for the year ended June 30, 2020, was as follows:

	<u>Balance at July 1, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at June 30, 2020</u>
Governmental activities				
Capital assets, not being depreciated				
Land	\$ 44,218,783	\$ 6,088	\$ -	\$ 44,224,871
Construction in progress	84,927	131,714	-	216,641
Total capital assets not being depreciated	<u>44,303,710</u>	<u>137,802</u>	<u>-</u>	<u>44,441,512</u>
Capital assets, being depreciated				
Intangible	2,500,000	-	-	2,500,000
Buildings and improvements	67,177,393	393,807	-	67,571,200
Equipment	1,551,191	189,032	(40,178)	1,700,045
Infrastructure	113,993,594	187,864	-	114,181,458
Total capital assets being depreciated	<u>185,222,178</u>	<u>770,703</u>	<u>(40,178)</u>	<u>185,952,703</u>
Less accumulated depreciation				
Intangible	(1,625,000)	(250,000)	-	(1,875,000)
Buildings and improvements	(25,957,081)	(1,679,581)	-	(27,636,662)
Equipment	(1,483,878)	(70,812)	-	(1,554,690)
Infrastructure	(33,457,743)	(2,013,135)	-	(35,470,878)
Total accumulated depreciation	<u>(62,523,702)</u>	<u>(4,013,528)</u>	<u>-</u>	<u>(66,537,230)</u>
Total capital assets being depreciated, net	<u>122,698,476</u>	<u>(3,242,825)</u>	<u>(40,178)</u>	<u>119,415,473</u>
Governmental activities capital assets, net	<u>\$ 167,002,186</u>	<u>\$ (3,105,023)</u>	<u>\$ (40,178)</u>	<u>\$ 163,856,985</u>

City of Indian Wells, California

Notes to Financial Statements

June 30, 2020

	Balance at July 1, 2019	Additions	Deletions	Balance at June 30, 2020
Business-type activities				
Capital assets, not being depreciated				
Land	\$ 13,910,956	\$ -	\$ -	\$ 13,910,956
Construction in progress	133,938	-	(133,938)	-
Total capital assets not being depreciated	<u>14,044,894</u>	<u>-</u>	<u>(133,938)</u>	<u>13,910,956</u>
Capital assets, being depreciated				
Buildings and improvements	83,743,128	1,332,043	-	85,075,171
Equipment	5,260,296	364,036	-	5,624,332
Infrastructure	433,389	-	-	433,389
Total capital assets being depreciated	<u>89,436,813</u>	<u>1,696,079</u>	<u>-</u>	<u>91,132,892</u>
Less accumulated depreciation				
Buildings and improvements	(48,973,238)	(1,999,820)	-	(50,973,058)
Equipment	(4,593,271)	(253,917)	-	(4,847,188)
Infrastructure	(93,900)	(7,223)	-	(101,123)
Total accumulated depreciation	<u>(53,660,409)</u>	<u>(2,260,960)</u>	<u>-</u>	<u>(55,921,369)</u>
Total capital assets being depreciated, net	<u>35,776,404</u>	<u>(564,881)</u>	<u>-</u>	<u>35,211,523</u>
Business-type activities capital assets, net	<u>\$ 49,821,298</u>	<u>\$ (564,881)</u>	<u>\$ (133,938)</u>	<u>\$ 49,122,479</u>

Depreciation Expense

Depreciation expense was charged to the following functions in the statement of activities:

Governmental Activities	
General government	\$ 325,898
Community development	1,422,198
Public safety	93,410
Public works	<u>2,172,022</u>
Total governmental activities	<u>\$ 4,013,528</u>
Business-type Activities	
Golf resort operations	<u>\$ 2,260,960</u>

Note 8 - Long-Term Liabilities

The changes in long-term liabilities for the year ended June 30, 2020, were as follows:

	<u>Balance at July 1, 2019</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2020</u>	<u>Due within One year</u>
Compensated absences	\$ 420,081	\$ 455,581	\$ (333,494)	\$ 542,168	\$ 116,998

Compensated Absences

The City's policies relating to compensated absences are described in Note 1. The City reserves the outstanding compensated absences liability in the Compensated Absences Fund. The long-term strategy of the Employee Leave Accrual Fund is to set aside cash reserves in case of changes in staff. Several different types of paid leave accrue to full-time employees. These include vacation, holiday, administrative leave, sick leave, and compensatory time accruals. The amount of leave employees are eligible to accrue is governed by Memorandum of Understandings (MOUs), personnel contracts, and the Personnel Rules and Regulations.

Compensated absences have been typically liquidated from the general fund.

Note 9 - Defined Benefit Pension Plan

Miscellaneous Plan

Description of Plan

All qualified permanent and probationary employees are eligible to participate in the City of Indian Well's Employee Pension Plan, a cost-sharing multiple-employer defined benefit pension plan administered by the California Public Employees Retirement System (CalPERS). The CalPERS Plan consists of a miscellaneous pool and a safety pool (referred to as "risk pools"), which are comprised of individual employer miscellaneous and safety rate plans, respectively. The risk pools are included within the Public Employees' Retirement Fund C (PERF C). Benefit provisions under the Plan are established by State statute and may be amended by City resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provision, assumption and membership information. Copies of the reports can be found on the CalPERS website.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: The Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Public Employees’ Pension Reform Act of 2013 (PEPRA) requires new benefits and member contributions for new members as defined by PEPRA, that are hired after January 1, 2013. These PEPRA members in pooled plans are reflected in the new Miscellaneous and Safety risk pools created by the CalPERS Board in response to the passage of PEPRA, beginning with the June 30, 2013, risk-pool valuations.

The Plans’ provisions and benefits in effect at June 30, 2020 are summarized below:

	Miscellaneous	
	Classic Members Hired Prior to January 1, 2013	PEPRA Members Hired After January 1, 2013
Benefit formula	2.7% @ 55	2% @ 62
Benefit vesting schedule	5 years of credited service	5 years of credited service
Benefit payments	monthly for life	monthly for life
Retirement age	50 and up	62
Monthly benefits, as a % of eligible compensation	2.0% to 2.7%	2%
Required employee contribution rates	8.00%	6.50%
Required employer contribution rates	13.945%	7.072%

Contribution Description

Section 20814(c) of the California Public Employees’ Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Miscellaneous Plan are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Contributions to the pension plan were \$379,796 for the year ended June 30, 2020.

Pension Liabilities (Assets), Pension Expenses and Deferred Outflows/Inflows of Resources

The City reported a net pension liability (asset) for its proportionate share of the net pension liability of the Miscellaneous Plan as of June 30, 2020, in the amount of \$(1,218,808).

The City’s net pension liability (asset) for the Miscellaneous Plan is measured as the proportionate share of the net pension liability of the collective cost-sharing plan. The City’s net pension liability (asset) of the Plan is measured as of June 30, 2019, and the total pension liability for the Miscellaneous Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018. The City’s proportion of the net pension liability was based on a projection of the City’s long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The City’s proportionate share of the net pension liability (asset) for the Miscellaneous Plan as of the June 30, 2018 and 2019 measurement dates was as follows:

Proportion - June 30, 2018	0.000800%
Proportion - June 30, 2019	(0.01189%)
Change - Increase/(Decrease)	(0.01269%)

For the year ended June 30, 2020, the City recognized pension expense of \$822,525 for the Miscellaneous Plan. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 379,796	\$ -
Changes in proportion and difference between City's contributions and proportionate share of contributions	943,946	2,110,805
Net difference between projected and actual earnings on pension plan investments	21,309	-
Difference between expected and actual experience	-	78,093
Changes in assumptions	-	37,516
	\$ 1,345,051	\$ 2,226,414

The amount of \$379,796 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows or resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30,	
2021	\$ (459,490)
2022	(361,241)
2023	(436,122)
2024	(4,306)
	\$ (1,261,159)

Actuarial Assumptions

The total pension liabilities in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions.

Valuation Date	June 30, 2018
Measurement Date	June 30, 2019
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions	
Discount Rate	7.15%
Inflation	2.50%
Payroll Growth	3.00%
Projected Salary Increase	Varies by Entry Age and Service
Investment Rate of Return	7.15%
Mortality	Derived using CalPERS' Membership Data for all Funds

All other actuarial assumptions used in the June 30, 2018, valuation were based on the results of an actuarial experience study from December 2017, including updates to salary increase, mortality and retirement rates. The Experience Study report can be obtained at CalPERS' website.

Discount Rate

The discount rate used to measure the total pension liability was 7.15 percent. The projection of cash flows used to determine the discount rate assumed that contribution from plan members will be made at the current contribution rate and that the City's contributions will be made at rates equal to the difference between actuarially determined contributions rates and the employee rate. Based on those assumptions, each pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

In determining the long-term expected 7.15 percent rate of return on pension plan investments, CalPERS took into account both short and long-term market return expectations as well as the expected pension fund cash flows. Based on the expected benefit payments of the Public Employees' Retirement Fund, CalPERS indicated that a 19-year horizon was ideal in determining the level equivalent discount rate assumption. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent adjusted to the account for assumed administrative expenses. The target allocation and best estimates of arithmetic real rates of return for each major asset class are the same for the Plan. These geometric rates of return are net of administrative expenses and are summarized in the following table:

Asset Class	New Strategic Allocation	Real Return Years 1 - 10 ⁽¹⁾	Real Return Years 11+ ⁽²⁾
Global Equity	50%	4.80%	5.98%
Fixed Income	28%	1.00%	2.62%
Inflation Assets	0%	0.77%	1.81%
Private Equity	8%	6.30%	7.23%
Real Estate	13%	3.75%	4.93%
Liquidity	1%	0.00%	-0.92%
	100%		

⁽¹⁾ An expected inflation of 2.0% used for this period

⁽²⁾ An expected inflation of 2.92% used for this period

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the City's proportionate share of the net pension liability (asset), calculated using the discount rate of 7.15 percent, as well as what the City's proportionate share of net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage point lower (6.15 percent), or 1-percentage point higher (8.15 percent), than the current rate:

	1% Decrease in Discount Rate (6.15%)	Discount Rate (7.15%)	1% Increase in Discount Rate (8.15%)
City's Proportionate Share of the Plan's Net Pension Liability/(Assets)	\$ 2,911,512	\$ (1,218,808)	\$ (4,628,096)

Pension Plan Fiduciary Net Position

Detailed information about the Plan's fiduciary net position is available in a separately issued CalPERS financial report.

Note 10 - Defined Contribution Plan

The City contributes to the ICMA Retirement Corporation Prototype Money Purchase Plan and Trust, a defined contribution plan 401(a). The plan is a multiple-employer public employee retirement program. The reportable payroll for the employees covered by the plan is \$3,612,800 compared with a total payroll of \$3,865,345 for the fiscal year ended June 30, 2020. The plan provisions are established and may be amended by City Council.

All full-time employees are eligible to participate in the plan and benefits vest immediately. The required period of service is six months. Eligible employees at age 50 or more may begin to collect defined contribution benefits immediately upon retirement. The employer contribution is 2.5 percent of earnings. No employee contributions are permitted. The total contribution made by the City was \$90,321. Contributions are established and amended by State Law and City Resolution.

Note 11 - Deferred Compensation Payable

The City has adopted a deferred compensation plan in accordance with Internal Revenue Code Section 457 for its eligible employees wherein they may execute an individual agreement with the City for amounts earned by them to be paid at a future date when certain circumstances are met. These circumstances are terminated by reasons of death, disability, retirement or unforeseeable emergency. Employees may contribute into the deferred compensation plan up to \$19,500 in any year, as amended from time to time by the Internal Revenue Service (IRS). The City has no liability for losses under the plan, but does have the duty of due care that would be required of an ordinary prudent investor.

On January 1, 1997, the City formally established a trust in accordance with IRC 457(g) for its deferred compensation plan for the exclusive benefit of plan participants and their beneficiaries. Accordingly, the deferred compensation assets placed in the trust were not reported in the financial statements.

Note 12 - Other Post Employment Benefit Plan (OPEB)

The City participates in the California Employers’ Retiree Benefit Fund (CERBT), an agent multiple-employer defined benefit healthcare plan administered by the California Public Employees’ Retirement System (CalPERS). A summary of the OPEB amounts for the City’s plan is shown below:

Net OPEB Liability	\$ 857,704
Deferred Outflows related to OPEB	1,438,238
Deferred Inflows related to OPEB	72,378
OPEB Expense	411,721

Plan Description

The City has established a Retiree Healthcare Plan (HC Plan), and participates in an agent multiple-employer defined benefit retiree healthcare plan administered by the CalPERS, which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the HC Plan are established by City contracts with the employee associations. CalPERS issues a publicly available financial report that can be found on the CalPERS website.

Benefits Provided

Benefits are provided to employees who retire directly from the City under CalPERS rules and regulations. The City has three separate benefit tier programs:

- Tier A- Employees hired before December 31, 2008, City’s contribution is 100% of the premium for Public Employees’ Medical & Hospital Care Act (PEMHCA) plan.
- Tier B- Employees hired after January 1, 2009, City’s contribution is up to 100% of the premium for the highest PEMHCA HMO in accordance with the CalPERS vesting.
- Tier C- Employees hired after July 1, 2017, City’s contribution is the minimum PEMHCA amount.

Employees Covered by Benefit Terms

At June 30, 2019, the most recent measurement date, the following current and former employees were covered by the benefit terms of the plan:

Active employees	25
Inactive employees or beneficiaries currently receiving benefits	35
	60
	60

Contributions

The HC Plan and its contribution requirements are established through contracts between the City and the employee associations and may be amended by agreements between the City and the employee association. The annual contribution is based on the actuarially determined contribution. Employees are not required to contribute to the plan. Contributions recognized by the HC Plan from the employer for the year ended June 30, 2020 were \$1,190,919.

During the fiscal year 2019-20, the City made contributions with the intent to completely payoff the unfunded OPEB liability. Pursuant to the requirements of GASB 75, the June 30, 2020 net OPEB liability reflected in the financial statements has a measurement date of June 30, 2019. Therefore, as of June 30, 2020, the City's additional payment to the trust of \$735,654 subsequent to the measurement date is included as a deferred outflow of resources rather than being included in the health care plan assets, which would reduce the net OPEB liability. The subsequent year's measurement will include the additional payments in the calculation of the health care plan assets and will reduce the net OPEB liability.

Net OPEB Liability

The City's net OPEB liability for the HC Plan was measured as the total OPEB liability, less the OPEB plan's fiduciary net position. The net OPEB liability of the HC Plan was measured as of June 30, 2019, using an annual actuarial valuation as of June 30, 2019. A summary of principal assumptions and methods used to determine the net OPEB liability is shown below.

Actuarial Assumptions

The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method Actuarial Assumptions	Entry-Age Normal Cost Method
Discount Rate	6.25%
Inflation	2.75%
Payroll Growth	3.00%
Investment Rate of Return	6.25%
Mortality	CalPERS 1997-2015 experience study
Healthcare Trend Rate	Non-Medicare- 7.5% for 2021, decreasing to an ultimate rate of 4% in 2076 and later years Medicare- 6.3% for 2021, decreasing to an ultimate 4% in 2076 and later years

Mortality rates were based on the CalPERS 1997-2015 Experience Study, which assumed future mortality improvements using Society of Actuaries (SOA) Scale MP-2019. The Experience Study report can be obtained on the CalPERS website under Forms and Publications.

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period.

Changes in Actuarial Assumptions

Certain key assumptions were changed as part of the actuary’s updated study. Those changes are summarized below.

- Additional 25.1% was added to 2021 medical trend for PERSCare medical plan
- Demographic assumptions were updated to CalPERS 1997-2015 Experience study
- Future retiree family coverage was updated to 30% until age 65
- Waived retirees participation was updated to 0%
- Mortality improvement scale was updated to Scale MP-2019

Discount Rate

The discount rate used to measure the total OPEB liability was 6.25 percent for the HC Plan. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that the City’s contributions will be made at rates equal to the difference between actuarially determined contributions rates and the employee rate. Based on those assumptions, the HC Plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on the HC Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and most recent best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Global Equity	40%	4.82%
Fixed Income	43%	1.47%
TIPS	5%	1.29%
Commodities	4%	0.84%
REITs	8%	3.76%
	<u>100%</u>	

Changes in Net OPEB Liability

	<u>Total OPEB Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net OPEB Liability</u>
Balance at June 30, 2019	\$ 8,088,850	\$ 7,467,037	\$ 621,813
Changes in the year:			
Service cost	323,517	-	323,517
Interest on the total OPEB liability	513,612	-	513,612
Changes in assumptions	71,328	-	71,328
Differences between expected and actual experience	239,406	-	239,406
Changes in benefit terms	-	-	-
Contribution - employer	-	389,962	(389,962)
Contribution - employee	-	-	-
Net investment income	-	524,434	(524,434)
Differences between projected and actual earnings on plan investments	-	-	-
Benefit payments, including refunds of employee contributions	(389,144)	(389,144)	-
Administrative expenses	-	(2,424)	2,424
	<u>758,719</u>	<u>522,828</u>	<u>235,891</u>
Net changes			
Balance at June 30, 2020	<u>\$ 8,847,569</u>	<u>\$ 7,989,865</u>	<u>\$ 857,704</u>

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.25 percent) or 1-percentage-point higher (7.25 percent) than the current discount rate:

	<u>1% Decrease (5.25%)</u>	<u>Discount Rate (6.25%)</u>	<u>1% Increase (7.25%)</u>
Net OPEB Liability/(Asset)	\$ 1,983,368	\$ 857,704	\$ (73,698)

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Trend Rate</u>	<u>1% Increase</u>
Net OPEB Liability/(Asset)	\$ (160,322)	\$ 857,704	\$ 2,107,934

OPEB Plan Fiduciary Net Position

Detailed information about the OPEB plan's fiduciary net position is available in the separately issued CalPERS financial reports.

