

City of Indian Wells, California

Annual Comprehensive Financial Report

Year Ended June 30, 2021

CITY OF INDIAN WELLS, CALIFORNIA
Annual Comprehensive Financial Report
Fiscal Year Ended June 30, 2021

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November 29, 2021

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 (the Financial Statements) for the fiscal year ending June 30, 2021.



The arrival of COVID-19 has upended lives, caused pain and tragedy, and has required extraordinary efforts of us all to limit the pandemic's reach. As a result, the necessary shelter-in-place restrictions to slow the virus' spread has severely impacted day-to-day economic activity. The longest economic expansion in U.S. history abruptly ended and the recession we knew was eventually coming is now here. Businesses have shuttered and the unemployment rate spiked and even though suppression efforts have yielded successes and some business activities have resumed, we know that the virus is still present, and that restrictions related to social distancing – in some form – will be necessary for an extended period.

During this time, we have also seen the strength of our community and our City organization. As difficult as the shelter-in-place has been, our collective effort has flattened the curve and given our health care community the space necessary to effectively care for those most at risk. The City has leaned into this crisis, taking a leadership role within the region to provide shelter for the medically vulnerable homeless population, and coordinating a vast array of government, nonprofit, and private sector partners to provide food and necessities to those medically and economically impacted by the pandemic.

The willingness of our community and City workforce to meet these challenges head-on exemplifies a resiliency that will be needed for the foreseeable future. We took proactive steps early in the pandemic to understand its economic fallout, address budgetary shortfalls in fiscal year 2019/20, and completely revamped the fiscal year 2020/21 budget development process to ensure early and measured action in response to the loss of tourism.

City Officials have worked 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. I am hopeful that as we look forward into the new year, things will change for the better and over time there will be a return to normalcy.

City Officials have established open lines of communication with residents to meet the changing needs of this most prestigious and remarkable community. City services, especially public safety, are continually monitored and reviewed. This ensures all City services are meeting the current needs of our residents while maintaining the highest level of fiscal responsibility.

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 Financial Statements, provide a complete analysis of the City's financial position as of June 30, 2021.

The Financial Statements are 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, 2021.

Eide Bailly, Certified Public Accountants issued an unmodified opinion on the City of Indian Wells Financial Statements for the fiscal year ended June 30, 2021. 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 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 5,600 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 phenomenally 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.

Financial Communication

Financial communication to residents and other stakeholders remains one of the City's best strengths. Whether at the Council meeting, or the Mayor's letter, fiscal update eblasts, the Financial Primer, IW Check Book, or the Budget at a Glance keeping residents fiscally informed is a top priority.

As the return of tourism begins to unfold it is highly likely Council will consider more than one updated version of the City Budget. 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.

Factors Affecting Financial Condition

Until March 2020, the United States was experiencing the longest economic expansion in this Country's history. When the coronavirus hit, 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.

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.

Economic conditions are the primary drivers for a number of the City's revenues, with the most significant impacts in the transient occupancy tax, admissions tax, and sales tax categories. As a result of the COVID-19 pandemic and the necessary response to protect community health and safety, economic activity at the global, national, and local levels were severely restricted.

As anticipated, the immediate halting of daily economic activity had a significant negative impact to many of the economically sensitive revenue categories that are received in the General Fund. On a positive note, general secured property taxes are not anticipated to significantly change in fiscal year 2021/22 as the revenue is based on property values as of January 1, 2021. Any changes in the local real estate market that occurs in 2021 because of the COVID-19 pandemic will not be felt until fiscal year 2022/23.

Economic recovery will likely take eighteen to twenty-four months with many areas of the recovery remaining a mystery. Will "six feet and a mask" be replaced by the "vaccine" or will a form of social distancing become the new normal? Responses to these questions could impact attendance levels during the BNP Paribas or occupancy with Hotel Partners. These issues impact City revenues. During this next budget period, Indian Wells will face many challenges as these issues are resolved.