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the year ended June 30, 2020, the City recognized OPEB expense of \$411,721. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 1,190,919	\$ -
Change in assumptions	56,771	-
Differences between expected and actual experience	190,548	-
Net difference between projected and actual earnings on plan investments	-	72,378
	\$ 1,438,238	\$ 72,378

The \$1,190,919 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30,	Amortization
2021	\$ 38,808
2022	37,808
2023	52,809
2024	45,516
	\$ 174,941

Note 13 - Section 115 Trust

In June 2018, the City Council approved the creation of a Section 115 Trust Agreement with U.S. Bank National Association, and Public Agency Retirement Services (PARS), Trust Administrator. The Section 115 Trust was established as a means to set aside monies to fund the City's pension and OPEB obligations. Contributions to the Section 115 Trust are irrevocable, the assets are dedicated to providing benefits to plan members, and the assets are protected from creditors of the City. The purpose of the creation of the Section 115 Trust was to address the City's pension obligations by accumulating assets to reduce the net pension liability. However, in accordance with generally accepted accounting principles, the assets in the Section 115 Trust are not considered to have present service capacity as plan assets and are therefore considered restricted assets of the City rather than pension plan assets. Accordingly, the Section 115 Trust's assets are recorded as restricted for pension benefits in the City's Employee Benefits Internal Service Fund rather than assets of the pension plan during the measurement of the net pension liability. The assets held in trust will be considered pension plan assets at the time they are transferred out of the Trust into the pension plan.

The balance in the Trust for the fiscal year ended June 30, 2020 was \$759,642. During the fiscal year, the Trust earned \$12,558 in interest income.

The City currently funds its OPEB obligations through the CERBT program, and although the newly established Section 115 Trust is able to accept OPEB funds, the District has no immediate plans to fund OPEB obligations through the Section 115 Trust.

Note 14 - Risk Management**Description of Self-Insurance Pool Pursuant to Joint Powers Agreement**

The City of Indian Wells is a member of the California Joint Powers Insurance Authority (Authority). The Authority is composed of 117 California public entities and is organized under a joint powers agreement pursuant to California Government Code §6500 et seq. The purpose of the Authority is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group purchased insurance for property and other lines of coverage. The California JPIA began covering claims of its members in 1978. Each member government has an elected official as its representative on the Board of Directors. The Board operates through a nine-member Executive Committee.

Self-Insurance Programs of the Authority

Each member pays an annual contribution at the beginning of the coverage period. A retrospective adjustment is then conducted annually thereafter, for coverage years 2012-13 and prior. Coverage years 2013-14 and forward are not subject to routine annual retrospective adjustment. The total funding requirement for self-insurance programs is based on an actuarial analysis. Costs are allocated to individual agencies based on payroll and claims history, relative to other members of the risk-sharing pool.

General Liability

Claims are pooled separately between police and general government exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$30,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$30,000 to \$750,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from \$750,000 to \$50 million, are distributed based on the outcome of cost allocation within the first and second loss layers.

For 2019-20 the Authority's pooled retention is \$2 million per occurrence, with reinsurance to \$20 million, and excess insurance to \$50 million. The Authority's reinsurance contracts are subject to the following additional pooled retentions: (a) \$2.5 million annual aggregate deductible in the \$3 million in excess of \$2 million layer, and (b) \$3 million annual aggregate deductible in the \$5 million in excess of \$10 million layer. There is a third annual aggregate deductible in the amount of \$2.5 million in the \$5 million in excess of \$5 million layer, however it is fully covered under a separate policy and therefore not retained by the Authority. The overall coverage limit for each member, including all layers of coverage, is \$50 million per occurrence. Costs of covered claims for subsidence losses have a sub-limit of \$50 million per occurrence.

Workers' Compensation

Claims are pooled separately between public safety (police and fire) and general government exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$50,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$50,000 to \$100,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from \$100,000 to statutory limits are distributed based on the outcome of cost allocation within the first and second loss layers.

For 2019-20, the Authority's pooled retention is \$2 million per occurrence, with reinsurance to statutory limits under California Workers' Compensation Law. Employer's Liability losses are pooled among members to \$2 million. Coverage from \$2 million to \$5 million is purchased as part of a reinsurance policy, and Employer's Liability losses from \$5 million to \$10 million are pooled among members.

Purchased Insurance*Pollution Legal Liability Insurance*

The City participates in the pollution legal liability insurance program which is available through the Authority. The policy covers sudden and gradual pollution of scheduled property, streets, and storm drains owned by the City. Coverage is on a claims-made basis. There is a \$50,000 deductible. The Authority has an aggregate limit of \$50 million for the 3-year period from July 1, 2017 through July 1, 2020. Each member of the Authority has a \$10 million sub-limit during the 3-year policy term.

Property Insurance

The City participates in the all-risk property protection program of the Authority. This insurance protection is underwritten by several insurance companies. The City property is currently insured according to a schedule of covered property submitted by the City to the Authority. The City property currently has all-risk property insurance protection in the amount of \$95,612,919. There is a \$10,000 deductible per occurrence except for non-emergency vehicle insurance which has a \$5,000 deductible.

Crime Insurance

The City purchases crime insurance coverage in the amount of \$1,000,000 with a \$2,500 deductible. The fidelity coverage is provided through the Authority.

Adequacy of Protection

During the past three fiscal years, none of the above programs of protection experienced settlements or judgments that exceeded pooled or insured coverage. There were also no significant reductions in pooled or insured liability coverage in 2019-20.

CJPIA Retrospective Deposit Liability

Retrospective deposits and refunds are cost allocation adjustments to prior coverage periods. Some claims take many years to resolve and over time their estimated value changes. The retrospective adjustments are calculated annually and take into consideration all the changes in claim values that occurred during the most recent year. The formula is designed to adequately cover the cost of claims brought against members and to ensure the overall financial strength and security of the Authority. The formula was developed to be as equitable as possible by taking into consideration both risk exposure and claims experience of individual members. The City at June 30, 2020, had a retrospective refund due in the liability program of \$1,980, and a retrospective refund due in the workers' compensation program of \$3,365.

More information on the CJPIA retrospective balances can be found on the CJPIA website at CJPIA.org.

Note 15 - Other Required Disclosures

Deficit Fund Balance and Net Position

The following funds reported a deficit fund balance at June 30, 2020:

Park Facilities in Lieu Capital Projects Fund	\$ 1,142,983
Hwy 111 Circulation Improvement Capital Projects Fund	28,990
Sucessor Agency of the Former RDA Private Purpose Trust Fund	91,861,841

The deficit in the Park Facilities in Lieu Capital Projects Fund will be eliminated through Quimby Act Park fees to be collected from developers. This deficit balance is temporary although it will take several years to expunge.

The deficit in the Hwy 111 Circulation Improvement Capital Projects Fund will be eliminated by the collection of future impact fees.

The deficit in the Successor Agency of the former RDA Private-Purpose Trust Fund was caused by the dissolution of the Redevelopment Agency. See Note 17 and 18 for additional information.

Note 16 - 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 will not have a material adverse effect on the financial condition of the City.

Note 17 - California Redevelopment Agency Dissolution

On July 18, 2011, the California Redevelopment Association ("CRA") and the League of California Cities ("League") filed a petition for writ of mandate with the California Supreme Court, requesting the Court to declare unconstitutional two bills that were passed as part of the 2011-12 State Budget, AB X1 26 and 27 (California Redevelopment Association v. Matosantos). AB X1 26 dissolves redevelopment agencies effective October 1, 2011. AB X1 27 gave redevelopment agencies an option to avoid dissolution if it commits to making defined payments for the benefit of the State, school districts and certain special districts.

On August 17, 2011, the Supreme Court issued a stay of the implementation of AB X1 26 and 27 which allowed a redevelopment agency to continue if it adopted an AB X1 27 ordinance. However, because of the effect of the stay order, the authority for the Redevelopment Agency to engage in most activities was suspended.

The Supreme Court heard oral arguments on November 10, 2011 and on December 29, 2011, announced its decision in California Redevelopment Association v. Matosantos. The court upheld AB X1 26 which dissolves redevelopment agencies, but invalidated in its entirety AB X1 27 which allowed redevelopment agencies to continue as long as they made the required payments. AB X1 26 established deadlines for the process of Redevelopment Agency dissolution and the handling of existing obligations. The full text of AB X1 26 may be obtained from the California legislative information website maintained by the Legislative Counsel of the State of California at: <http://www.leginfo.ca.gov/bilinfo.html>.

On February 1, 2012, the Redevelopment Agency was dissolved and the City of Indian Wells elected to become the Successor Agency. The Successor Agency is responsible for winding down the remaining activities of the dissolved Redevelopment Agency.

Note 18 - Successor Agency Trust for Assets of the Former Redevelopment Agency

The California Supreme Court decision impacted the reporting entity of the City that previously had reported a redevelopment agency within the reporting entity of the City as a blended component unit.

The Bill provided that upon dissolution of a redevelopment agency, either the city or another unit of local government will agree to serve as the “successor agency” to hold the assets until they are distributed to other units of state and local government. On January 12, 2012, the City Council elected to become the Successor Agency for the former redevelopment agency in accordance with the Bill as part of City resolution number 2012-03.

After enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the State of California cannot enter into new projects, obligations or commitments. Subject to the control of a newly established oversight board, remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments).

Successor agencies will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

In accordance with the timeline set forth in the Bill (as modified by the California Supreme Court on December 29, 2011) all redevelopment agencies in the State of California were dissolved and ceased to operate as a legal entity as of February 1, 2012. After the date of dissolution, the assets and activities of the dissolved redevelopment agency are reported in a fiduciary fund (private-purpose trust fund) in the financial statements of the City.

Cash and Investments

Cash and investments reported in the accompanying financial statements consisted of the following:

Cash and investments pooled with the City	\$ 9,685,076
Cash and investments with fiscal agent	<u>52,544</u>
	<u>\$ 9,737,620</u>

Due to City

The amount due to the City reported in the accompanying financial statements consisted of the following:

In a letter dated November 8, 2013, from the California Department of Finance, the Oversight Board Resolution No. 2013-05 was approved and the loan from the City was determined to be for legitimate redevelopment purposes and therefore, approved as an enforceable obligation.	\$ 1,339,192
In a letter dated November 22, 2013, from the California Department of Finance, the loan between the Successor Agency and the City of Indian Wells for \$16,400,000 was determined to be for legitimate redevelopment purposes and therefore, approved as an enforceable obligation.	<u>16,400,000</u>
	<u><u>\$ 17,739,192</u></u>

Long-Term Debt

The following debt is recorded in the Successor Agency:

Project Area 1	Balance at July 1, 2019	Additions	Repayments	Balance June 30, 2020	Due within One year
2010 A Tax Allocation Bonds	\$ 8,420,000	\$ -	\$ 8,420,000	\$ -	\$ -
SERAF Loan	5,473,585	-	2,000,585	3,473,000	-
2014A Tax Allocation Bonds	6,505,000	-	3,160,000	3,345,000	3,345,000
2014A-T Tax Allocation Bonds	9,575,000	-	615,000	8,960,000	575,000
2015 Refunding Tax Allocation Bonds	17,385,000	-	1,475,000	15,910,000	1,535,000
2016 A Tax Allocation Bonds	36,865,000	-	100,000	36,765,000	105,000
2020 A Tax Allocation Bonds	-	7,220,000	-	7,220,000	-
	<u>\$ 84,223,585</u>	<u>\$ 7,220,000</u>	<u>\$ 15,770,585</u>	\$ 75,673,000	<u>\$ 5,560,000</u>
Adjustments:					
Unamortized net original issue (discount) or premium				<u>7,753,509</u>	
Net Long-term Debt				<u><u>\$ 83,426,509</u></u>	

A description of long-term debt outstanding of the Successor Agency as of June 30, 2020, follows:

SERAF Loan

In April 2010, the Redevelopment Agency Low/Moderate Housing Fund advanced the Redevelopment Agency Debt Service Fund \$11,514,773. The advance bears no interest. The advance was made to provide funding for the Supplemental Education Revenue Augmentation Funds (SERAF) Obligation. The Successor Agency has absorbed this debt as part of the dissolution of the redevelopment agency and now is obligated to pay the debt to the Housing Authority. Payments to the SERAF loan are placed on the agency's Recognized Obligation Payment Schedule (ROPS) and are approved by the Department of Finance. Payment in the amount of \$2,000,585 was made to the Housing Authority in the current year.

2010A Tax Allocation Bonds

On May 11, 2010, the Agency issued \$10,890,000 of Tax Allocation Bonds to provide funds to repay a portion of a loan to the Agency from the City of Indian Wells and thereby provide funds for the City to finance certain public capital improvements. A portion of the proceeds from the bonds issued in 2010 were placed in a reserve account for the Series 2010A Bonds and to pay costs of issuance.

The 2010A Tax Allocation Bonds are special obligation of the Agency secured by tax increment revenues on a parity with the Agency's 2003A Tax Allocation Bonds, 2003A-T Tax Allocation Bonds, 2005A Refunding Tax Allocation Bonds, 2006A Tax Allocation Bonds. The reserve requirement and the payment of principal and interest on the bonds as they become due are insured by a financial guaranty insurance policy issued simultaneously with the issuance of the bonds.

During the current year, the Agency issued Tax Allocation Refunding Bonds, Series 2020A to refund the 2010A Tax Allocation Bonds. As of June 30, 2020, the 2010A Tax Allocation bonds were legally defeased, and had an outstanding principle amount of \$385,000.

2014A Tax Allocation Bonds

On May 28, 2014, the Agency issued \$6,505,000 of Tax Allocation Bonds to refinance certain outstanding obligations of the Consolidated Whitewater Project Area, to fund the premium for a debt service reserve surety bond for the reserve account for the Agency Bonds, and to pay costs of issuance of the Bonds and the Agency Bonds, including the financial guaranty insurance premium for the Bonds.

The 2014A Tax Allocation Bonds are special obligations of the Agency secured by a pledge of, security interest in and lien on the Revenues which consist principally of payments to be made by the Agency to the Authority as debt service on the Agency Bonds. The reserve requirement is insured by a financial guaranty insurance policy issued simultaneously with the issuance of the bonds.

Interest is payable semiannually on March 1 and September 1, with rates ranging from 4.05 to 5.0 percent per annum. Bonds outstanding at June 30, 2020, were \$3,345,000 which is due within one year and the deferred amounts for bond premiums were \$25,300. The remaining outstanding principle of \$3,345,000, and interest of \$83,625, on this bond are due within one year.

2014A-T Tax Allocation Bonds

On May 28, 2014, the Agency issued \$27,480,000 of Tax Allocation Bonds to refinance certain outstanding obligations of the Consolidated Whitewater Project Area, to fund the premium for a debt service reserve surety bond for the reserve account for the Agency Bonds, and to pay costs of issuance of the Bonds and the Agency Bonds, including the financial guaranty insurance premium for the Bonds.

The 2014A-T Tax Allocation Bonds are special obligations of the Agency secured by a pledge of, security interest in and lien on the Revenues which consist principally of payments to be made by the Agency to the Authority as debt service on the Agency Bonds. The reserve requirement is insured by a financial guaranty insurance policy issued simultaneously with the issuance of the bonds, the payment of scheduled debt service is not insured.

The Bonds are payable in annual installments ranging from \$575,000 to \$4,275,000 until maturity on September 1, 2022. Interest is payable semiannually on March 1 and September 1, with rates ranging from 0.540% to 4.266% per annum. Bonds outstanding at June 30, 2020, were \$8,960,000.

Future debt service requirements on these bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2021	\$ 575,000	\$ 359,828	\$ 934,828
2022	4,110,000	265,702	4,375,702
2023	4,275,000	91,186	4,366,186
	\$ 8,960,000	\$ 716,716	\$ 9,676,716

2015 A Tax Allocation Refunding Bonds

On September 1, 2015 the Agency issued \$20,575,000 of Refunding Tax Allocation Bonds to provide funds to refund the 2005 Refunding Tax Allocation Bonds and a portion of the 2006 A Tax Allocation Bonds.

The Series 2015A Bonds are special obligations payable solely from certain payments from the Successor Agency and certain other funds.

The bonds are payable in annual installments ranging from \$865,000 to \$2,435,000 until maturity on September 1, 2027. Interest is payable semiannually on March 1 and September 1 of year, with rates ranging from 2.00 to 5.00 percent per annum. Bonds outstanding at June 30, 2020 were \$15,910,000.

Future debt service requirements on these bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2021	\$ 1,535,000	\$ 757,125	\$ 2,292,125
2022	1,615,000	678,375	2,293,375
2023	1,695,000	595,625	2,290,625
2024	2,000,000	503,250	2,503,250
2025	2,105,000	400,625	2,505,625
2026-2029	6,960,000	533,500	7,493,500
	15,910,000	3,468,500	19,378,500
Bond Premium	1,757,815	-	1,757,815
	\$ 17,667,815	\$ 3,468,500	\$ 21,136,315

2016 A Tax Allocation Refunding Bonds

On September 1, 2016 the Agency issued \$37,470,000 in Series 2016A Tax Allocation Refunding Bonds to provide funds to refund the 2006 A Tax Allocation Bonds.

The Series 2016A Bonds are special obligations payable solely from certain payments from the Successor Agency and certain other funds.

The bonds are payable in annual installments ranging from \$515,000 to \$5,050,000 until maturity on September 1, 2034. Interest is payable semiannually on March 1 and September 1 of year, with rates ranging from 4.00 to 5.00 percent per annum. Bonds outstanding at June 30, 2020 were \$36,765,000.

Future debt service requirements on these bonds are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 105,000	\$ 1,702,225	\$ 1,807,225
2022	110,000	1,696,850	1,806,850
2023	115,000	1,691,225	1,806,225
2024	960,000	1,664,350	2,624,350
2025	1,010,000	1,615,100	2,625,100
2026-2030	11,275,000	6,979,375	18,254,375
2031-2035	<u>23,190,000</u>	<u>2,790,650</u>	<u>25,980,650</u>
	36,765,000	18,139,775	54,904,775
Bond Premium	<u>5,970,394</u>	-	<u>5,970,394</u>
	<u>\$ 42,735,394</u>	<u>\$ 18,139,775</u>	<u>\$ 60,875,169</u>

2020 A Tax Allocation Refunding Bonds

On June 12, 2020 the Agency issued \$7,220,000 in Series 2020A Tax Allocation Refunding Bonds to refund the 2010 A Tax Allocation Bonds.

The Series 2020A Bonds are special obligations payable solely from certain payments from the Successor Agency and certain other funds.

The bonds are payable in annual installments ranging from \$450,000 to 590,000 until maturity on September 1, 2034. Interest is payable semiannually on March 1 and September 1 of year, with rates ranging from 4.00 to 5.00 percent per annum. Bonds outstanding at June 30, 2020 were \$7,220,000.