With the return of tourism, the City will encounter:

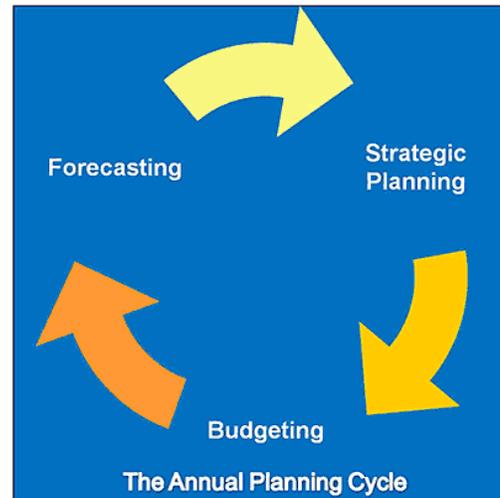
- Likely wave of tourism resurgence due to pent up demand.
- Need to re-establish marketing presence in the Southern California/Scottsdale drive markets which could be quickest to recover.
- Strengthen marketing campaigns with CVB and IWGR partners.
- Monitor the return of air-travel markets.

Strategic Goals and Priorities

Good financial planning helps the City maximize cash flow and allocate financial resources consistently with the City's strategic planning goals. The plan requires periodic updates to ensure the City's strategic strategy remains current and reflects the priorities of the citizenry.

The goal of this Financial Strategy is to provide a clear picture of the City's current financial position and its long-term financial strategy to achieve strategic planning goals. As the City's strategic planning process unfolds, goals are incorporated into the budget.

A budget is more than a spending plan. It is a statement of priorities; a roadmap for the coming year and beyond; a melding of ideas, thoughts, perspectives, and opinions, balanced against fiscal realities and constraints. This budget reflects the collaboration between the community, the Council, and staff members.



The biennial budget implements the Council's priorities and strategic goals, provides a financial plan that continues the delivery of first-rate services and is responsive to the needs of the community. The budget reaffirms the City's commitment to maintain high service levels, increase investments in organizational efficiency, and maintain community infrastructure at a level of service expected by the community.

Strategic planning determines where an organization is going over the next year and beyond; how the organization is going to get there, and how it will know if it got there or not. This is the City's "Game Plan". The focus of a strategic plan is to outline the goals of the City Council for the entire community/organization over a period of time (one, three, or five years are common). Goals-based planning starts with focus on the organization's vision and/or values, then the selection of projects and programs to meet and achieve the goals, an analysis of the resources needed and available, and finally who will do what and by when.

Below is a summary of the City Council Goals for the upcoming budget cycle:

General Plan Update

In May 2020, the City Council selected the City selected De Novo Planning Group to conduct the Comprehensive General Plan Update. The update is expected to be completed in early 2022. Staff has been instructed to include discussions on potential park sites, Highway 111 landscape and design standards, and to provide Council with summaries of each community meeting held.

Encourage and Expand Economic Development Opportunities in the Community

The COVID pandemic has significantly impacted the business community. In the coming year, the City's newly formed Economic Development Division will focus its efforts on economic recovery and tourism through relationship building, research, and advocacy of development.

- Monitoring Current and Future Development

Work with property owners of the Miles Lodge, Brixton, and Indian Wells Village to promote development in the community. City will continue marketing efforts to expand the business base in the community.

❑ Enhanced Infrastructure Financing District (EIFD)

In May 2020, the City Council selected Kosmont Companies to examine the feasibility of an enhanced infrastructure financing district (EIFD), which is designed to leverage tax increment financing from the City, and potentially the County of Riverside, to encourage development. Findings will be presented to the City Council in the coming months.

❑ Business Assistance and Relationship Building

The City has been collaborating closely with our local partners to ensure the prompt distribution of information and resources to local businesses. Council has instructed City staff to contact “brick and mortar” businesses to survey if they have received COVID relief funding from federal, state, and county programs, and need for future assistance. Staff is also to complete research on Business Assistance Programs being offered by other municipalities and bring back the information at a future meeting for consideration of an Indian Wells program.

Tourism

Tourism is the region’s top industry, and the pandemic is having devastating effects on the industry. Staff is to continue working with the Greater Palm Springs Convention and Visitors Bureau to promote local resorts and the Indian Wells Golf Resort as a tourism destination for those looking to travel locally during the pandemic.