These bonds resulted in a full defeasance of the 2010A Tax Allocation Bonds, and the related liability has been removed from the financial statements of the City. The refunding resulted in a deferred loss of \$28,936, which represents the difference between the defeased bonds, and the amount placed in escrow. The advanced refunding also resulted in future cash flow savings of approximately \$2,974,000 and an economic gain (difference between the present value of the debt service payments on the old and new debt) of approximately \$2,000,000.

Future debt service requirements on these bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2021	\$ -	\$ 93,354	\$ 93,354
2022	450,000	150,393	600,393
2023	455,000	140,664	595,664
2024	465,000	130,774	595,774
2025	480,000	120,615	600,615
2026-2030	2,545,000	442,739	2,987,739
2031-2035	2,825,000	154,532	2,979,532
	\$ 7,220,000	\$ 1,233,071	\$ 8,453,071

Insurance

The Successor Agency of the former redevelopment agency is covered under the insurance policy of the City of Indian Wells at June 30, 2020.

Commitments and Contingencies

The Successor Agency is subject to litigation arising in the normal course of business. In the opinion of the legal counsel there is no pending litigation, which is likely to have a material adverse effect on the financial position of the Successor Agency.

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Required Supplementary Information

The Schedule of Proportionate Share of Net Position Liability in accordance with GASB 68. The Schedule of Plan Contributions in accordance with GASB 68. The Schedule of Changes in the Net OPEB Liability in accordance with GASB 75. The Schedule of OPEB Contributions in accordance with GASB 75.

General Fund

This fund has been classified as a major fund and is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund.

Special Revenue Funds

The Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditure for a particular purpose. The following funds have been classified as major funds and budget-actual comparisons for these funds have been presented in the accompanying financial statements as required supplementary information.

Housing Authority - This fund is used to account for the housing activity of the former Redevelopment Agency for the benefit of providing low and moderate income housing in Indian Wells.

Emergency Services Upgrade – This fund is used to accumulate the resources accruing from a special fire tax levied to provide enhancement levels of fire protection, suppression and emergency paramedic services.

City of Indian Wells, California
Schedule of Proportionate Share of the Net Pension Liability - Miscellaneous Plan
Last Ten Fiscal Years*

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Proportion of the net pension liability (asset)	(0.01189%)	0.0008%	0.0154%	0.0480%	0.0695%	0.1456%
Proportionate share of the net pension liability (asset)	\$ (1,218,808)	\$73,946	\$ 1,526,915	\$ 4,152,019	\$ 4,769,476	\$ 3,597,324
Covered payroll**	2,889,192	2,943,396	2,812,372	2,902,571	2,814,500	2,673,595
Proportionate share of the net pension liability as a percentage of covered payroll	-42.19%	2.51%	54.29%	143.05%	169.46%	134.55%
Plan fiduciary net position as a percentage of the total pension liability	75.30%	75.30%	73.31%	74.06%	78.40%	79.82%

* GASB Statement No. 68 requires ten years of information to be presented in this table. However, until ten years of data is available, the City will present information only for those years for which information is available.

City of Indian Wells, California
 Schedule of Plan Contributions - Miscellaneous Plan
 Last Ten Fiscal Years*

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contributions	\$ 475,302	\$ 430,310	\$ 974,198	\$ 544,107	\$ 566,489	\$ 455,850
Contributions in relation to the actuarially determined contribution	<u>(379,796)</u>	<u>(358,582)</u>	<u>(1,334,875)</u>	<u>(3,731,723)</u>	<u>(2,566,489)</u>	<u>(455,850)</u>
Contribution deficiency (excess)	<u>\$ 95,506</u>	<u>\$ 71,728</u>	<u>\$ (360,677)</u>	<u>\$ (3,187,616)</u>	<u>\$ (2,000,000)</u>	<u>\$ -</u>
Covered payroll	\$ 3,038,144	\$ 2,889,192	\$ 2,943,396	\$ 2,812,372	\$ 2,902,571	\$ 2,814,500
Contributions as a percentage of covered payroll	12.50%	12.41%	45.35%	132.69%	88.42%	16.20%

* GASB Statement No. 68 requires ten years of information to be presented in this table. However, until ten years of data is available, the City will present information only for those years for which information is available.

City of Indian Wells, California
Schedule of Changes in the Net OPEB Liability and Related Ratios
Last Ten Fiscal Years*

	2020	2019	2018
Total OPEB Liability			
Service cost	\$ 323,517	\$ 314,094	\$ 305,000
Interest on the total OPEB liability	513,612	485,756	459,000
Actual vs. expected experience	239,406	-	-
Assumption changes	71,328	-	-
Benefit payments	(389,144)	(338,000)	(331,000)
Net change in total OPEB liability	758,719	461,850	433,000
Total OPEB liability - beginning	8,088,850	7,627,000	7,194,000
Total OPEB liability - ending (a)	<u>\$ 8,847,569</u>	<u>\$ 8,088,850</u>	<u>\$ 7,627,000</u>
Plan Fiduciary Net Position			
Contributions - employer	\$ 389,962	\$ 607,000	\$ 614,000
Net investment income	524,434	423,619	459,000
Benefit payments	(389,144)	(338,000)	(331,000)
Administrative expenses	(2,424)	(13,582)	(4,000)
Net change in plan fiduciary net position	522,828	679,037	738,000
Plan fiduciary net position - beginning	7,467,037	6,788,000	6,050,000
Plan fiduciary net position - ending (b)	7,989,865	7,467,037	6,788,000
Net OPEB liability - ending (a)-(b)	<u>\$ 857,704</u>	<u>\$ 621,813</u>	<u>\$ 839,000</u>
Plan fiduciary net position as a percentage of the total OPEB liability	90.31%	92.31%	89.00%
Covered-employee payroll	\$ 3,263,961	\$ 3,407,217	\$ 3,237,969
Net OPEB liability as percentage of covered payroll	26.28%	18.25%	25.91%

* GASB Statement No. 75 requires ten years of information to be presented in this table. However, until ten years of data is available, the City will present information only for those years for which information is available.

City of Indian Wells, California
 Schedule of OPEB Contributions
 Last Ten Fiscal Years*

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Actuarially determined contribution	\$ 354,000	\$ 607,000	\$ 614,000
Contributions in relation to the actuarially determined contributions	1,190,919	389,962	573,377
Contribution deficiency (excess)	<u>\$ (836,919)</u>	<u>\$ 217,038</u>	<u>\$ 40,623</u>
Covered-employee payroll **	\$ 3,451,419	\$ 3,263,961	\$ 3,407,214
Contributions as a percentage of covered-employee payroll	35%	12%	17%

* GASB Statement No. 75 requires ten years of information to be presented in this table. However, until ten years of data is available, the City will present information only for those years for which information is available.

** Contributions are made on an ad hoc basis.

Notes to Schedule

Valuation date	Actuarially determined contribution rates are calculated as of June 30 one year prior to the end of the fiscal year in which contributions are reported.
Actuarial cost method	Entry Age Normal Cost Method
Amortization method	Level percent of payroll
Amortization period	8- year fixed period for 2019/20
Asset valuation method	Fair value
Inflation	2.75%
Healthcare cost trend rates	Non-Medicare - 7.5% for 2021, decreasing to an ultimate rate of 4% in 2076 and later years Medicare - 6.3% for 2021, decreasing to an ultimate 4% in 2076 and later years
Investment rate of return	6.25%
Retirement age	55
Mortality	Based on CalPERS 1997-2015 Experience Study

City of Indian Wells, California
 Budgetary Comparison Schedule - General Fund
 Year Ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 40,493,399	\$ 40,493,399	\$ 40,493,399	\$ -
Resources (Inflows)				
Taxes	17,652,148	17,158,748	9,837,497	(7,321,251)
Licenses and permits	413,536	551,936	541,605	(10,331)
Intergovernmental	469,726	499,726	485,587	(14,139)
Charges for services	435,886	537,636	427,652	(109,984)
Investment income	346,706	346,706	327,061	(19,645)
Fines and forfeitures	42,796	60,796	58,587	(2,209)
Other income	504,365	554,365	501,879	(52,486)
Transfer In	-	-	6,000,000	6,000,000
Amounts available for appropriations	<u>60,358,562</u>	<u>60,203,312</u>	<u>58,673,267</u>	<u>(1,530,045)</u>
Charges to Appropriation (Outflows)				
General government				
Legislation and policy	214,490	217,290	137,188	80,102
City manager	668,393	814,530	714,566	99,964
City clerk	345,524	353,774	293,016	60,758
City attorney	331,407	332,207	314,676	17,531
Financial services	967,142	993,992	897,343	96,649
Central services	2,414,078	2,504,822	727,108	1,777,714
Community & cultural events	3,627,686	3,717,536	3,024,208	693,328
Human resources	199,120	214,620	196,705	17,915
Technology	429,665	440,665	408,058	32,607
Public safety				
Administration	4,720,204	4,380,304	3,717,090	663,214
Community development				
Administration	245,184	256,284	213,833	42,451
Inspections and examinations	668,748	598,758	591,724	7,034
Current and advanced planning	184,040	317,471	207,343	110,128
Code enforcement	520,414	432,814	345,258	87,556
Public works				
City engineering	648,950	672,950	606,565	66,385
Maintenance services	1,104,140	1,234,638	884,322	350,316
City parkway landscape	1,330,246	1,666,060	1,090,696	575,364
Transfers out	-	9,438,991	9,438,991	-
Total charges to appropriations	<u>18,619,431</u>	<u>28,587,706</u>	<u>23,808,690</u>	<u>4,779,016</u>
Budgetary Fund Balance, End of Year	<u>\$ 41,739,131</u>	<u>\$ 31,615,606</u>	<u>\$ 34,864,577</u>	<u>\$ (6,309,061)</u>

City of Indian Wells, California
 Budgetary Comparison Schedule - Housing Authority Special Revenue Fund
 Year Ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 13,870,180	\$ 13,870,180	\$ 13,870,180	\$ -
Resources (InFlows)				
Investment income	<u>77,100</u>	<u>77,100</u>	<u>315,388</u>	<u>238,288</u>
Amounts Available for Appropriations	<u>13,947,280</u>	<u>13,947,280</u>	<u>14,185,568</u>	<u>238,288</u>
Charges to Appropriation (OutFlows)				
General government	1,648,928	2,651,307	974,036	1,677,271
Community development	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>	<u>-</u>
Total Charges to Appropriations	<u>1,898,928</u>	<u>2,901,307</u>	<u>1,224,036</u>	<u>1,677,271</u>
Budgetary Fund Balance, End of Year	<u>\$ 12,048,352</u>	<u>\$ 11,045,973</u>	<u>\$ 12,961,532</u>	<u>\$ 1,915,559</u>

City of Indian Wells, California
 Budgetary Comparison Schedule - Emergency Services Upgrade Special Revenue Fund
 Year Ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 3,055,257	\$ 3,055,257	\$ 3,055,257	\$ -
Resources (InFlows)				
Taxes	3,301,280	3,164,280	3,277,041	112,761
Charges for services	-	-	524,273	524,273
Investment income	15,000	58,000	109,888	51,888
Assessments	634,375	634,375	608,207	(26,168)
Other income	7,773	21,773	21,183	(590)
Amounts Available for Appropriations	<u>7,013,685</u>	<u>6,933,685</u>	<u>7,595,849</u>	<u>662,164</u>
Charges to Appropriation (OutFlows)				
Public safety	4,410,817	4,410,817	3,989,203	421,614
Capital outlay	300,000	461,916	-	461,916
Total Charges to Appropriations	<u>4,710,817</u>	<u>4,872,733</u>	<u>3,989,203</u>	<u>883,530</u>
Budgetary Fund Balance, End of Year	<u>\$ 2,302,868</u>	<u>\$ 2,060,952</u>	<u>\$ 3,606,646</u>	<u>\$ 1,545,694</u>

Note 1 - Budgets and Budgetary Accounting

The City follows these procedures in establishing the budgetary data reflected in the basic financial statements:

1. In June, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted at public workshops and City Council meetings to obtain taxpayer comments.
3. Prior to July 1, the budget is adopted by Council action.

Formal budgetary integration is employed as a management control device during the year. The City presents a comparison of annual budgets to actual results for all governmental funds. Budgeted revenue amounts represent the original budget modified by Council-authorized adjustments during the year which were contingent upon new or additional revenue sources. Budgeted expenditure amounts represent original appropriations adjusted for supplemental appropriations during the year. Budgets are prepared in accordance with accounting principles generally accepted in the United States of America, using the modified-accrual basis of accounting.

The Finance Director is authorized by City Council to transfer any amounts within a fund between administrative control accounts, as well as budget adjustments between departments within a fund. However, any transfer of appropriations between funds or between capital projects in the capital budget must be approved by City Council. Any subsequent appropriations of additional amounts of moneys for the fiscal year ended June 30, 2020 shall be approved by the City Council in advance of any authorization to purchase services or goods; with the exception that the City Manager may appropriate funds under the emergency provision of State Law to effect repairs or make acquisitions to protect life and property of the City.

All appropriations for prior fiscal year shall lapse at the end of the fiscal year and any remaining amounts shall be credited to their respective fund balances, with the exception of any unexpected amounts deemed necessary by the Finance Director for specific orders or encumbrances outstanding at the end of the year; and any unexpected appropriations for uncompleted capital projects in the capital budget at the end of the year. These amounts shall be charged against the incumbent fiscal year operating budget, as directed by the Finance Director.

The following funds had expenditures in excess of appropriations for the year ended June 30, 2020:

	Final Budget	Actual	Excess Over Appropriations
South Coast AQMD Vehicle Registration	\$ 6,300	\$ 6,448	\$ (148)
Gas Tax	147,210	148,917	(1,707)
Solid Waste	986,306	1,002,272	(15,966)
City Wide Public Improvements - Transfers Out	-	79,300	(79,300)
Art In Public Places	27,241	41,259	(14,018)

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Special Revenue Funds

The following Special Revenue funds have been classified as other governmental funds in the accompanying financial statements.

Traffic Safety – This fund is used to account for the revenue from traffic fines and forfeitures and used to pay the costs of issuing tickets.

Public Safety ½% Tax – This fund is used to account for the half-cent sales tax collected by the State of California and allocated to the City for public safety.

Measure “A” Transportation – This fund is used to account for the City’s share of the sales tax increase authorized by Riverside County’s Measure “A”. The monies are legally restricted for the acquisition, construction and improvement of public streets.

Fire Access Maintenance District No. 1 – This fund is used to account for the accumulation of special assessments, ad valorem taxes and other revenues accruing to the benefit and for expenses of the special district referred to as the Fire Access Maintenance District No. 1.

South Coast Air Quality Management District Vehicle Registration – This fund is used to account for the City’s share of vehicle registration fees that the State of California has allocated to address air quality concerns in California. These monies are to be used in air quality maintenance programs locally.

Citizens Option for Public Safety Program – This fund is used for front line municipal police services including anti-gang and community crime prevention programs.

Gas Tax – This fund is used to account for the City’s share of motor vehicle gas tax imposed under the provisions of the Street and Highway Code of the State of California under Sections 2105, 2106, 2107 and 2107.5 which are legally restricted for the acquisition, construction, improvement and maintenance of public streets.

AB 939 Recycling – This fund is used to account for the revenues and expenditures incurred in recycling.

Solid Waste – This fund is used to account for city-wide assessment revenues and related expenditures incurred in providing residential garbage and refuse collection to the various benefiting assessment districts.

Consolidated LLMD – This fund is used to account for the revenues and expenditures incurred in providing lighting and landscaping maintenance services to the various benefiting assessment districts.

Street Lighting District 2001-1 – This fund is used to account for the revenues and expenditures incurred in providing lighting maintenance services within the City.

Affordable Housing Operations – This fund is used to account for revenues and expenditures associated with the retention and development of affordable housing units.

Capital Projects Funds

The following Capital Projects Funds have been classified as other governmental funds in the accompanying financial statements:

Hwy 111 Circulation Improvement – This fund accounts for fees collected from projects, which will create adverse impacts on the existing public facilities. It will finance future projects to mitigate the traffic impact.

Citywide Public Improvement – This fund is used to account for the accumulation of resources from the citywide public improvement fee for the acquisition and construction of general government capital projects.

Art in Public Places – This fund is used to account for fees collected through the building permit process to support art in public places with the community. The program supports arts and culture throughout the City.

Bridges Capital Reserve – This fund establishes reserve funding for bridges in the City.

Capital Improvement – This fund is used to account for the transfer of monies from the General Fund for the acquisition and construction of general governmental capital projects.

Building Capital Reserve – This fund establishes reserve funding for the City's assets in and around the City's Civic Center complex. These assets include City Hall, the Fire Station, Emergency Operations Command, and surrounding Public Works facilities.

Medians & Parkways Capital Reserve – This fund establishes reserve funding for medians and parkways throughout the City.

Storm Drains Capital Reserve – This fund establishes reserve funding for storm drains throughout the City. Funding is for construction and preventative maintenance of storm drains to extend roadway infrastructure.

Traffic Signals Capital Reserve – This fund establishes reserve funding for traffic signals throughout the City.

Technology Capital Reserve – This fund establishes reserve funding for citywide information technology.

City Vehicles Capital Reserve – This fund establishes reserve funding for the purchase and replacement of City vehicles and fleet. Vehicles and fleet are to be replaced as needed to reduce the cost of ongoing maintenance costs.