Preservation of the Indian Wells Golf Resort (IWGR) as a Premier Destination for Residents and Visitors

Due to the COVID pandemic, operations at the IWGR have been significantly impacted, including elimination of banquets and periodic closures of the Vue Restaurant for extended periods of time. Council instructed staff and Troon, operator of the IWGR, to provide updated financials and operation strategies during the upcoming budget meetings.

Council also instructed staff to continue seeking proposals for the IWGR Master Plan and bring back at a future meeting, request the Golf Advisory Committee examine the potential of a “Friends and Family” Resident Benefit Golf Card, and to address landscaping conditions at the IWGR along El Dorado.

Develop Landscaping Uniformity Along Highway 111

The landscaping along Highway 111 is an iconic characteristic of the City and requires high quality maintenance to preserve the City’s standards. Council instructed staff to include design standards into the General Plan Update and to continue efforts with Homeowners Association’s (HOA) along Highway 111 to discuss options for more consistent landscaping in HOA owned areas.

Advocate for the Restoration of the Salton Sea

Addressing Salton Sea revitalization and restoration efforts continues to be a priority for the Coachella and Imperial Valleys. Indian Wells has been an advocate for these efforts and will continue to monitor state and federal actions as part of the City's Legislative Platform.

Evaluate Energy Efficiency Opportunities

Energy costs are a significant expense in the City's operating budget. Over the years, the City has made upgrades to City facilities to become more energy efficient in our operations. Staff will continue to work with Sitelogiq in evaluating energy efficiency projects and grant funding for upgrades. In addition, improvements to the IWGR will be incorporated into the Master Plan program.

Introduce New Community Events/Activities

Prior to the pandemic, Council expressed an interest to expand the lineup of community events. As the pandemic subsides, staff will collaborate with the Community Activities Committee to re-evaluate the opportunity to host events once group gatherings are allowed.

In addition, Council has expressed an interest in developing a sister-city relationship with a community in another country. Due to the pandemic, this will be revisited in 2022.

City Council Policy Manual Updates

Annual review and updates to the City Council Policy Manual are considered to evaluate operations, improve administrative efficiency, or to make changes in how the City conducts its business. The Council instructed staff to bring back several potential updates for consideration.

Identify Potential Park Sites

In recent years, the City Council had indicated a desire to find new recreational or park sites in the community (i.e., dog parks, picnic areas, etc.). Council instructed staff to include potential park sites into the General Plan Update discussion.

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.
 - Collaborated 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 noteworthy 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, 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, 2021, 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 Annual Comprehensive Financial Report for the fiscal year ended June 30, 2020. The Certificate of

Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized financial report, whose contents conform to program standards. Such financial reports 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, 2021, 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, 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**

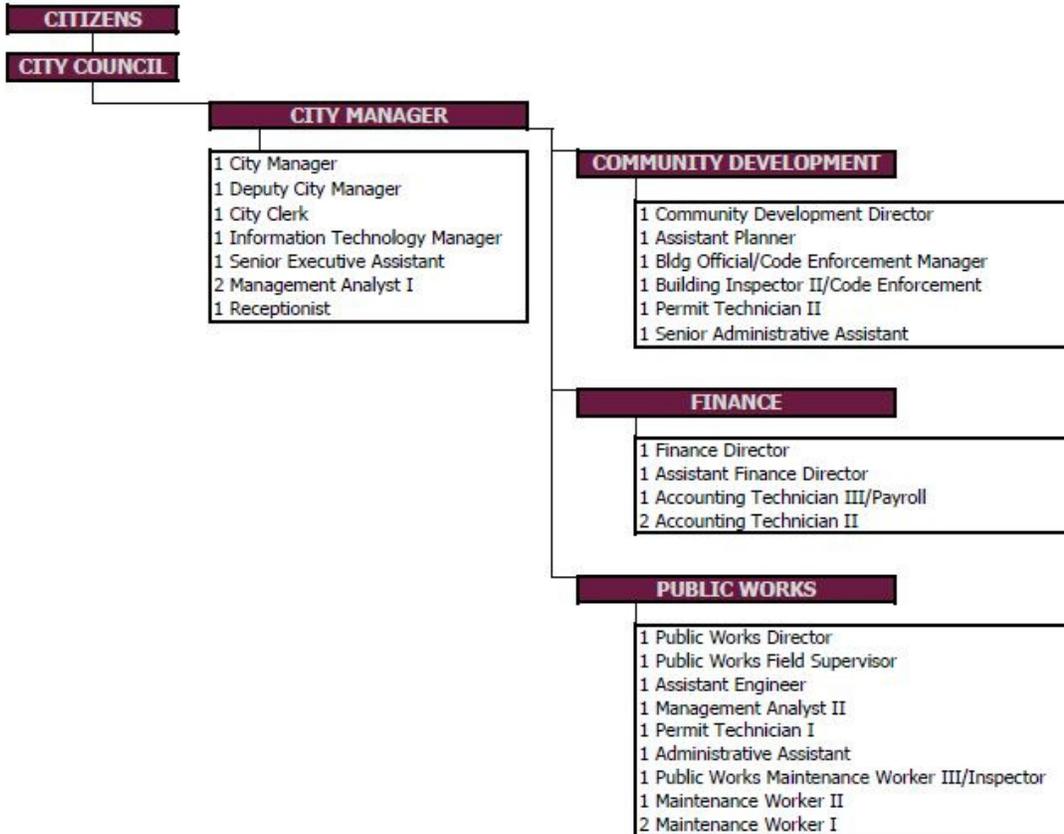
For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO

**City of Indian Wells
ORGANIZATION CHART
30-Jun-21**



CITY OF INDIAN WELLS

LIST OF PRINCIPAL OFFICIALS

JUNE 30, 2021

Council – Manager Form of Government

City Council

Richard Balocco
Mayor

Dana Reed
Mayor Pro Tem

Donna Griffith
Council Member

Kimberly Muzik
Council Member

Greg Sanders
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, 2021, 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, 2021, 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 November 29, 2021, 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 Bailly LLP". The signature is written in a cursive, flowing style.

Rancho Cucamonga, California
November 29, 2021

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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, 2021. 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-xv, and the accompanying basic financial statements found on pages 23-34 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 \$286.1 million (net position). The unrestricted net position, represents the amounts available to meet the City's ongoing obligations to citizens and creditors, was \$60.3 million, about 21.1% of the total net position. The City's investment in capital assets is \$195.6 million and \$30.2 million is subject to legal restrictions on their use.
- The City of Indian Wells total net position decreased \$17.5 million primarily due to \$8.2 million net loss on sale of land, \$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 \$94.9 million, an increase of \$0.7 million in comparison with the prior year. Of this amount, \$7.1 million, or 7.5%, is available for spending at the government's discretion (unassigned fund balance). Of the remaining amount, \$5.7 million, or 6.0%, of the governmental fund balances are committed for capital projects; \$18.9 million, or 19.9%, constitutes non-spendable reserves; \$29.3 million, or 30.9%, are restricted fund balances because of external limitations on spending. Assigned fund balances total \$33.9 million, or 35.7%, 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 \$3.3 million, or approximately 23.7% of total general fund expenditures.
- Governmental Activities capital assets net of depreciation decreased \$15.5 million from \$163.9 million to \$148.4 million. The City acquired \$0.3 million in new capital assets during the fiscal year. Land with a historical value of \$11.9 million was sold for \$3.6 million.
- The City of Indian Wells reported a \$0.8 million net pension asset for its proportionate share of the net pension liability of the Miscellaneous Plan as of June 30, 2021.
- 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, 2021, the City had liabilities of \$30,772 for postemployment benefits.

- As a result of this year’s business activities, the Indian Wells Golf Resort collected \$11.2 million in operating revenues. Expenses at the Indian Wells Golf Resort totaled \$13.4 million. Operating costs totaled \$10.9 million, general, and administrative costs totaled \$0.4 million, and depreciation totaled \$2.1 million.
- Capital assets from Business-type Activities net of depreciation decreased \$1.9 million from \$49.1 million to \$47.2 million. The Indian Wells Golf Resort acquired \$0.2 million in new capital assets during the fiscal year. 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 sizable 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 23-24 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 chooses 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, 2021, and 2020.

**Table 1
Statement of Net Position**

	Governmental Activities		Business -Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current and restricted assets	\$ 100,547,446	\$ 102,948,827	\$ (4,440,187)	\$ (4,353,298)	\$ 96,107,259	\$ 98,595,529
Capital assets	148,375,228	163,856,985	47,197,377	49,122,479	195,572,605	212,979,464
Total Assets	248,922,674	266,805,812	42,757,190	44,769,181	291,679,864	311,574,993
Deferred Outflows of Resources	1,773,484	2,744,417	26,319	38,872	1,799,803	2,783,289
Current Liabilities	3,738,225	6,171,381	1,142,521	879,545	4,880,746	7,050,926
Proportionate share of collective net pension liability	-	542,168	-	-	-	542,168
Non-current Liabilities	654,607	857,704			654,607	857,704
Total Liabilities	4,392,832	7,571,253	1,142,521	879,545	5,535,353	8,450,798
Deferred Inflows of Resources	1,823,848	2,234,449	52,708	64,343	1,876,556	2,298,792
Net Position:						
Net investment in capital assets	148,375,228	163,856,985	47,197,377	49,122,479	195,572,605	212,979,464
Restricted						
Community development	4,439,261	3,801,007	-	-	4,439,261	3,801,007
Housing	15,486,485	12,961,532	-	-	15,486,485	12,961,532
Public safety	6,548,304	6,728,419	-	-	6,548,304	6,728,419
Public works	2,793,046	2,732,362	-	-	2,793,046	2,732,362
Section 115 Trust	937,402	-	-	-	937,402	-
Unrestricted	65,899,752	69,664,222	(5,609,097)	(5,258,314)	60,290,655	64,405,908
Total Net Position	\$ 244,479,478	# \$ 259,744,527	\$ 41,588,280	# \$ 43,864,165	\$ 286,067,758	# \$ 303,608,692

Current and restricted assets decreased in governmental activities by \$2.5 million from the prior year. Capital assets decreased \$17.4 million from the previous year primarily due to sale of land and depreciation expense. Total liabilities in governmental activities decreased \$2.9 million from the previous year primarily due to a decrease of current liabilities for outstanding vendor invoices.

The City's assets exceeded liabilities by \$286.1 million at the close of the most recent fiscal year. Of the total net position, the City's net investment in capital assets is \$195.6 million and \$60.3 million represents unrestricted net position available for meeting the City's ongoing obligations to citizens and creditors. The City restricted \$30.2 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, 2021, and 2020.

	Governmental Activities		Business -Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues						
Program Revenues:						
Charges for services	\$ 1,358,380	\$ 1,562,515	\$ 11,178,205	\$ 11,340,304	\$ 12,536,585	\$ 12,902,819
Operating contributions and grants	9,056,477	8,554,193	-	-	9,056,477	8,554,193
Capital contributions and grants	119,842	487,500	-	-	119,842	487,500
General Revenues:						
Taxes						
Property taxes	3,554,123	3,303,647	-	-	3,554,123	3,303,647
Transient occupancy taxes	4,622,778	4,944,773	-	-	4,622,778	4,944,773
Sales taxes	656,060	821,533	-	-	656,060	821,533
Franchise taxes	993,257	995,921	-	-	993,257	995,921
Business licenses taxes	122,955	131,115	-	-	122,955	131,115
Admission taxes	116,614	-	-	-	116,614	-
Investment income	2,479,381	4,275,362	(2,222)	16,498	2,477,159	4,291,860
Other	744,391	685,064	-	-	744,391	685,064
Total Revenues	23,824,258	25,761,623	11,175,983	11,356,802	35,000,241	37,118,425
Expenses:						
General government	16,765,605	8,368,804	-	-	16,765,605	8,368,804
Public safety	9,448,083	9,192,146	-	-	9,448,083	9,192,146
Community development	4,918,929	4,586,068	-	-	4,918,929	4,586,068
Public works	7,956,690	7,786,633	-	-	7,956,690	7,786,633
Golf resort	-	-	13,451,868	15,504,561	13,451,868	15,504,561
Total Expenses	39,089,307	29,933,651	13,451,868	15,504,561	52,541,175	45,438,212
 Increase (decrease) in net position	 (15,265,049)	 (4,172,028)	 (2,275,885)	 (4,147,759)	 (17,540,934)	 (8,319,787)
Net Position, Beginning of Year	259,744,527	263,916,555	43,864,165	48,011,924	303,608,692	311,928,479
Net Position, End of Year	\$ 244,479,478	\$ 259,744,527	\$ 41,588,280	\$ 43,864,165	\$ 286,067,758	\$ 303,608,692

Revenues:

Governmental Activities

The City collected \$23.8 million during fiscal year 2020/21 compared to \$25.8 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.
- Reductions in tourism and limited hotel operations.
- GASB 31 Mark to Market adjustment to investment income.