City of Indian Wells, California
Combining Balance Sheet - Nonmajor Governmental Funds
June 30, 2020

	Special Revenue Funds											
	Traffic Safety	Public Safety 1/2% Tax	Measure "A" Transportation	Fire Access Maintenance District No. 1	South Coast AQMD Vehicle Registration	Citizens Option for Public Safety Program	Gas Tax	AB 939 Recycling	Solid Waste	Consolidated LLMD	Street Lighting District 2001-1	Affordable Housing Operations
Assets												
Cash and investments	\$ -	\$ 42,917	\$ 38,490	\$ 3,006,620	\$ 8,725	\$ 105,298	\$ 133,541	\$ 598,179	\$ 649,050	\$ 1,813,109	\$ 11,986	\$ 3,979,097
Receivables												
Accounts	366	1,474	53,129	45,785	1,704	25,000	6,790	4,084	37,745	52,935	143	2,942
Accrued interest	-	94	84	6,585	19	231	292	-	2,732	3,971	26	7,756
Prepaid costs	-	-	-	-	-	-	-	-	-	-	-	-
Notes receivable	-	-	-	-	-	-	-	-	-	-	-	-
Total assets	\$ 366	\$ 44,485	\$ 91,703	\$ 3,058,990	\$ 10,448	\$ 130,529	\$ 140,623	\$ 602,263	\$ 689,527	\$ 1,870,015	\$ 12,155	\$ 3,989,795
Liabilities and Fund Balances												
Liabilities												
Accounts payable	\$ -	\$ -	\$ -	\$ 112,231	\$ -	\$ -	\$ -	\$ 8,750	\$ 400,585	\$ 331,792	\$ -	\$ 85,694
Accrued liabilities	-	-	-	-	-	-	-	-	124	-	-	-
Deposits payable	-	-	-	-	-	-	-	-	-	-	-	103,094
Due to other funds	-	-	-	-	-	-	-	-	-	17,986	-	-
Total liabilities	-	-	-	112,231	-	-	-	8,750	400,709	349,778	-	188,788
Fund Balances												
Nonspendable												
Prepaid costs	-	-	-	-	-	-	-	-	-	-	-	-
Restricted for												
Community development	-	-	-	-	-	-	-	-	-	-	-	3,801,007
Public safety	-	44,485	-	2,946,759	-	130,529	-	-	-	-	-	-
Public works	366	-	91,703	-	10,448	-	140,623	593,513	288,818	1,520,237	12,155	-
Committed to												
Capital projects	-	-	-	-	-	-	-	-	-	-	-	-
Assigned												
Capital projects	-	-	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-	-	-
Total fund balances	366	44,485	91,703	2,946,759	10,448	130,529	140,623	593,513	288,818	1,520,237	12,155	3,801,007
Total Liabilities and Fund Balances	\$ 366	\$ 44,485	\$ 91,703	\$ 3,058,990	\$ 10,448	\$ 130,529	\$ 140,623	\$ 602,263	\$ 689,527	\$ 1,870,015	\$ 12,155	\$ 3,989,795

City of Indian Wells, California
Combining Balance Sheet - Nonmajor Governmental Funds
June 30, 2020

	Capital Projects Funds											Total Nonmajor Governmental Funds
	Hwy 111 Circulation Improvement	Citywide Public Improvement	Art in Public Places	Bridges Capital Reserve	Capital Improvements	Buildings Capital Reserve	Medians & Parkways Capital Reserve	Storm Drains Capital Reserve	Traffic Signals Capital Reserve	Technology Capital Reserve	City Vehicles Capital Reserve	
Assets												
Cash and investments	\$ -	\$ 74,336	\$ 148,629	\$ 1,711,063	\$ 8,868,248	\$ 1,425,802	\$ 1,361,652	\$ 687,903	\$ 568,457	\$ 515,762	\$ 115,101	\$ 25,863,965
Receivables												
Accounts	-	-	-	-	11,652	-	-	-	-	-	-	243,749
Accrued interest	-	163	326	3,748	19,424	3,123	2,982	1,507	1,245	1,130	252	55,690
Prepaid costs	-	-	-	-	48,795	-	-	-	-	-	-	48,795
Notes receivable	-	-	-	-	119,475	-	-	-	-	-	-	119,475
Total assets	\$ -	\$ 74,499	\$ 148,955	\$ 1,714,811	\$ 9,067,594	\$ 1,428,925	\$ 1,364,634	\$ 689,410	\$ 569,702	\$ 516,892	\$ 115,353	\$ 26,331,674
Liabilities and Fund Balances												
Liabilities												
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 183,385	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,122,437
Accrued liabilities	-	-	-	-	-	-	-	-	-	-	-	124
Deposits payable	-	-	-	-	-	-	-	-	-	-	-	103,094
Due to other funds	28,990	-	-	-	-	-	-	-	-	-	-	46,976
Total liabilities	28,990	-	-	-	183,385	-	-	-	-	-	-	1,272,631
Fund Balances												
Nonspendable												
Prepaid costs	-	-	-	-	48,795	-	-	-	-	-	-	48,795
Restricted for												
Community development	-	-	-	-	-	-	-	-	-	-	-	3,801,007
Public safety	-	-	-	-	-	-	-	-	-	-	-	3,121,773
Public works	-	74,499	-	-	-	-	-	-	-	-	-	2,732,362
Committed to												
Capital projects	-	-	148,955	-	-	-	-	-	-	-	-	148,955
Assigned												
Capital projects	-	-	-	1,714,811	8,835,414	1,428,925	1,364,634	689,410	569,702	516,892	115,353	15,235,141
Unassigned	(28,990)	-	-	-	-	-	-	-	-	-	-	(28,990)
Total fund balances	(28,990)	74,499	148,955	1,714,811	8,884,209	1,428,925	1,364,634	689,410	569,702	516,892	115,353	25,059,043
Total Liabilities and Fund Balances	\$ -	\$ 74,499	\$ 148,955	\$ 1,714,811	\$ 9,067,594	\$ 1,428,925	\$ 1,364,634	\$ 689,410	\$ 569,702	\$ 516,892	\$ 115,353	\$ 26,331,674

City of Indian Wells, California

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds

Year Ended June 30, 2020

	Special Revenue Funds											
	Traffic Safety	Public Safety 1/2% Tax	Measure "A" Transportation	Fire Access Maintenance District No. 1	South Coast AQMD Vehicle Registration	Citizens Option for Public Safety Program	Gas Tax	AB 939 Recycling	Solid Waste	Consolidated LLMD	Street Lighting District 2001-1	Affordable Housing Operations
Revenues												
Taxes	\$ -	\$ -	\$ -	\$ 359,492	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	1,110	-	-	-	-	-	-	-	-
Intergovernmental	-	63,253	275,778	1,566	6,724	155,948	225,323	-	-	-	-	-
Investment income	-	1,389	1,184	89,668	289	3,613	4,000	-	34,471	53,811	372	108,786
Fines and forfeitures	9,288	-	-	-	-	-	-	-	-	-	-	-
Rental income	-	-	-	-	-	-	-	-	-	-	-	1,892,369
Assessments	-	-	-	1,202,292	-	-	-	89,393	992,975	1,142,445	1,378	-
Developer fees	-	-	-	-	-	-	-	-	-	-	-	-
Other income	-	-	-	3,106	-	-	-	-	2,206	156,690	-	-
Total revenues	9,288	64,642	276,962	1,657,234	7,013	159,561	229,323	89,393	1,029,652	1,352,946	1,750	2,001,155
Expenditures												
Current												
General government	-	-	-	-	-	-	-	-	-	-	-	-
Public safety	-	30,000	-	1,219,185	-	153,048	-	-	-	-	-	-
Community development	-	-	-	-	-	-	-	-	-	-	-	1,308,233
Public works	9,753	-	270,530	-	6,448	-	136,600	35,000	1,002,272	1,283,966	187	-
Capital outlay	-	-	-	39,307	-	-	-	-	-	-	-	-
Total expenditures	9,753	30,000	270,530	1,258,492	6,448	153,048	136,600	35,000	1,002,272	1,283,966	187	1,308,233
Excess (Deficiency) of Revenues over (under) Expenditures	(465)	34,642	6,432	398,742	565	6,513	92,723	54,393	27,380	68,980	1,563	692,922
Other Financing Sources (Uses)												
Transfers in	-	-	-	-	-	-	6,196	-	-	-	-	-
Transfers out	-	-	-	-	-	-	(12,317)	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	(6,121)	-	-	-	-	-
Net Change in Fund Balances	(465)	34,642	6,432	398,742	565	6,513	86,602	54,393	27,380	68,980	1,563	692,922
Fund Balances, Beginning of Year	831	9,843	85,271	2,548,017	9,883	124,016	54,021	539,120	261,438	1,451,257	10,592	3,108,085
Fund Balances, End of Year	\$ 366	\$ 44,485	\$ 91,703	\$ 2,946,759	\$ 10,448	\$ 130,529	\$ 140,623	\$ 593,513	\$ 288,818	\$ 1,520,237	\$ 12,155	\$ 3,801,007

City of Indian Wells, California
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds
 Year Ended June 30, 2020

	Capital Projects Funds											Total Nonmajor Governmental Funds
	Hwy 111 Circulation Improvement	Citywide Public Improvement	Art in Public Places	Bridges Capital Reserve	Capital Impovements	Buildings Capital Reserve	Medians & Parkways Capital Reserve	Storm Drains Capital Reserve	Traffic Signals Capital Reserve	Technology Capital Reserve	City Vehicles Capital Reserve	
Revenues												
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 359,492
Licenses and permits	-	-	-	-	-	-	-	-	-	-	-	1,110
Intergovernmental	-	-	-	-	253,167	-	-	-	-	-	-	981,759
Investment income	-	1,970	4,741	56,296	428,378	47,274	45,848	22,635	19,723	17,620	4,360	946,428
Fines and forfeitures	-	-	-	-	-	-	-	-	-	-	-	9,288
Rental income	-	-	-	-	-	-	-	-	-	-	-	1,892,369
Assessments	-	-	-	-	-	-	-	-	-	-	-	3,428,483
Developer fees	-	151,829	26,283	-	-	-	-	-	-	-	-	178,112
Other income	-	-	-	-	-	-	-	-	-	-	-	162,002
Total revenues	-	153,799	31,024	56,296	681,545	47,274	45,848	22,635	19,723	17,620	4,360	7,959,043
Expenditures												
Current												
General government	-	-	-	-	197,900	-	-	-	-	-	-	197,900
Public safety	-	-	-	-	-	-	-	-	-	-	-	1,402,233
Community development	-	-	-	-	-	-	-	-	-	-	-	1,308,233
Public works	-	-	-	-	-	-	-	-	-	-	-	2,744,756
Capital outlay	-	-	41,259	-	1,270,271	-	-	-	-	-	-	1,350,837
Total expenditures	-	-	41,259	-	1,468,171	-	-	-	-	-	-	7,003,959
Excess (Deficiency) of Revenues over (under) Expenditures	-	153,799	(10,235)	56,296	(786,626)	47,274	45,848	22,635	19,723	17,620	4,360	955,084
Other Financing Sources (Uses)												
Transfers in	-	-	-	-	9,524,412	-	-	-	-	-	-	9,530,608
Transfers out	-	(79,300)	-	-	(6,000,000)	-	-	-	-	-	-	(6,091,617)
Total other financing sources (uses)	-	(79,300)	-	-	3,524,412	-	-	-	-	-	-	3,438,991
Net Change in Fund Balances	-	74,499	(10,235)	56,296	2,737,786	47,274	45,848	22,635	19,723	17,620	4,360	4,394,075
Fund Balances, Beginning of Year	(28,990)	-	159,190	1,658,515	6,146,423	1,381,651	1,318,786	666,775	549,979	499,272	110,993	20,664,968
Fund Balances, End of Year	\$ (28,990)	\$ 74,499	\$ 148,955	\$ 1,714,811	\$ 8,884,209	\$ 1,428,925	\$ 1,364,634	\$ 689,410	\$ 569,702	\$ 516,892	\$ 115,353	\$ 25,059,043

City of Indian Wells, California
 Budgetary Comparison Schedule - Traffic Safety
 Year Ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 831	\$ 831	\$ 831	\$ -
Resources (InFlows) Fines and forfeitures	<u>23,537</u>	<u>23,537</u>	<u>9,288</u>	<u>(14,249)</u>
Amounts Available for Appropriations	<u>24,368</u>	<u>24,368</u>	<u>10,119</u>	<u>(14,249)</u>
Charges to Appropriation (OutFlows) Public works	<u>23,537</u>	<u>27,500</u>	<u>9,753</u>	<u>17,747</u>
Total Charges to Appropriations	<u>23,537</u>	<u>27,500</u>	<u>9,753</u>	<u>17,747</u>
Budgetary Fund Balance, End of Year	<u><u>\$ 831</u></u>	<u><u>\$ (3,132)</u></u>	<u><u>\$ 366</u></u>	<u><u>\$ 3,498</u></u>

City of Indian Wells, California
 Budgetary Comparison Schedule - Public Safety 1/2% Tax
 Year Ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 9,843	\$ 9,843	\$ 9,843	\$ -
Resources (InFlows)				
Intergovernmental	23,088	23,088	63,253	40,165
Investment income	50	50	1,389	1,339
Amounts Available for Appropriations	<u>32,981</u>	<u>32,981</u>	<u>74,485</u>	<u>41,504</u>
Charges to Appropriation (OutFlows)				
Public safety	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>	<u>-</u>
Total Charges to Appropriations	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>	<u>-</u>
Budgetary Fund Balance, End of Year	<u><u>\$ 2,981</u></u>	<u><u>\$ 2,981</u></u>	<u><u>\$ 44,485</u></u>	<u><u>\$ 41,504</u></u>

City of Indian Wells, California
 Budgetary Comparison Schedule - Measure "A" Transportation
 Year Ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 85,271	\$ 85,271	\$ 85,271	\$ -
Resources (InFlows)				
Intergovernmental	270,530	270,530	275,778	5,248
Investment income	175	175	1,184	1,009
Amounts Available for Appropriations	<u>355,976</u>	<u>355,976</u>	<u>362,233</u>	<u>6,257</u>
Charges to Appropriation (OutFlows)				
Public works	<u>270,530</u>	<u>270,530</u>	<u>270,530</u>	<u>-</u>
Total Charges to Appropriations	<u>270,530</u>	<u>270,530</u>	<u>270,530</u>	<u>-</u>
Budgetary Fund Balance, End of Year	<u><u>\$ 85,446</u></u>	<u><u>\$ 85,446</u></u>	<u><u>\$ 91,703</u></u>	<u><u>\$ 6,257</u></u>

City of Indian Wells, California
 Budgetary Comparison Schedule - Fire Access Maintenance District No. 1
 Year Ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 2,548,017	\$ 2,548,017	\$ 2,548,017	\$ -
Resources (InFlows)				
Taxes	365,428	365,428	359,492	(5,936)
Licenses and permits	750	750	1,110	360
Intergovernmental	3,000	3,000	1,566	(1,434)
Investment income	11,788	11,788	89,668	77,880
Assessments	1,200,000	1,200,000	1,202,292	2,292
Other income	1,500	1,500	3,106	1,606
Amounts Available for Appropriations	<u>4,130,483</u>	<u>4,130,483</u>	<u>4,205,251</u>	<u>74,768</u>
Charges to Appropriation (OutFlows)				
Public safety	1,257,150	1,257,150	1,219,185	37,965
Capital outlay	200,000	526,997	39,307	487,690
Total Charges to Appropriations	<u>1,457,150</u>	<u>1,784,147</u>	<u>1,258,492</u>	<u>525,655</u>
Budgetary Fund Balance, End of Year	<u><u>\$ 2,673,333</u></u>	<u><u>\$ 2,346,336</u></u>	<u><u>\$ 2,946,759</u></u>	<u><u>\$ 600,423</u></u>

City of Indian Wells, California
 Budgetary Comparison Schedule - South Coast AQMD Vehicle Registration
 Year Ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 9,883	\$ 9,883	\$ 9,883	\$ -
Resources (InFlows)				
Intergovernmental	6,996	6,996	6,724	(272)
Investment income	20	20	289	269
Amounts Available for Appropriations	<u>16,899</u>	<u>16,899</u>	<u>16,896</u>	<u>(3)</u>
Charges to Appropriation (OutFlows)				
Public works	<u>6,300</u>	<u>6,300</u>	<u>6,448</u>	<u>(148)</u>
Total Charges to Appropriations	<u>6,300</u>	<u>6,300</u>	<u>6,448</u>	<u>(148)</u>
Budgetary Fund Balance, End of Year	<u>\$ 10,599</u>	<u>\$ 10,599</u>	<u>\$ 10,448</u>	<u>\$ (151)</u>

City of Indian Wells, California
 Budgetary Comparison Schedule - Citizens Option for Public Safety Program
 Year Ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 124,016	\$ 124,016	\$ 124,016	\$ -
Resources (InFlows)				
Intergovernmental	152,465	152,465	155,948	3,483
Investment income	20	20	3,613	3,593
Amounts Available for Appropriations	<u>276,501</u>	<u>276,501</u>	<u>283,577</u>	<u>7,076</u>
Charges to Appropriation (OutFlows)				
Public safety	<u>157,465</u>	<u>157,465</u>	<u>153,048</u>	<u>4,417</u>
Total Charges to Appropriations	<u>157,465</u>	<u>157,465</u>	<u>153,048</u>	<u>4,417</u>
Budgetary Fund Balance, End of Year	<u><u>\$ 119,036</u></u>	<u><u>\$ 119,036</u></u>	<u><u>\$ 130,529</u></u>	<u><u>\$ 11,493</u></u>

City of Indian Wells, California
 Budgetary Comparison Schedule - Gas Tax
 Year Ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 54,021	\$ 54,021	\$ 54,021	\$ -
Resources (InFlows)				
Intergovernmental	237,469	237,469	225,323	(12,146)
Investment income	300	300	4,000	3,700
Transfers in	-	-	6,196	6,196
Amounts Available for Appropriations	<u>291,790</u>	<u>291,790</u>	<u>289,540</u>	<u>(2,250)</u>
Charges to Appropriation (OutFlows)				
Public works	147,210	147,210	136,600	10,610
Transfer out	<u>-</u>	<u>-</u>	<u>12,317</u>	<u>(12,317)</u>
Total Charges to Appropriations	<u>147,210</u>	<u>147,210</u>	<u>148,917</u>	<u>(1,707)</u>
Budgetary Fund Balance, End of Year	<u>\$ 144,580</u>	<u>\$ 144,580</u>	<u>\$ 140,623</u>	<u>\$ (3,957)</u>

City of Indian Wells, California
 Budgetary Comparison Schedule - AB 939 Recycling
 Year Ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 539,120	\$ 539,120	\$ 539,120	\$ -
Resources (InFlows) Assessments	<u>110,083</u>	<u>110,083</u>	<u>89,393</u>	<u>(20,690)</u>
Amounts Available for Appropriations	<u>649,203</u>	<u>649,203</u>	<u>628,513</u>	<u>(20,690)</u>
Charges to Appropriation (OutFlows) Public works	<u>36,000</u>	<u>36,000</u>	<u>35,000</u>	<u>1,000</u>
Total Charges to Appropriations	<u>36,000</u>	<u>36,000</u>	<u>35,000</u>	<u>1,000</u>
Budgetary Fund Balance, End of Year	<u><u>\$ 613,203</u></u>	<u><u>\$ 613,203</u></u>	<u><u>\$ 593,513</u></u>	<u><u>\$ (19,690)</u></u>

City of Indian Wells, California
 Budgetary Comparison Schedule - Solid Waste
 Year Ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 261,438	\$ 261,438	\$ 261,438	\$ -
Resources (InFlows)				
Investment income	2,000	2,000	34,471	32,471
Assessments	960,393	960,393	992,975	32,582
Other income	-	-	2,206	2,206
Amounts Available for Appropriations	<u>1,223,831</u>	<u>1,223,831</u>	<u>1,291,090</u>	<u>67,259</u>
Charges to Appropriation (OutFlows)				
Public works	<u>986,306</u>	<u>986,306</u>	<u>1,002,272</u>	<u>(15,966)</u>
Total Charges to Appropriations	<u>986,306</u>	<u>986,306</u>	<u>1,002,272</u>	<u>(15,966)</u>
Budgetary Fund Balance, End of Year	<u><u>\$ 237,525</u></u>	<u><u>\$ 237,525</u></u>	<u><u>\$ 288,818</u></u>	<u><u>\$ 51,293</u></u>

City of Indian Wells, California
 Budgetary Comparison Schedule - Consolidating LLMD
 Year Ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 1,451,257	\$ 1,451,257	\$ 1,451,257	\$ -
Resources (InFlows)				
Investment income	5,660	5,660	53,811	48,151
Assessments	1,147,745	1,147,745	1,142,445	(5,300)
Other income	149,180	149,180	156,690	7,510
Amounts Available for Appropriations	<u>2,753,842</u>	<u>2,753,842</u>	<u>2,804,203</u>	<u>50,361</u>
Charges to Appropriation (OutFlows)				
Public works	<u>1,326,000</u>	<u>1,346,000</u>	<u>1,283,966</u>	<u>62,034</u>
Total Charges to Appropriations	<u>1,326,000</u>	<u>1,346,000</u>	<u>1,283,966</u>	<u>62,034</u>
Budgetary Fund Balance, End of Year	<u>\$ 1,427,842</u>	<u>\$ 1,407,842</u>	<u>\$ 1,520,237</u>	<u>\$ 112,395</u>

City of Indian Wells, California
 Budgetary Comparison Schedule - Street Lighting District 2001-1
 Year Ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 10,592	\$ 10,592	\$ 10,592	\$ -
Resources (InFlows)				
Investment income	75	75	372	297
Assessments	1,480	1,480	1,378	(102)
Amounts Available for Appropriations	<u>12,147</u>	<u>12,147</u>	<u>12,342</u>	<u>195</u>
Charges to Appropriation (OutFlows)				
Public works	<u>1,480</u>	<u>1,480</u>	<u>187</u>	<u>1,293</u>
Total Charges to Appropriations	<u>1,480</u>	<u>1,480</u>	<u>187</u>	<u>1,293</u>
Budgetary Fund Balance, End of Year	<u><u>\$ 10,667</u></u>	<u><u>\$ 10,667</u></u>	<u><u>\$ 12,155</u></u>	<u><u>\$ 1,488</u></u>

City of Indian Wells, California
 Budgetary Comparison Schedule - Affordable Housing Operations
 Year Ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 3,108,085	\$ 3,108,085	\$ 3,108,085	\$ -
Resources (InFlows)				
Investment income	30,000	30,000	108,786	78,786
Assessments	1,844,741	1,844,741	1,892,369	47,628
Amounts Available for Appropriations	4,982,826	4,982,826	5,109,240	126,414
Charges to Appropriation (OutFlows)				
Community development	1,709,418	1,874,741	1,308,233	566,508
Total Charges to Appropriations	1,709,418	1,874,741	1,308,233	566,508
Budgetary Fund Balance, End of Year	\$ 3,273,408	\$ 3,108,085	\$ 3,801,007	\$ 692,922

City of Indian Wells, California
 Budgetary Comparison Schedule - Park Facilities in Lieu
 Year Ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ (1,225,487)	\$ (1,225,487)	(1,225,487)	\$ -
Resources (InFlows) Developer fees	<u>57,400</u>	<u>57,400</u>	<u>82,504</u>	<u>25,104</u>
Amounts Available for Appropriations	<u>(1,168,087)</u>	<u>(1,168,087)</u>	<u>(1,142,983)</u>	<u>25,104</u>
Budgetary Fund Balance, End of Year	<u><u>\$ (1,168,087)</u></u>	<u><u>\$ (1,168,087)</u></u>	<u><u>\$ (1,142,983)</u></u>	<u><u>\$ 25,104</u></u>

City of Indian Wells, California
 Budgetary Comparison Schedule – City Streets Capital Reserve
 Year Ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 18,193,178	\$ 18,193,178	\$ 18,193,178	\$ -
Resources (InFlows) Investment income	-	-	617,608	617,608
Amounts Available for Appropriations	18,193,178	18,193,178	18,810,786	617,608
Budgetary Fund Balance, End of Year	<u>\$ 18,193,178</u>	<u>\$ 18,193,178</u>	<u>\$ 18,810,786</u>	<u>\$ 617,608</u>

City of Indian Wells, California
 Budgetary Comparison Schedule - Highway 111 Circulation Improvement
 Year Ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ (28,990)	\$ (28,990)	\$ (28,990)	\$ -
Amounts Available for Appropriations	<u>(28,990)</u>	<u>(28,990)</u>	<u>(28,990)</u>	<u>-</u>
Budgetary Fund Balance, End of Year	<u>\$ (28,990)</u>	<u>\$ (28,990)</u>	<u>\$ (28,990)</u>	<u>\$ -</u>

City of Indian Wells, California
 Budgetary Comparison Schedule - City Wide Public Improvements
 Year Ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ -	\$ -	\$ -	\$ -
Resources (InFlows)				
Developer fees	57,400	57,400	151,829	94,429
Investment income	-	-	1,970	1,970
Amounts Available for Appropriations	<u>57,400</u>	<u>57,400</u>	<u>153,799</u>	<u>96,399</u>
Charges to Appropriation (OutFlows)				
Transfers out	-	-	79,300	(79,300)
Total Charges to Appropriations	<u>-</u>	<u>-</u>	<u>79,300</u>	<u>-</u>
Budgetary Fund Balance, End of Year	<u>\$ 57,400</u>	<u>\$ 57,400</u>	<u>\$ 74,499</u>	<u>\$ 17,099</u>

City of Indian Wells, California
 Budgetary Comparison Schedule - Art in Public Places
 Year Ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 159,190	\$ 159,190	\$ 159,190	\$ -
Resources (InFlows)				
Investment income	871	871	4,741	3,870
Developer fees	20,000	20,000	26,283	6,283
Amounts Available for Appropriations	<u>180,061</u>	<u>180,061</u>	<u>190,214</u>	<u>10,153</u>
Charges to Appropriation (OutFlows)				
Capital outlay	<u>-</u>	<u>27,241</u>	<u>41,259</u>	<u>(14,018)</u>
Total Charges to Appropriations	<u>-</u>	<u>27,241</u>	<u>41,259</u>	<u>(14,018)</u>
Budgetary Fund Balance, End of Year	<u><u>\$ 180,061</u></u>	<u><u>\$ 152,820</u></u>	<u><u>\$ 148,955</u></u>	<u><u>\$ (3,865)</u></u>

City of Indian Wells, California
 Budgetary Comparison Schedule – Bridge Capital Reserve
 Year Ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 1,658,515	\$ 1,658,515	\$ 1,658,515	\$ -
Resources (InFlows) Investment income	<u>43,800</u>	<u>43,800</u>	<u>56,296</u>	<u>12,496</u>
Amounts Available for Appropriations	<u>1,702,315</u>	<u>1,702,315</u>	<u>1,714,811</u>	<u>12,496</u>
Budgetary Fund Balance, End of Year	<u><u>\$ 1,702,315</u></u>	<u><u>\$ 1,702,315</u></u>	<u><u>\$ 1,714,811</u></u>	<u><u>\$ 12,496</u></u>

City of Indian Wells, California
 Budgetary Comparison Schedule - Capital Improvements
 Year Ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 6,146,423	\$ 6,146,423	\$ 6,146,423	\$ -
Resources (InFlows)				
Intergovernmental	75,000	75,000	253,167	178,167
Investment income	9,738	9,738	428,378	418,640
Transfers in	1,404,292	9,524,412	9,524,412	-
Amounts Available for Appropriations	<u>7,635,453</u>	<u>15,755,573</u>	<u>16,352,380</u>	<u>596,807</u>
Charges to Appropriation (OutFlows)				
General government	615,000	669,106	197,900	471,206
Capital outlay	654,792	4,089,092	1,270,271	2,818,821
Transfers out	<u>-</u>	<u>6,000,000</u>	<u>6,000,000</u>	<u>-</u>
Total Charges to Appropriations	<u>1,269,792</u>	<u>4,758,198</u>	<u>7,468,171</u>	<u>(2,709,973)</u>
Budgetary Fund Balance, End of Year	<u><u>\$ 6,365,661</u></u>	<u><u>\$ 10,997,375</u></u>	<u><u>\$ 8,884,209</u></u>	<u><u>\$ (2,113,166)</u></u>

City of Indian Wells, California
 Budgetary Comparison Schedule - Buildings Capital Reserve
 Year Ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 1,381,651	\$ 1,381,651	\$ 1,381,651	\$ -
Resources (InFlows) Investment income	<u>37,448</u>	<u>37,448</u>	<u>47,274</u>	<u>9,826</u>
Amounts Available for Appropriations	<u>1,419,099</u>	<u>1,419,099</u>	<u>1,428,925</u>	<u>9,826</u>
Budgetary Fund Balance, End of Year	<u><u>\$ 1,419,099</u></u>	<u><u>\$ 1,419,099</u></u>	<u><u>\$ 1,428,925</u></u>	<u><u>\$ 9,826</u></u>

City of Indian Wells, California
 Budgetary Comparison Schedule - Medians & Parkways Capital Reserve
 Year Ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 1,318,786	\$ 1,318,786	\$ 1,318,786	\$ -
Resources (InFlows) Investment income	<u>13,750</u>	<u>13,750</u>	<u>45,848</u>	<u>32,098</u>
Amounts Available for Appropriations	<u>1,332,536</u>	<u>1,332,536</u>	<u>1,364,634</u>	<u>32,098</u>
Budgetary Fund Balance, End of Year	<u><u>\$ 1,332,536</u></u>	<u><u>\$ 1,332,536</u></u>	<u><u>\$ 1,364,634</u></u>	<u><u>\$ 32,098</u></u>

City of Indian Wells, California
 Budgetary Comparison Schedule - Storm Drains Capital Reserve
 Year Ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 666,775	\$ 666,775	\$ 666,775	\$ -
Resources (InFlows) Investment income	<u>16,225</u>	<u>16,225</u>	<u>22,635</u>	<u>6,410</u>
Amounts Available for Appropriations	<u>683,000</u>	<u>683,000</u>	<u>689,410</u>	<u>6,410</u>
Budgetary Fund Balance, End of Year	<u><u>\$ 683,000</u></u>	<u><u>\$ 683,000</u></u>	<u><u>\$ 689,410</u></u>	<u><u>\$ 6,410</u></u>

City of Indian Wells, California
 Budgetary Comparison Schedule - Traffic Signals Capital Reserve
 Year Ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 549,979	\$ 549,979	\$ 549,979	\$ -
Resources (InFlows) Investment income	<u>23,000</u>	<u>23,000</u>	<u>19,723</u>	<u>(3,277)</u>
Amounts Available for Appropriations	<u>572,979</u>	<u>572,979</u>	<u>569,702</u>	<u>(3,277)</u>
Budgetary Fund Balance, End of Year	<u><u>\$ 572,979</u></u>	<u><u>\$ 572,979</u></u>	<u><u>\$ 569,702</u></u>	<u><u>\$ (3,277)</u></u>

City of Indian Wells, California
 Budgetary Comparison Schedule - Technology Capital Reserve
 Year Ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 499,272	\$ 499,272	\$ 499,272	\$ -
Resources (InFlows) Investment income	<u>21,000</u>	<u>21,000</u>	<u>17,620</u>	<u>(3,380)</u>
Amounts Available for Appropriations	<u>520,272</u>	<u>520,272</u>	<u>516,892</u>	<u>(3,380)</u>
Budgetary Fund Balance, End of Year	<u><u>\$ 520,272</u></u>	<u><u>\$ 520,272</u></u>	<u><u>\$ 516,892</u></u>	<u><u>\$ (3,380)</u></u>

City of Indian Wells, California
 Budgetary Comparison Schedule - City Vehicles Capital Reserve
 Year Ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 110,993	\$ 110,993	\$ 110,993	\$ -
Resources (InFlows) Investment income	<u>380,000</u>	<u>380,000</u>	<u>4,360</u>	<u>(375,640)</u>
Amounts Available for Appropriations	<u>490,993</u>	<u>490,993</u>	<u>115,353</u>	<u>(375,640)</u>
Budgetary Fund Balance, End of Year	<u><u>\$ 490,993</u></u>	<u><u>\$ 490,993</u></u>	<u><u>\$ 115,353</u></u>	<u><u>\$ (375,640)</u></u>

City of Indian Wells, California
Combining Statement of Net Position - Internal Service Funds
June 30, 2020

	Governmental Activities - Internal Service Funds		Totals
	Employee Benefits	Compensated Absences	
Assets:			
Current Assets:			
Cash and investments	\$ 68,696	\$ 604,449	\$ 673,145
Restricted Section 115 Trust cash and investments	759,642	-	759,642
Receivables:			
Accrued interest	150	1,324	1,474
Total assets	<u>828,488</u>	<u>605,773</u>	<u>1,434,261</u>
Deferred Outflows of Resources			
Deferred amounts related to OPEB	<u>1,438,238</u>	<u>-</u>	<u>1,438,238</u>
Liabilities:			
Noncurrent Liabilities:			
Net OPEB Liability	<u>857,704</u>	<u>-</u>	<u>857,704</u>
Total liabilities	<u>857,704</u>	<u>-</u>	<u>857,704</u>
Deferred Inflows of Resources			
Deferred amounts related to OPEB	<u>72,378</u>	<u>-</u>	<u>72,378</u>
Net Position			
Unrestricted	<u>1,336,644</u>	<u>605,773</u>	<u>1,942,417</u>
Total net position	<u>\$ 1,336,644</u>	<u>\$ 605,773</u>	<u>\$ 1,942,417</u>

City of Indian Wells, California

Changes in Statement of Revenues, Expenses, and Changes in Net Fund Position - Internal Service Funds

Year Ended June 30, 2020

	Governmental Activities - Internal Service Funds		Totals
	Employee Benefits	Compensated Absences	
Operating Revenues			
Interdepartmental charges	\$ 795,155	\$ -	\$ 795,155
Total operating revenues	<u>795,155</u>	<u>-</u>	<u>795,155</u>
Operating Expenses			
Administration and general	444,683	-	444,683
Claims expenses	-	-	-
Total operating expenses	<u>444,683</u>	<u>-</u>	<u>444,683</u>
Operating Income (Loss)	<u>350,472</u>	<u>-</u>	<u>350,472</u>
Nonoperating Revenue (Expenses)			
Investment income	47,193	19,426	66,619
Total nonoperating revenues (expenses)	<u>47,193</u>	<u>19,426</u>	<u>66,619</u>
Income (Loss) Before Transfers	397,665	19,426	417,091
Changes in Net Position	<u>397,665</u>	<u>19,426</u>	<u>417,091</u>
Net Position, Beginning of Year	938,979	586,347	1,525,326
Net Position, End of Year	<u>\$ 1,336,644</u>	<u>\$ 605,773</u>	<u>\$ 1,942,417</u>

City of Indian Wells, California
Combining Statement of Cash Flows - Internal Service Funds
Year Ended June 30, 2020

	Employee Benefits	Compensated Absences	Totals
Operating Activities			
Cash received from interfund services provided	\$ 795,155	\$ -	\$ 795,155
Cash paid to suppliers for goods and services	(1,223,981)	-	(1,223,981)
Net Cash used for Operating Activities	(428,826)	-	(428,826)
Investing Activities			
Interest received	23,128	20,322	43,450
Net Cash from (used for) Investing Activities	23,128	20,322	43,450
Net Change in Cash and Cash Equivalents	(405,698)	20,322	(385,376)
Cash, Restricted Cash, and Cash Equivalents, Beginning of Year	474,394	584,127	1,058,521
Cash, Restricted Cash, and Cash Equivalents, End of Year	\$ 68,696	\$ 604,449	\$ 673,145
Reconciliation of Operating Income to Net Cash from (used for) Operating Activities			
Operating income (loss)	\$ 350,472	\$ -	\$ 350,472
Changes in			
Net OPEB liability and related balances	(779,198)	-	(779,198)
Accrued liability	(100)	-	(100)
Net Cash from (used for) Operating Activities	\$ (428,826)	\$ -	\$ (428,826)

This part of the City of Indian Wells' comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

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Financial Trends – These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

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Sources: Unless otherwise noted, the information in these schedules was derived from the City's comprehensive annual financial reports for the relevant year.