Business Type Activities

- Due to the coronavirus pandemic, 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.

Expenses:

Governmental Activities

- Expenses for all governmental activities totaled \$39.1 million. The General government category had largest increase (\$8.4 million in expense) from the previous year primarily due to a loss on sale of land. Other operational cost increases which were largely inflationary in nature.

Business Type Activities

- Indian Wells Golf Resort operating costs totaled \$13.5 million as follows: operations \$10.9 million, general, and administrative costs reached \$0.5 million, and depreciation was \$2.1 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 \$94.9 million as follows:

Table 3
Fund Balances by Category
Fiscal Year Ending 6/30/2021

	<u>General Fund</u>	<u>All Other Funds</u>	<u>Total Funds</u>
Nonspendable:			
Prepaid costs	\$ 15,086	\$ -	\$ 15,086
Notes and loans	29,336,845	-	29,336,845
Restricted for:			
Community development	-	19,925,746	19,925,746
Public safety	-	6,548,304	6,548,304
Public works	-	2,793,046	2,793,046
Committed for:			
Capital projects	-	5,664,949	5,664,949
Assigned To:			
Capital projects	-	28,414,872	28,414,872
Unassigned:	3,324,042	(1,131,775)	2,192,267
Total Fund Balances	<u>\$ 32,675,973</u>	<u>\$ 62,215,142</u>	<u>\$ 94,891,115</u>

Governmental fund balances ended the year totaling \$94.9 million. Of this amount, \$29.3 million constitutes non-spendable reserves; an additional \$29.3 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 \$28.4 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 \$2.1 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 6/30/2021

	Golf Resort Operations
Operating Revenues:	
Charges for services	\$ 11,178,205
Total Revenues	11,178,205
Operating Expenses:	
Operations	10,889,789
General and Administration	438,875
Depreciation	2,123,204
Total Expenditures	13,451,868
Operating Income (loss)	(2,273,663)
Non-operating Revenues (Expenses)	
Investment Income (loss)	(2,222)
Changes in Net Position	(2,275,885)
Net Position, Beginning of the Year	43,864,165
Net Position at End of Year	\$ 41,588,280

As a result of this year’s business activities, the Indian Wells Golf Resort collected \$11.2 million in operating revenues. Revenues from operations include golf fees, food & beverage receipts, and event sales.

Expenses at the Indian Wells Golf Resort totaled \$13.5 million. Operating costs totaled \$10.9 million, general, and administrative costs totaled \$0.5 million, and depreciation totaled \$2.1 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 \$32.7 million. The fund balance breaks down as follows: non-spendable assets comprise \$29.3 million in notes and loans and \$3.3 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 23.7% of total general fund expenditures, while total fund balance represents 233.8% of that same amount.

Table 5
General Fund Financial Summary

	2021	2020	\$ Change	% Change
Revenues:				
Taxes	\$ 9,779,512	\$ 9,837,497	\$ (57,985)	-0.6%
Licenses and permits	499,644	541,605	(41,961)	-7.7%
Intergovernmental	505,900	485,587	20,313	4.2%
Charges for services	317,458	427,652	(110,194)	-25.8%
Interest income	147,618	327,061	(179,443)	-54.9%
Fines and forfeitures	41,412	58,587	(17,175)	-29.3%
Other income	496,198	501,879	(5,681)	-1.1%
Total Revenues	11,787,742	12,179,868	(392,126)	-3.2%
Expenditures:				
General government	6,628,933	6,712,868	(83,935)	-1.3%
Public safety	3,711,435	3,717,090	(5,655)	-0.2%
Community development	1,400,549	1,358,158	42,391	3.1%
Public works	2,235,399	2,581,583	(346,184)	-13.4%
Total Expenditures	13,976,316	14,369,699	(393,383)	-2.7%
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (2,188,574)	\$ (2,189,831)	\$ 1,257	-0.1%
Other Financing Sources (Uses)				
Transfer in	-	6,000,000	(6,000,000)	100.0%
Transfer out	-	(9,438,991)	9,438,991	-100.0%
Total	-	(3,438,991)	3,438,991	-100.0%
Net Change in Fund Balance	(2,188,574)	(5,628,822)	3,440,248	-61.1%

General Fund revenues decreased 3.2% during fiscal year 2020/21 compared to the prior year primarily due to continuing tourism impacts due to the coronavirus pandemic. The fiscal year 2020/21 BNP Paribas tennis tournament, Coachella, and Stagecoach music festivals were cancelled, and City hotels temporarily closed.

General Fund expenditures decreased \$0.4 million (2.7%) during fiscal year 2020/21 primarily due to reductions in public works costs. See Fund Financial Statements tab page 25-28.

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 \$15.5 million.

Table 6
Housing Authority Financial Summary

	<u>2021</u>	<u>2020</u>	<u>\$ Change</u>	<u>% Change</u>
Revenues:				
Interest income	\$ 49,256	\$ 315,388	\$ (266,132)	-84.4%
Total Revenues	49,256	315,388	(266,132)	-84.4%
Expenditures:				
General government	916,125	974,036	(57,911)	-5.9%
Community development	250,000	250,000	-	0.0%
Total Expenditures	1,166,125	1,224,036	(57,911)	-4.7%
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,116,869)	(908,648)	(208,221)	22.9%
Other Financing Sources (Uses)				
Proceeds from Sale of Land	3,641,822	-	3,641,822	0.0%
Total	3,641,822	-	3,641,822	0.0%
Net Change in Fund Balance	\$ 2,524,953	\$ (908,648)	\$ 3,433,601	-377.9%

Revenues consist of \$49,256 in interest income earned during fiscal year 2020/21. Expenditures totaling \$1.2 million during fiscal year 2020/21 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 2020/21 expenditures decreased \$57,911 compared to the prior year primarily due to fewer capital maintenance projects. See Fund Financial Statements tab page 25-28.

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 \$3.9 million.

Table 7
Emergency Services Upgrade Financial Summary

	2021	2020	\$ Change	% Change
Revenues:				
Taxes	\$ 3,714,412	\$ 3,277,041	\$ 437,371	13.3%
Charges for services	485,118	524,273	(39,155)	-7.5%
Interest income	8,098	109,888	(101,790)	-92.6%
Assessments	609,682	608,207	1,475	0.2%
Other income	1,888	21,183	(19,295)	-91.1%
Total Revenues	4,819,198	4,540,592	278,606	6.1%
Expenditures:				
Public safety	4,030,376	3,989,203	41,173	1.0%
Capital Outlay	490,822	-	490,822	#DIV/0!
Total Expenditures	4,521,198	3,989,203	531,995	13.3%
Excess (Deficiency) of Revenues Over (Under) Expenditures	298,000	551,389	(253,389)	-46.0%
Other Financing Sources (Uses)				
Transfer in	-	-	-	0.0%
Transfer out	-	-	-	0.0%
Total Transfers	-	-	-	0.0%
Net Change in Fund Balance	\$ 298,000	\$ 551,389	\$ (253,389)	-46.0%

Revenues collected during fiscal year 2020/21 include a \$3.7 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 \$4.5 million during fiscal year 2020/21 include staff salaries and benefits, professional services, contract fire costs, general liability insurance premiums, maintenance projects, and capital outlay. Fiscal year 2020/21 expenditures increased \$0.5 million compared to the prior year primarily due to capital acquisitions. See Fund Financial Statements tab page 25-28.

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**

	<u>2021</u>	<u>2020</u>	<u>\$ Change</u>	<u>% Change</u>
Revenues:				
Other income	\$ 40,198	\$ 82,504	\$ (42,306)	-51.3%
Total Revenues	40,198	82,504	(42,306)	-51.3%
Expenditures:				
General government	-	-	-	0.0%
Total Expenditures	-	-	-	0.0%
Excess (Deficiency) of Revenues Over (Under) Expenditures	40,198	82,504	(42,306)	-51.3%
Other Financing Sources (Uses)				
Transfer in	-	-	-	0.0%
Transfer out	-	-	-	0.0%
Total Transfers	-	-	-	0.0%
Net Change in Fund Balance	\$ 40,198	\$ 82,504	\$ (42,306)	-51.3%

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 25-28.