City of Indian Wells, California
Net Assets by Component
Accrual Basis of Accounting
Last Ten Fiscal Years

	Fiscal Year Ended June 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Governmental Activities										
Net investment in capital assets	\$ 163,856,985	\$ 167,002,186	\$ 172,007,625	\$ 172,494,796	\$ 175,639,386	\$ 241,607,740	\$ 250,043,785	\$ 250,592,927	\$ 207,621,977	\$ 128,719,531
Restricted for										
Community development	3,801,007	3,108,085	2,661,415	2,401,909	2,294,829	2,175,822	3,420,280	1,857,642	1,932,254	28,556,939
Housing	12,961,532	13,870,180	14,632,707	12,842,189	13,352,710	13,639,334	14,412,791	15,831,412	15,831,412	
Public safety	6,728,419	5,737,133	5,308,643	6,034,523	9,535,112	5,680,112	5,558,075	5,074,097	4,870,005	4,651,489
Public works	2,657,863	2,412,413	2,223,810	2,135,793	2,201,769	2,138,313	1,967,998	1,832,508	1,709,638	1,641,967
Debt service	-	-	-	-	-	-	-	-	-	817,671
Unrestricted	69,738,721	71,786,558	61,884,894	65,150,651	50,054,925	52,294,420	51,276,256	37,447,463	45,268,607	31,851,521
Total governmental activities net position	<u>259,744,527</u>	<u>263,916,555</u>	<u>258,719,094</u>	<u>261,059,861</u>	<u>253,078,731</u>	<u>317,535,741</u>	<u>326,679,185</u>	<u>312,636,049</u>	<u>277,233,893</u>	<u>196,239,118</u>
Business-Type Activities										
Net investment in capital assets	49,122,479	49,821,298	51,198,409	52,758,255	57,498,601	-	-	-	-	-
Unrestricted	(5,258,314)	(1,809,374)	1,024,501	1,657,668	1,798,085	-	-	-	-	-
Total business-type activities net position	<u>43,864,165</u>	<u>48,011,924</u>	<u>52,222,910</u>	<u>54,415,923</u>	<u>59,296,686</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Primary Government										
Net investment in capital assets	212,979,464	216,823,484	223,206,034	225,253,051	233,137,987	241,607,740	250,043,785	250,592,927	207,621,977	128,719,531
Restricted	26,148,821	25,127,811	24,826,575	23,414,414	27,384,420	23,633,581	25,359,144	24,595,659	24,343,309	35,668,066
Unrestricted	64,480,407	69,977,184	62,909,395	66,808,319	51,853,010	52,294,420	51,276,256	37,447,463	45,268,607	31,851,521
Total primary government net position	<u>\$ 303,608,692</u>	<u>\$ 311,928,479</u>	<u>\$ 310,942,004</u>	<u>\$ 315,475,784</u>	<u>\$ 312,375,417</u>	<u>\$ 317,535,741</u>	<u>\$ 326,679,185</u>	<u>\$ 312,636,049</u>	<u>\$ 277,233,893</u>	<u>\$ 196,239,118</u>

*As of 7/1/15, two business-type activities were created, Indian Wells Golf Resort and Club Drive Property

City of Indian Wells, California
Changes in Net Position
Accrual Basis of Accounting
Last Ten Fiscal Years

	Fiscal Year Ended June 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Expenses										
Governmental Activities										
General government	\$ 8,368,804	\$ 5,701,156	\$ 8,102,188	\$ 7,501,991	\$ 7,151,865	\$ 9,338,294	\$ 8,528,905	\$ 8,151,220	\$ 7,589,850	\$ 4,804,881
Public safety	9,192,146	9,115,680	9,918,617	7,830,608	7,853,892	7,988,613	7,689,486	7,413,099	7,415,881	7,379,309
Community development	4,586,068	6,117,322	2,867,417	4,331,134	4,502,450	4,058,871	4,114,707	11,783,596	9,513,504	20,227,573
Public works	7,786,633	9,598,922	6,685,611	6,624,416	6,521,569	11,102,625	11,284,095	11,050,272	6,950,388	6,710,034
Golf resort	-	-	-	-	-	13,564,356	12,945,121	12,088,530	12,714,308	13,694,185
Interest on long-term debt	-	-	-	-	-	-	-	-	2,024,309	8,185,570
Total governmental activities expenses	29,933,651	30,533,080	27,573,833	26,288,149	26,029,776	46,052,759	44,562,314	50,486,717	46,208,240	61,001,552
Business-Type Activities										
Golf resort	15,504,561	17,315,778	16,386,499	20,011,357	21,006,393	-	-	-	-	-
Club drive	-	7,000	31,781	60,715	65,142	-	-	-	-	-
Total business-type expenses	15,504,561	17,322,778	16,418,280	20,072,072	21,071,535	-	-	-	-	-
Total primary government expenses	45,438,212	47,855,858	43,992,113	46,360,221	47,101,311	46,052,759	44,562,314	50,486,717	46,208,240	61,001,552
Program Revenues										
Governmental Activities										
Charges for services										
General government	58,587	43,100	39,584	35,873	48,263	35,971	46,282	88,959	134,600	31,619
Public safety	525,383	600,091	199,095	134	4,522	8,599	6,883	7,900	5,507	8,272
Community development	969,257	990,040	1,038,569	1,121,873	968,377	1,003,232	854,755	934,524	663,445	6,718,212
Public works	9,288	12,124	21,064	22,884	27,412	22,723	28,038	32,978	35,877	48,230
Golf resort	-	-	-	-	-	13,179,508	12,429,070	12,051,307	12,480,492	12,243,547
Operating grants and contributions										
General government	485,587	478,269	444,372	430,718	456,491	524,526	386,696	381,405	382,613	405,976
Public safety	5,308,307	5,143,462	4,864,606	4,768,453	4,637,918	4,514,697	4,436,574	4,211,296	1,921,482	1,921,931
Community development	-	-	-	52,738	-	60,559	-	-	-	17,400
Public works	2,760,299	2,705,844	2,505,914	2,643,506	2,364,247	2,319,406	2,362,409	2,303,057	2,127,618	2,051,669
Capital grants and contributions										
General government	-	-	-	-	-	1,050,000	500,000	1,450,000	-	-
Public works	487,500	236,175	215,870	143,993	104,869	775,943	2,352,481	119,513	2,839,642	573,206
Total governmental activities program revenue	10,604,208	10,209,105	9,329,074	9,220,172	8,612,099	23,495,164	23,403,188	21,580,939	20,591,276	24,020,062
Business-type Activities										
Charges for services										
Golf resort	11,340,304	15,108,397	13,738,178	12,838,393	12,918,130	-	-	-	-	-
Club drive	-	-	82,142	111,241	108,476	-	-	-	-	-
Total business-type activities program revenue	11,340,304	15,108,397	13,820,320	12,949,634	13,026,606	-	-	-	-	-
Total primary government program revenue	21,944,512	25,317,502	23,149,394	22,169,806	21,638,705	23,495,164	23,403,188	21,580,939	20,591,276	24,020,062

City of Indian Wells, California
Changes in Net Position
Accrual Basis of Accounting
Last Ten Fiscal Years

	Fiscal Year Ended June 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Net Revenues (Expenses)										
Governmental activities	\$ (19,329,443)	\$ (20,323,975)	\$ (18,244,759)	\$ (17,067,977)	\$ (17,417,677)	\$ (22,557,595)	\$ (21,159,126)	\$ (28,905,778)	\$ (25,616,964)	\$ (36,981,490)
Business-type activities	(4,164,257)	(2,214,381)	(2,597,960)	(7,122,438)	(8,044,929)	-	-	-	-	-
Total net expenses	<u>(23,493,700)</u>	<u>(22,538,356)</u>	<u>(20,842,719)</u>	<u>(24,190,415)</u>	<u>(25,462,606)</u>	<u>(22,557,595)</u>	<u>(21,159,126)</u>	<u>(28,905,778)</u>	<u>(25,616,964)</u>	<u>(36,981,490)</u>
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes										
Property taxes	3,303,647	3,398,657	3,255,668	3,115,910	3,039,371	2,915,229	2,820,856	2,689,149	12,893,907	17,200,487
Transient occupancy taxes	4,944,773	8,835,433	7,943,017	7,826,154	7,000,096	6,742,840	6,407,454	6,341,825	5,689,952	4,805,116
Sales taxes	821,533	1,493,254	1,111,159	1,347,804	1,217,570	1,121,191	1,016,141	945,359	992,271	902,256
Franchise taxes	995,921	992,865	929,551	941,938	922,074	924,869	886,891	860,303	848,259	835,725
Other taxes	131,115	3,674,785	3,474,244	3,227,361	2,968,981	2,887,538	2,375,414	1,914,222	4,107,560	3,672,587
Investment income	4,275,362	4,336,032	1,861,285	1,791,037	2,392,300	2,212,672	3,297,078	2,046,935	3,740,423	3,939,375
Extraordinary gain/(loss) on dissolution of RDA	-	-	-	-	-	-	16,400,000	48,767,526	78,671,501	-
Other	685,064	785,799	909,895	659,280	908,638	1,082,274	1,012,035	1,078,031	563,735	399,736
Transfers	-	2,004,611	-	6,139,623	(831,713)	-	-	-	-	-
Total governmental activities	<u>15,157,415</u>	<u>25,521,436</u>	<u>19,484,819</u>	<u>25,049,107</u>	<u>17,617,317</u>	<u>17,886,613</u>	<u>34,215,869</u>	<u>64,643,350</u>	<u>107,507,608</u>	<u>31,755,282</u>
Business-type Activities										
Investment income	16,498	8,006	-	1,809	3,095	-	-	-	-	-
Other	-	-	404,947	8,379,489	1,850,156	-	-	-	-	-
Transfers	-	(2,004,611)	-	(6,139,623)	831,713	-	-	-	-	-
Total business-type activities	<u>16,498</u>	<u>(1,996,605)</u>	<u>404,947</u>	<u>2,241,675</u>	<u>2,684,964</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government	<u>15,173,913</u>	<u>23,524,831</u>	<u>19,889,766</u>	<u>27,290,782</u>	<u>20,302,281</u>	<u>17,886,613</u>	<u>34,215,869</u>	<u>64,643,350</u>	<u>107,507,608</u>	<u>31,755,282</u>
Changes in Net Position										
Governmental activities	(4,172,028)	5,197,461	1,240,060	7,981,130	199,640	(4,670,982)	13,056,743	35,737,572	81,890,644	(5,226,208)
Business-type activities	(4,147,759)	(4,210,986)	(2,193,013)	(4,880,763)	(5,359,965)	-	-	-	-	-
Total primary government	<u>\$ (8,319,787)</u>	<u>\$ 986,475</u>	<u>\$ (952,953)</u>	<u>\$ 3,100,367</u>	<u>\$ (5,160,325)</u>	<u>\$ (4,670,982)</u>	<u>\$ 13,056,743</u>	<u>\$ 35,737,572</u>	<u>\$ 81,890,644</u>	<u>\$ (5,226,208)</u>

*As of 7/1/15, two business-type activities were created, Indian Wells Golf Resort and Club Drive Property

City of Indian Wells, California
Fund Balances of Governmental Funds
Modified Accrual Basis of Accounting
Last Ten Fiscal Years

	Fiscal Year Ended June 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General fund										
Nonspendable										
Prepaid items	\$ 51,660	\$ 7,738	\$ 1,911	\$ 24,666	\$ 5,740	\$ 950	\$ 3,715	\$ 352,799	\$ 724,847	\$ 21,282
Notes and loans	18,917,870	18,945,867	17,739,192	17,739,192	17,889,192	17,889,192	17,889,192	-	-	22,010,750
Committed to										
Capital projects	5,500,000	5,500,000								
Emergency reserve	-	-	-	-	-	2,500,000	2,250,000	2,250,000	2,250,000	18,500,000
Unassigned	10,443,852	16,039,794	19,397,674	18,859,826	10,727,499	7,442,635	5,841,717	4,744,619	4,743,094	22,766,933
Total general fund	34,913,382	40,493,399	37,138,777	36,623,684	28,622,431	27,832,777	25,984,624	7,347,418	7,717,941	63,298,965
All other governmental funds										
Nonspendable										
Inventory	-	-	-	-	-	728,323	695,998	613,309	696,882	556,726
Prepaid items	48,795	-	-	-	-	230,059	108,542	83,196	79,410	39,962
Notes	-	-	-	-	-	-	-	15,831,412	15,831,412	4,316,639
Advances to other funds	-	-	-	-	-	-	-	-	-	11,514,773
Restricted for										
Community development	16,762,539	16,978,265	17,294,122	15,244,098	15,647,539	15,815,156	16,414,450	1,857,642	1,932,254	12,725,527
Public safety	6,728,419	5,737,133	5,308,643	6,034,523	6,065,849	5,680,112	5,558,075	5,074,097	4,870,005	4,651,489
Public works	2,732,362	2,412,413	2,223,810	2,135,793	2,201,769	2,138,313	1,967,998	1,832,508	1,709,638	1,641,967
Debt service	-	-	-	-	-	-	-	-	-	817,671
Committed to										
Capital projects	148,955	159,190	144,213	676,363	354,335	22,913,539	23,805,825	25,431,121	35,781,876	3,022,559
Golf Resort	-	-	-	-	-	1,347,155	-	2,441,139	-	-
Assigned to										
Capital projects	34,045,927	30,525,572	23,325,122	23,643,770	23,199,044	-	-	-	-	-
Unassigned	(1,171,973)	(1,254,477)	(1,306,134)	(1,345,970)	(1,387,826)	(1,420,514)	(1,853,153)	(1,499,190)	(1,539,173)	(43,424,063)
Total all other governmental funds	\$ 59,295,024	\$ 54,558,096	\$ 46,989,776	\$ 46,388,577	\$ 74,703,141	\$ 47,432,143	\$ 46,697,735	\$ 51,665,234	\$ 59,362,304	\$ (4,136,750)

1) The City Council implemented the Governmental Accounting Standards Board (GASB) Statement No. 54 during fiscal year 2010/11 recognizing new fund balance requirements.

City of Indian Wells, California
Changes in Fund Balances of Governmental Funds
Modified Accrual Basis of Accounting
Last Ten Fiscal Years

	Fiscal Year Ended June 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Revenues										
Taxes	\$ 13,474,030	\$ 21,534,317	\$ 19,825,390	\$ 19,067,088	\$ 17,840,371	\$ 17,196,257	\$ 16,031,054	\$ 15,036,212	\$ 31,715,482	\$ 47,215,341
Licenses and permits	542,715	504,876	465,327	642,162	466,550	479,296	426,382	439,139	226,322	119,583
Intergovernmental	1,467,346	1,246,106	1,098,333	1,024,757	959,741	1,765,403	3,151,753	863,584	3,613,520	1,390,949
Contribution from property owners	-	-	-	-	-	1,050,000	500,000	1,450,000	-	-
Charges for services	951,925	1,085,255	772,337	480,245	503,429	13,705,848	12,857,977	12,548,294	12,918,149	12,657,977
Investment income	2,316,373	2,492,431	212,021	225,978	727,908	527,212	1,623,137	400,607	2,157,135	3,256,904
Fines and forfeitures	67,875	55,224	60,648	58,359	78,595	64,889	80,669	128,235	175,450	87,320
Rental income	1,892,369	1,766,444	1,639,641	1,561,169	1,629,432	1,660,396	1,651,498	1,633,036	-	-
Assessments	4,036,690	4,009,522	3,866,031	3,763,303	3,782,451	3,685,524	3,737,258	3,643,882	3,584,325	3,530,928
Development fees	260,616	168,798	149,631	448,419	129,054	139,614	124,851	222,451	73,510	61,007
Other	685,064	785,799	909,895	659,280	908,638	1,082,274	1,012,035	1,078,031	563,735	399,736
Total revenues	25,695,003	33,648,772	28,999,254	27,930,760	27,026,169	41,356,713	41,196,614	37,443,471	55,027,628	68,719,745
Expenditures										
Current										
General government	7,884,804	8,995,458	8,136,619	7,836,296	8,008,297	9,424,603	8,573,662	7,996,591	6,214,712	4,219,555
Public safety	9,108,526	8,687,603	8,488,123	8,047,904	8,151,039	8,036,589	7,685,383	3,211,837	7,212,762	7,214,270
Community development	2,916,391	3,010,110	2,890,706	2,861,354	3,084,249	2,807,307	2,820,027	5,109,097	2,556,343	5,846,632
Parks and recreation	-	-	-	-	-	-	-	1,920,320	-	-
Public works	5,326,339	4,811,267	4,456,328	4,546,968	4,423,715	4,080,034	4,135,007	3,866,883	3,913,539	3,763,936
Golf resort	-	-	-	-	-	13,564,356	12,945,121	12,088,530	12,714,308	13,694,185
Pass-through	-	-	-	-	-	-	-	-	7,183,533	21,778,115
Capital outlay	1,350,837	3,577,852	3,911,186	1,305,125	559,912	861,263	8,678,100	3,330,510	9,197,818	4,464,499
Debt service										
Principal retirement	-	-	-	-	-	-	-	-	4,460,000	4,020,106
Interest and fiscal charges	-	-	-	-	-	-	-	-	3,894,759	7,951,591
Total expenditures	26,586,897	29,082,290	27,882,962	24,597,647	24,227,212	38,774,152	44,837,300	37,523,768	57,347,774	72,952,889
Excess (Deficiency) of Revenues over (under) Expenditures	(891,894)	4,566,482	1,116,292	3,333,113	2,798,957	2,582,561	(3,640,686)	(80,297)	(2,320,146)	(4,233,144)
Other Financing Sources (Uses)										
Transfers in	15,530,608	25,325,206	4,206,586	7,932,137	1,429,989	2,462,520	64,112	6,587,021	44,643,627	13,373,447
Transfers out	(15,530,608)	(23,320,595)	(4,206,586)	(2,956,130)	(2,261,702)	(2,462,520)	(140,112)	(6,716,791)	(46,425,808)	(13,873,447)
Contributions to other governments	-	-	-	-	-	-	-	(7,522,110)	-	-
Extraordinary gain/(loss) on dissolution of RDA	-	-	-	-	-	-	16,400,000	1,339,192	12,020,357	-
Sale of property	-	4,351,849	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	6,356,460	-	4,976,007	(831,713)	-	16,324,000	(6,312,688)	10,238,176	(500,000)
Net Change in Fund Balances	\$ (891,894)	\$ 10,922,942	\$ 1,116,292	\$ 8,309,120	\$ 1,967,244	\$ 2,582,561	\$ 12,683,314	\$ (6,392,985)	\$ 7,918,030	\$ (4,733,144)

City of Indian Wells, California
Changes in Fund Balances of Governmental Funds
Modified Accrual Basis of Accounting
Last Ten Fiscal Years

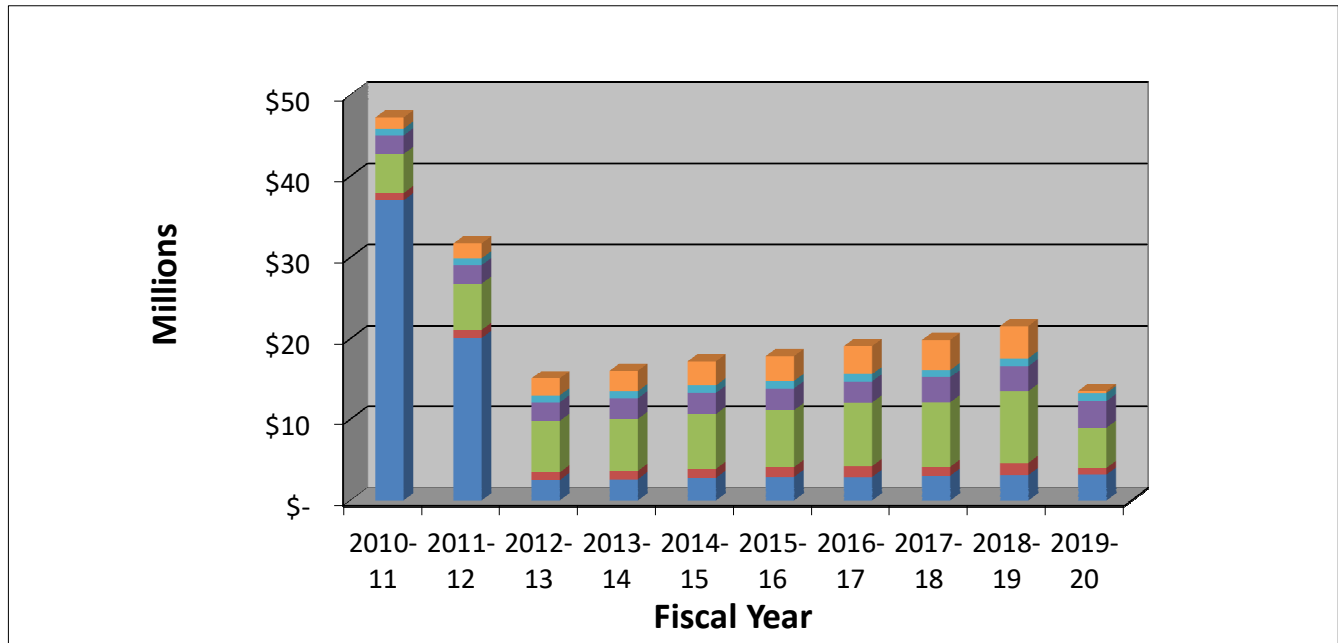
	Fiscal Year Ended June 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Debt Service as A Percentage of Noncapital Expenditures	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	21.0%	21.2%
Capital Outlay (Recon of Rev & Exp)	868,327	(1,681,711)	3,456,064	588,717	(102,981)	695,864	8,627,428	3,118,599	9,190,259	4,524,674
Total governmental expenditures	26,586,897	29,082,290	27,882,962	24,597,647	24,227,212	38,774,152	44,837,300	37,523,768	57,347,774	72,952,889
Less principal	-	-	-	-	-	-	-	-	(4,460,000)	(4,020,106)
Less interest	-	-	-	-	-	-	-	-	(3,894,759)	(7,951,591)
	26,586,897	29,082,290	27,882,962	24,597,647	24,227,212	38,774,152	44,837,300	37,523,768	48,993,015	60,981,192
Less capital asset additions	(868,327)	1,681,711	(3,456,064)	(588,717)	102,981	(695,864)	(8,627,428)	(3,118,599)	(9,190,259)	(4,524,674)
Non-capital expenditures	25,718,570	30,764,001	24,426,898	24,008,930	24,330,193	38,078,288	36,209,872	34,405,169	39,802,756	56,456,518
Total debt service payments	-	-	-	-	-	-	-	-	8,354,759	11,971,697
Debt service as % of non capital exp.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	21.0%	21.2%

City of Indian Wells, California
 Tax Revenues by Source - Governmental Funds
 Modified Accrual Basis of Accounting
 Last Ten Fiscal Years

Fiscal Year Ended June 30,	Property Tax	Sales	Transient Occupancy	Emergency Services	Franchise	Other	Total
2010-11	\$ 37,012,359	\$ 902,256	\$ 4,805,116	\$ 2,288,758	\$ 835,725	\$ 1,371,127	\$ 47,215,341
2011-12	20,072,039	992,271	5,689,952	2,287,339	848,259	1,825,622	31,715,482
2012-13	2,495,027	945,359	6,341,825	2,285,354	860,303	2,108,344	15,036,212
2013-14	2,602,881	1,016,141	6,407,454	2,524,298	886,890	2,593,389	16,031,053
2014-15	2,757,592	1,121,191	6,742,840	2,604,590	924,868	3,045,175	17,196,256
2015-16	2,876,532	1,217,570	7,000,096	2,692,279	922,074	3,131,820	17,840,371
2016-17	2,873,141	1,347,804	7,826,154	2,607,921	941,937	3,470,131	19,067,088
2017-18	3,025,593	1,111,159	7,942,995	3,111,773	929,551	3,704,319	19,825,390
2018-19	3,113,540	1,493,254	8,835,433	3,139,323	992,866	3,959,902	21,534,317
2019-20	3,166,437	821,533	4,944,773	3,277,041	995,921	268,326	13,474,031

Percentage change:

2010-2019 -92.1% 80.5% 105.8% 11.0% 21.4% 288.4% -56.0%



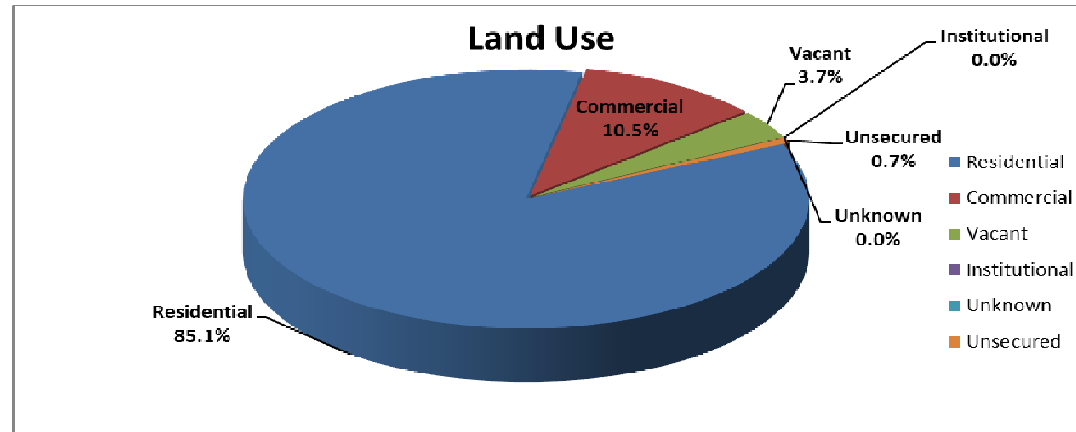
City of Indian Wells, California
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended June 30	City (Excl. RDA)			Redevelopment Agency			City's Direct Tax Rate
	Secured	Unsecured	Taxable Assessed Value	Secured	Unsecured	Taxable Assessed Value	
2009-10	\$ 858,305,085	\$ 4,653,028	\$ 862,958,113	\$ 3,976,541,728	\$ 43,225,207	\$ 4,019,766,935	1.23056
2010-11	798,116,578	5,300,075	803,416,653	3,775,005,209	38,992,999	3,813,998,208	1.25031
2011-12	779,881,689	4,485,980	784,367,669	3,663,062,874	29,170,611	3,692,233,485	1.21462
2012-13	838,497,693	3,781,585	842,279,278	3,732,437,881	28,481,837	3,760,919,718	1.21151
2013-14	857,895,036	4,330,282	862,225,318	3,863,716,982	28,639,321	3,892,356,303	1.22949
2014-15	963,012,088	8,006,824	971,018,912	4,010,096,483	26,674,312	4,036,770,795	1.23309
2015-16	1,067,731,252	7,803,011	1,075,534,263	4,142,943,142	21,086,098	4,164,029,240	1.23002
2016-17	1,078,783,335	8,645,905	1,087,429,240	4,244,054,809	21,150,335	4,265,205,144	1.20635
2017-18	1,216,459,774	7,719,195	1,224,178,969	4,356,466,470	17,947,116	4,374,413,586	1.21281
2018-19	1,323,102,487	10,855,110	1,333,957,597	4,606,551,347	20,122,839	4,626,674,186	1.21396
2019-20	1,424,021,370	9,989,753	1,434,011,123	4,729,044,820	31,487,665	4,760,532,485	1.21364

Source: Riverside County Assessor Data, MuniServices, LLC

City of Indian Wells, California
Assessed Value of Property by Use Code, Citywide
Last Ten Fiscal Years

Category	2010-11	2011-12	2012-13	2013-14	2014-15*	2015-16	2016-17	2017-18	2018-19	2019-20
Residential	\$ 4,009,594,578	\$ 3,913,350,203	\$ 3,935,778,173	\$ 4,121,937,903	\$ 4,329,962,569	\$ 4,509,106,870	\$ 4,636,416,971	\$ 4,787,212,021	\$ 5,046,143,990	\$ 5,225,907,189
Commercial	204,892,539	64,230,314	65,675,320	66,962,561	482,959,313	536,436,321	501,610,126	559,511,479	661,957,523	646,454,076
Vacant	190,893,767	149,551,997	157,858,323	170,302,487	160,186,689	165,131,203	184,811,047	172,148,781	166,625,355	224,972,607
Institutional	317,885	-	-	-	-	-	-	-	-	-
Unknown	167,423,018	315,812,049	411,623,758	362,409,067	-	-	-	-	-	-
Net Secured Value	4,573,121,787	4,442,944,563	4,570,935,574	4,721,612,018	4,973,108,571	5,210,674,394	5,322,838,144	5,518,872,281	5,874,726,868	6,097,333,872
Unsecured	44,293,074	33,656,591	32,263,422	32,969,603	34,681,136	28,889,109	29,796,240	25,666,311	30,977,949	41,477,418
Net Taxable Value	\$ 4,617,414,861	\$ 4,476,601,154	\$ 4,603,198,996	\$ 4,754,581,621	\$ 5,007,789,707	\$ 5,239,563,503	\$ 5,352,634,384	\$ 5,544,538,592	\$ 5,905,704,817	\$ 6,138,811,290



Source: MuniServices, LLC

Source: 2010-11 and prior, previously published CAFR Report

Use code categories are based on Riverside County Assessor's data

*Land Use description data updated from previous year(s)

City of Indian Wells, California
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
City Direct Rates:										
City Basic Rate	0.07000000	0.00649751	0.00649751	0.00649751	0.00649751	0.00649751	0.00649751	0.00649751	0.00649751	0.00649751
Agency Basic Rate	0.26686000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000
Low & Mod 20% Set-aside	0.20000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000
Total City Direct Rate	0.53686000	0.00649751	0.00649751	0.00649751	0.00649751	0.00649751	0.00649751	0.00649751	0.00649751	0.00649751
Overlapping Rates:										
General	0.00000000	0.15716188	0.15716188	0.15716188	0.15716188	0.15716188	0.15716188	0.15716188	0.15716188	0.15716348
Riverside County General & Fire	0.28336000	0.06556884	0.06556884	0.06556884	0.06556884	0.06556884	0.06556884	0.06556884	0.06556884	0.06556119
Coachella Valley Water District	0.05886000	0.03055245	0.03055245	0.03055245	0.03055245	0.03055245	0.03055245	0.03055245	0.03055245	0.03055245
Desert Sands Unified School District	0.11498000	0.40439065	0.40439065	0.40439065	0.40439065	0.40439065	0.40439065	0.40439065	0.40439065	0.40439065
Riverside County Superintendent of Schools	0.01300000	0.04571713	0.04571713	0.04571713	0.04571713	0.04571713	0.04571713	0.04571713	0.04571713	0.04571713
College of Desert	0.02389000	0.08403091	0.08403091	0.08403091	0.08403091	0.08403091	0.08403091	0.08403091	0.08403091	0.08403091
Coachella Valley Parks & Recreation District	0.02192000	0.01321243	0.01321243	0.01321243	0.01321243	0.01321243	0.01321243	0.01321243	0.01321243	0.01321243
CV Mosquito & Vector Control District	0.01449000	0.01091312	0.01091312	0.01091312	0.01091312	0.01091312	0.01091312	0.01091312	0.01091312	0.01091312
Riverside County Regional Park & Open Space	0.00088000	0.00387930	0.00387930	0.00387930	0.00387930	0.00387930	0.00387930	0.00387930	0.00387930	0.00387930
Coachella Valley Public Cemetery	0.00072000	0.00256659	0.00256659	0.00256659	0.00256659	0.00256659	0.00256659	0.00256659	0.00256659	0.00256659
Desert Regional Medical Center	0.00097000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000
Coachella Valley Resource Conservation	0.00000000	0.00039170	0.00039170	0.00039170	0.00039170	0.00039170	0.00039170	0.00039170	0.00039170	0.00039170
Education Revenue Augmentation Fund	0.00006000	0.17511749	0.17511749	0.17511749	0.17511749	0.17511749	0.17511749	0.17511749	0.17511749	0.17512353
Total	0.53313000	1.00000000	1.00000000	1.00000000	1.00000000	1.00000000	1.00000000	1.00000000	1.00000000	0.99999999
Override Assessments										
Coachella Valley Water District	0.06000000	0.08000000	0.08000000	0.10000000	0.10000000	0.10000000	0.10000000	0.10000000	0.10000000	0.10000000
Desert Community College	0.01995000	0.01995000	0.01995000	0.01995000	0.02325000	0.02087000	0.02036000	0.04030000	0.03978000	0.03983000
Desert Sands Unified School District	0.10036000	0.11467000	0.11156000	0.10954000	0.10984000	0.10915000	0.08599000	0.07251000	0.07418000	0.07381000
Total	0.18031000	0.21462000	0.21151000	0.22949000	0.23309000	0.23002000	0.20635000	0.21281000	0.21396000	0.21364000
Total Tax Rate	1.25030000	1.21462000	1.21151000	1.22949000	1.23309000	1.23002000	1.20635000	1.21281000	1.21396000	1.21363999

Source: 2010-11 and prior, previously published CAFR Report
Source: Riverside County Auditor data, MuniServices, LLC
(1.) Total Direct Tax Rate is represented by TRA 016-000
(-) Indicates data unavailable.

City of Indian Wells, California
Principal Property Tax Payers
Last Fiscal Year and Nine Years Ago

Taxpayer	2019-20		2010-11	
	Taxable Value	Percent of Total City Taxable Value	Taxable Value	Percent of Total City Taxable Value
Garden Of Champions	\$ 269,393,868	4.39%	\$ 58,015,473	1.23%
Grand Champions Llc	111,241,737	1.81%		
Bbc Esmeralda	73,615,140	1.20%		
Vintage Club	41,514,407	0.68%		
Toscana Homes	29,189,157	0.48%	14,497,293	0.31%
Standard Pacific Corp	27,200,965	0.44%	41,775,393	0.89%
Rpcwg Miramonte Owner	24,355,301	0.40%		
Eldorado Country Club	18,202,638	0.30%	26,458,958	0.56%
Village Shopping Center At Ind	17,522,274	0.29%	15,122,246	0.32%
Targoff Michael B	17,001,320	0.28%		
Gross William H	14,560,000	0.24%		
Cook Leo W	14,230,826	0.23%	12,298,164	0.26%
Marion Anne W	14,061,719	0.23%		
Iwcc Acquisition Corp	13,665,600	0.22%		
Kayne Richard A	13,649,579	0.22%		
Brinson Gary P	13,520,000	0.22%		
Schmid Inv	13,275,769	0.22%	12,578,615	0.27%
Carletti Christopher M	13,229,424	0.22%		
Indian Wells Village Ii	13,132,704	0.21%	11,511,364	0.24%
Drw Desert Holdings	12,620,045	0.21%		
Pcg Rgg General Partnership	12,136,428	0.20%	14,843,801	0.31%
Coleman Sheldon C	11,521,282	0.19%	10,500,000	0.22%
Smith Orin C	11,425,428	0.19%		
Adh Prop	11,283,603	0.18%		
Neptune	11,264,208	0.18%		
Felcor Esmerelda Llc			66,514,882	1.41%
Lh Indian Wells Holding			63,094,758	1.34%
Bank Of Calif			48,556,584	1.03%
Reserve Club			21,669,600	0.46%
Alexander & Baldwin Inc			18,689,758	0.40%
Ryan Oil Co			15,994,510	0.34%
Sanderson J Ray Indian Wells			15,952,380	0.34%
Schneider Gene W			14,166,954	0.30%
Windfohr Anne Burnett			13,416,976	0.28%
Koch Charles G			12,152,010	0.26%
Gilleland Richard A			11,708,925	0.25%
Lowe Terraces Inc			11,483,710	0.24%
Common Lot			10,531,371	0.22%
Total Top 25 Taxpayers	822,813,422	13.43%	541,533,725	11.48%
Total Taxable Value	6,138,811,290	100.00%	4,716,231,887	100.00%

Source: County Assessor data, Avenu Insights & Analytics

City of Indian Wells, California
Principal Sales Tax Producers
Last Fiscal Year and Nine Years Ago

2019-20		2010-11	
Taxpayer	Business Type	Taxpayer	Business Type
Audio Visual Services Group	Light Industry	Cafe Italia	Restaurants
CVS/Pharmacy	Drug Stores	Creative Pipe	Heavy Industry
Desert Horizons Country Club	Restaurants	CVS/Pharmacy	Drug Stores
Don Diego Restaurante	Restaurants	Desert Horizons Country Club	Restaurants
Donna Diamond Interior Design	Miscellaneous Retail	Don Diego Restaurante	Restaurants
Eldorado Country Club	Miscellaneous Retail	Donna Diamond Interior Design	Miscellaneous Retail
Eureka! Burger	Restaurants	Eldorado Country Club	Miscellaneous Retail
Event Beverage	Restaurants	Hyatt Hotel	Restaurants
Hyatt Hotel	Restaurants	Indian Wells Country Club & Hotel	Miscellaneous Retail
Indian Wells Country Club & Hotel	Miscellaneous Retail	Indian Wells Golf Resort	Miscellaneous Retail
Indian Wells Golf Resort	Miscellaneous Retail	Indian Wells Resort Hotel	Restaurants
Indian Wells Resort Hotel	Restaurants	Indian Wells Tennis Garden	Miscellaneous Retail
Indian Wells Tennis Garden	Miscellaneous Retail	Le Saint Germain Restaurant	Restaurants
IW Coffee	Food Markets	Miramonte Resort & Spa	Restaurants
Karen Harlow For The Home	Miscellaneous Retail	Ralph's Grocery Company	Food Markets
Miramonte Resort & Spa	Restaurants	Renaissance Esmeralda Resort & Spa	Restaurants
Renaissance Esmeralda Resort & Spa	Restaurants	Reserve Club	Miscellaneous Retail
Reserve Club	Miscellaneous Retail	Restaurant Associates Events	Light Industry
SCH Enterprises	Light Industry	Swank Audio Visuals	Office Equipment
Terry Beardsley Golf Shop	Recreation Products	Terry Beardsley Golf Shop	Recreation Products
The Nest Restaurant & Piano Bar	Restaurants	The Nest Restaurant & Piano Bar	Restaurants
The Sands Hotel & Spa	Restaurants	The Village Insciber	Miscellaneous Retail
The Vintage Club	Miscellaneous Retail	The Vintage Club	Miscellaneous Retail
Toscana Country Club	Miscellaneous Retail	Toscana Country Club	Miscellaneous Retail
Vicky's of Santa Fe	Restaurants	Vicky's of Santa Fe	Restaurants

Source: Avenu Insights & Analytics

City of Indian Wells, California
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
2010	\$ 38,711,203	\$ 38,791,118	100.21%	\$ 417,197	\$ 39,208,315	101.28%
2011	36,889,913	36,918,555	100.08%	93,804	37,012,359	100.33%
2012	34,811,422	26,913,209	77.31%	74,738	26,987,947	77.53%
2013	2,172,899	2,478,806	114.08%	16,221	2,495,027	114.82%
2014	2,184,854	2,583,498	118.25%	19,383	2,602,881	119.13%
2015	2,330,206	2,665,988	114.41%	91,604	2,757,592	118.34%
2016	2,329,290	2,807,108	120.51%	69,424	2,876,532	123.49%
2017	2,420,606	2,802,166	115.76%	70,974	2,873,141	118.70%
2018	2,494,755	2,965,260	118.86%	60,334	3,025,593	121.28%
2019	2,556,217	3,104,015	121.43%	9,525	3,113,540	121.80%
2020	2,704,261	3,153,150	116.60%	13,287	3,166,437	117.09%

Note: The amounts presented include City property taxes and Redevelopment Agency tax increment. On February 1, 2012, all redevelopment agencies in California were dissolved. Fiscal year ending June 30, 2013 is reflective of the RDA dissolution resulting in a decrease in property tax collections.

City of Indian Wells, California
 Transient Occupancy Tax Collections
 Last Ten Fiscal Years

	2010-11	2011-12	2012-13	2013-14	2014-15*	2015-16	2016-17	2017-18	2018-19	2019-20
Resort Hotels	\$ 4,805,116	\$ 5,677,939	\$ 6,318,721	\$ 6,374,616	\$ 6,625,288	\$ 6,719,057	\$ 7,626,203	\$ 7,716,357	\$ 8,635,851	\$ 4,811,599
Short-term Rentals	-	12,013	23,104	32,838	117,552	281,039	229,213	226,660	199,582	133,174
	\$ 4,805,116	\$ 5,689,952	\$ 6,341,825	\$ 6,407,454	\$ 6,742,840	\$ 7,000,096	\$ 7,855,416	\$ 7,943,017	\$ 8,835,433	\$ 4,944,773
Transient Occupancy Tax Rate in effect	9.25%	11.25%	11.25%	11.25%	11.25%	11.25%	11.25%	11.25%	12.25%	12.25%

Source: Published CAFR Reports

a. Specific revenue detail by operator is unavailable due to confidentiality.
 b. Voter approved 1% rate increase; effective January 1, 2019

City of Indian Wells, California
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Governmental Activities			Percentage of Personal Income	Per Capita
	Tax Allocation Bonds	Notes Payable	Total		
2011	\$ 128,910,000	\$ -	\$ 128,910,000	24.62%	25,371
2012	- ¹	-	-	0.00%	-
2013	- ¹	-	-	0.00%	-
2014	- ¹	-	-	0.00%	-
2015	- ¹	-	-	0.00%	-
2016	- ¹	-	-	0.00%	-
2017	- ¹	-	-	0.00%	-
2018	- ¹	-	-	0.00%	-
2019	- ¹	-	-	0.00%	-
2020	- ¹	-	-	0.00%	-

(1) Notes: Details regarding the city's outstanding debt can be found in the notes to the financial statements. Please see note 18 to the financial statements. During fiscal year 2011/12, the State of California took action to eliminate redevelopment. The remaining outstanding Redevelopment Agency Tax Allocation Bonds were transferred to a newly formed Successor Agency private-purpose trust.

City of Indian Wells, California
Ratios of General Bonded Debt Outstanding and Legal Debt Margin
(in Thousands, Except Per Capita)
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Outstanding Tax Allocation Bonds	% of Assessed Value ¹	Per Capita	Less Amounts Set Aside To Repay Debt	Total Net Debt Applicable To Debt Limit	Legal Debt Limit	Legal Debt Margin	Legal Debt Margin as a % of Limit
2011	\$ -	2.6%	\$ 25,371	\$ 36,993	\$ (36,993)	\$ 692,612	\$ 729,605	105.3%
2012	-	0.0%	-	17,891	(17,891)	671,490	689,381	102.7%
2013	-	0.0%	-	-	-	690,480	690,480	100.0%
2014	-	0.0%	-	-	-	713,187	713,187	100.0%
2015	-	0.0%	-	-	-	754,736	754,736	100.0%
2016	-	0.0%	-	-	-	781,696	781,696	100.0%
2017	-	0.0%	-	-	-	805,313	805,313	100.0%
2018	-	0.0%	-	-	-	833,007	833,007	100.0%
2019	-	0.0%	-	-	-	922,223	922,223	100.0%
2020	-	0.0%	-	-	-	922,223	922,223	100.0%

Legal Debt Margin Calculation for Fiscal Year 2020:

Assessed Value (From Assessor's net 02-2441)	<u>FY 2019/20</u> \$ 6,148,154,986
Legal Debt limit (15% of total assessed value)	922,223,248

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

All bonded debt is managed through the Agency's Debt Service Fund. Annual receipt of Tax Increment is reserved to pay annual debt service.

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

City of Indian Wells, California
Direct and Overlapping Debt
Last Ten Fiscal Years

2018-19 Assessed Valuation: \$ 6,148,154,986

	Total Debt June 30, 2020	% Applicable (1)	City Share of Debt June 30, 2020
Direct and Overlapping Tax and Assessment Debt:			
Desert Community College District	\$ 349,425,000	7.297%	\$ 25,497,542
Desert Sands Unified School District	381,670,000	14.686%	56,052,056
Desert Sands Unified School District Community Facilities District No. 1	925,000	11.088%	102,564
City of Indian Wells	-	100.000%	-
Total Direct and Overlapping Tax and Assessment Debt			\$ 81,652,162
Overlapping General Fund Obligation Debt:			
Riverside County General Fund Obligations	\$ 337,130,000	7.252%	\$24,448,668
Riverside County Pension Obligations	380,450,000	14.695%	55,907,128
Desert Sands Unified School District Certificates of Participation	815,000	11.088%	90,367
Total Net Overlapping General Fund Obligation Debt			\$ 80,446,163
Overlapping Tax Increment Debt	270,660,000	0.179-100.0%	\$ 72,555,243
Total Direct Debt			\$ -
Total Overlapping Debt			\$ 193,748,734
Combined Total Debt			\$ 193,748,734 ⁽²⁾

- (1) The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value.
- (2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue bonds and non-bonded capital lease obligations.

Ratios to 2018-19 Assessed Valuation:

Direct Debt.....0.00%
 Total Direct and Overlapping Tax and Assessment Debt.....1.31%
 Combined Total Debt.....3.14%

Ratios to Redevelopment Successor Agencies Incremental Valuation (\$4,369,976,251):

Total Overlapping Tax Increment Debt.....1.66%

AB: (\$500)

Source: California Municipal Statistics, Inc., Avenu Insights & Analytics

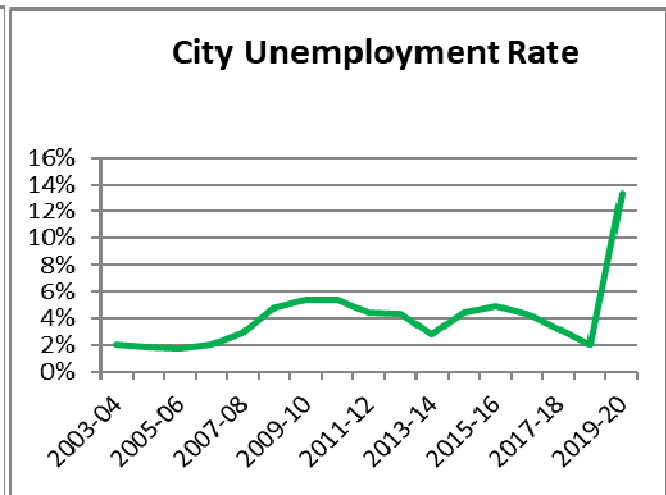
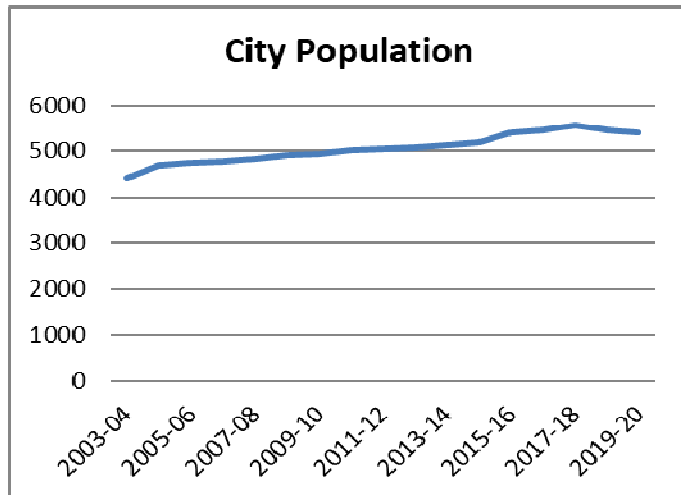
City of Indian Wells, California
Pledged-Revenue Coverage
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Tax Allocation Bonds				Coverage
	Tax Increment	Debt Service			
		Principal	Interest		
2011	\$ 34,788,614	\$ 4,015,000	\$ 5,999,053		3.47
2012	17,891,078	4,460,000	5,852,651		1.73
2013	-	-	-		-
2014	-	-	-		-
2015	-	-	-		-
2016	-	-	-		-
2017	-	-	-		-
2018	-	-	-		-
2019	-	-	-		-
2020	-	-	-		-

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

City of Indian Wells, California
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population (1)	Personal Income	Per Capita Personal Income (2)	Median Age	Public School Enrollment (3)	City Unemployment Rate (%) (4)
2010-11	5,010	523,660,230	104,523	66.5	29,123	5.3%
2011-12	5,035	585,987,499	116,383	68.0	29,199	4.4%
2012-13	5,081	599,972,864	118,082	66.7	29,159	4.3%
2013-14	5,137	474,294,073	92,329	68.3	29,156	2.8%
2014-15	5,194	469,484,673	90,390	68.5	28,999	4.4%
2015-16	5,412	447,589,123	82,703	68.9	28,719	4.9%
2016-17	5,450	472,424,421	86,683	68.2	28,958	4.3%
2017-18	5,574	513,911,206	92,198	68.5	28,708	3.2%
2018-19	5,445	529,521,295	97,249	67.8	28,610	2.0%
2019-20	5,403	546,486,273	101,145	67.9	27,963	13.4%



Source: Avenu Insights & Analytics

Source: 2010-11 and prior, previously published CAFR Report

The California Department of Finance demographics estimates now incorporate 2010 Census counts as the benchmark.

(1) Population Projections are provided by the California Department of Finance Projections.

(2) Income Data is provided by the U.S. Census Bureau, 2010 American Community Survey.

(3) Student Enrollment reflects the total number of students enrolled in the Desert Sands Unified School District. Any other school districts within the City are not accounted for in this statistic.

(4) Unemployment Data are provided by the EDD's Bureau of Labor Statistics Department.

City of Indian Wells, California
Principal Employers
Last Ten Fiscal Years

Business Name	2019-20		2010-11	
	Number of Employees	Percent of Total Employment	Number of Employees	Percent of Total Employment
Renaissance Esmeralda Resort	430	23.89%	472	22.59%
Toscana Country Club	330	18.33%	187	8.95%
Hyatt Regency Resort & Spa	314	17.44%	394	18.86%
Indian Wells Golf Resort (1)	266	14.78%	245	11.73%
El Dorado Country Club	112	6.22%	202	9.67%
Miramonte Resort and Spa	105	5.83%	215	10.29%
Indian Wells Country Club	90	5.00%	147	7.04%
Desert Horizons Country Club (1)	80	4.44%	78	3.73%
Indian Wells Resort Hotel	63	3.50%		0.00%
Southwest Community Church	52	2.89%		0.00%
Windermer Real Estate			95	4.55%
Merrill Lynch Wealth Mgmt			54	
	1,842	102.33%	2,089	97%
Total City Employment (3)	1,800			

Source: Avenu Insights & Analytics

Source: 2010-11, Previously published CAFR

Results based on direct correspondence with city's local businesses.

(1) Includes Seasonal Employees

(2) Total City Labor Force provided by EDD Labor Force Data.

City of Indian Wells, California
 Full-time Equivalent City Government Employees by Function
 Last Ten Fiscal Years

Function	Fiscal Year Ended June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
City Manager/Clerk	4.75	4.75	4.75	4.75	4.52	4.48	4.48	5.05	5.05	5.75
Advertising/Marketing	2.00	2.00	2.00	2.00	1.97	1.97	1.97	-	-	-
Community Services	-	-	-	-	-	-	-	1.95	1.95	1.40
Risk Management	0.125	0.125	0.125	0.125	0.150	0.150	0.15	0.30	0.30	0.30
Personnel	0.125	0.125	0.125	0.125	0.450	0.450	0.45	0.55	0.55	0.45
City Attorney	0.25	0.25	0.25	0.25	0.05	0.09	0.09	0.20	0.20	0.20
Community Development	6.25	5.25	5.25	6.50	6.27	6.27	6.77	5.45	5.45	6.35
Finance Department	6.00	6.00	6.00	6.00	5.47	5.33	5.33	4.41	4.41	3.42
Public Safety	1.50	1.50	1.50	1.25	1.60	1.60	1.10	1.10	1.10	1.15
Public Works	8.00	8.00	8.00	8.00	7.53	7.44	7.44	7.44	7.51	8.47
Housing Authority	-	-	-	-	0.99	0.99	0.99	1.64	1.64	1.72
Golf Resort	-	-	-	-	-	0.18	0.18	0.84	0.84	0.79
Club Drive	-	-	-	-	-	0.05	0.05	0.07	-	-
Total	29.00	28.00	28.00	29.00	29.00	29.00	29.00	29.00	29.00	30.00

Source: City of Indian Wells Budget
 City implemented program budgeting commencing with the 2017-2018 fiscal year

City of Indian Wells, California
Operating Indicators by Function
Last Ten Fiscal Years

Function	Fiscal Year Ended June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Police										
Violent Crime	3	-	-	-	3	6	6	2	8	6
Thefts	112	102	141	97	87	91	96	89	101	79
Burglaries	58	47	66	39	29	45	39	34	49	39
Traffic Collisions	72	88	88	125	136	104	116	98	101	102
Traffic Citations	1,333	870	838	1,251	971	1,101	1,248	1,231	853	393
Fire										
Medical Aid Calls	594	696	704	659	751	794	818	934	951	1,135
Public Service Assists	78	108	118	90	102	76	79	69	59	65
Structure Fires	5	4	4	4	4	3	1	5	2	3
Vegetation Fires	-	-	-	-	-	-	2	2	-	-
Building Activity										
Permits Issued	548	582	774	914	845	887	774	764	758	722
Inspections Performed	2,286	2,811	3,862	4,927	5,438	4,607	3,319	3,686	3,841	4,209
New Dwelling Units	17	13	35	33	37	32	33	39	46	61
Public Works										
Lot Line Adjustments	-	1	3	3	4	2	4	-	2	6
Parcel Mergers	3	2	3	3	5	4	1	3	2	1
Encroachment Permits	66	48	66	84	59	70	82	71	86	82
Tract Maps	-	2	2	-	1	-	-	-	2	-
Golf Resort										
Golf rounds played	83,052	83,104	82,712	81,696	78,829	77,613	74,358	74,828	74,589	56,402
Administration										
City Council Meetings	20	21	21	20	18	15	8	10	9	21
Public Hearings	23	16	11	23	18	14	15	11	9	18
Adopted Resolutions	35	43	53	53	49	42	49	41	39	50

(-) Indicates data unavailable.

City of Indian Wells, California
Capital Assets Statistics by Function
Last Ten Fiscal Years

Function	Units of Measure	Fiscal Year Ended June 30,									
		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Public safety											
Police Sub-Stations	Buildings	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Fire Stations	Buildings	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Highways, Streets, Bridges, & Infrastructure											
Pavement (Roadway)	Centerline Miles	25.80	25.80	25.80	25.80	25.80	25.80	25.80	25.80	25.80	25.80
Sidewalks	Miles	12.70	12.70	12.70	12.70	12.70	12.70	12.70	12.70	12.70	12.70
Bridges	Each	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50
Traffic Signals	Each	15.25	15.25	15.25	15.25	15.25	15.25	15.25	15.25	15.25	15.25
Traffic Signals equipped with Red Light Runner Camera	Each	-	-	-	-	-	-	-	-	-	-
Streetlights (not included with traffic signals)	Each	19.00	19.00	19.00	19.00	19.00	19.00	19.00	19.00	19.00	19.00
Sanitary Sewer Lift Stations (CVWD)	Each	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Parks and recreation											
Parks	Each	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
18-Hole Public Golf Courses	Each	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Golf Course Clubhouse	Each	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
City Vehicles											
City-Owned Fleet Motor Vehicles	Each	11.00	11.00	10.00	10.00	10.00	10.00	11.00	11.00	11.00	11.00
City-Owned Ambulances	Each	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Affordable Housing											
Senior Affordable Housing Complexes	Each	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Senior Affordable Housing Units	Each	218.00	218.00	218.00	218.00	218.00	218.00	218.00	218.00	218.00	218.00