City Streets Capital Reserve

City Streets Capital Reserve Fund is part of the City’s good governance 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 long-term capital replacement program.

Table 9
City Streets Capital Reserve Financial Summary

	2021	2020	\$ Change	% Change
Revenues:				
Interest income	\$ 49,330	\$ 617,608	\$ (568,278)	-92.0%
Total Revenues	49,330	617,608	(568,278)	-92.0%
Expenditures:				
Public works	-	-	-	0.0%
Total Expenditures	-	-	-	0.0%
Excess (Deficiency) of Revenues Over (Under) Expenditures	49,330	617,608	(568,278)	-92.0%
Other Financing Sources (Uses)				
Transfer in	-	-	-	100.0%
Transfer out	-	-	-	0.0%
Total Transfers	-	-	-	0.0%
Net Change in Fund Balance	\$ 49,330	\$ 617,608	\$ (568,278)	-92.0%

The City Streets Capital Reserve is funded through interest income and transfers in. When capital funding is needed, the City Council approves 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 25-28.

General Fund Budgetary Highlights

Actual revenues received in the General Fund were \$0.3 million lower than budgeted before transfers primarily attributed to the following:

- Tourism impacts due to the coronavirus pandemic.
- Cancellation of the BNP Paribas tennis tournament, Coachella, and Stagecoach music festivals.
- City hotels closed

The final budget for General Fund expenditures and transfers out was \$0.3 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

	Total Cost of Services		Net Cost of Services	
	2021	2020	2021	2020
Government Activities				
General government	\$ 16,765,605	\$ 8,368,804	\$ (16,200,979)	\$ (7,824,630)
Public safety	9,448,083	9,192,146	(3,320,127)	(3,358,456)
Community development	4,918,929	4,586,068	(4,101,827)	(3,616,811)
Public works	7,956,690	7,786,633	(4,931,675)	(4,529,546)
Total Governmental Activities	39,089,307	29,933,651	(28,554,608)	(19,329,443)
Business-Type Activities				
Golf resort	13,451,868	15,504,561	(2,273,663)	(4,164,257)
Other	-	-	-	-
Total Business-Type Activates	13,451,868	15,504,561	(2,273,663)	(4,164,257)
Total Primary Government	\$ 52,541,175	\$ 45,438,212	\$ (30,828,271)	\$ (23,493,700)

See the Statement of Activities on page 24 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

	Balance at July 1, 2020	Additions	Deletions	Balance at June 30, 2021
Capital assets, not being depreciated:				
Land	\$ 44,224,871	\$ -	\$ (11,885,884)	\$ 32,338,987
Construction in progress	216,641	-	-	216,641
Total capital assets not being depreciated	44,441,512	-	(11,885,884)	32,555,628
Capital assets, being depreciated:				
Intangible	2,500,000	-	-	2,500,000
Buildings and improvements	67,571,200	53,310	-	67,624,510
Equipment	1,700,045	255,790	-	1,955,835
Infrastructure	114,181,458	-	-	114,181,458
Total capital assets being depreciated	185,952,703	309,100	-	186,261,803
Less accumulated depreciation for:				
Intangible	(1,875,000)	(250,000)	-	(2,125,000)
Buildings and improvements	(27,636,662)	(1,982,942)	-	(29,619,604)
Equipment	(1,554,690)	(91,445)	40,178	(1,605,957)
Infrastructure	(35,470,878)	(1,620,764)	-	(37,091,642)
Total accumulated depreciation	(66,537,230)	(3,945,151)	40,178	(70,442,203)
Total capital assets being depreciated, net	119,415,473	(3,636,051)	40,178	115,819,600
Total capital assets, net	\$ 163,856,985	\$ (3,636,051)	\$ (11,845,706)	\$ 148,375,228

The City completed \$0.3 million in new capital assets during the fiscal year. The City spent \$53,310 on City infrastructure including Whitewater channel and Miles Bridge improvements. The remaining \$0.2 million for Public Works and Public Safety equipment acquisitions.

Deletions totaled \$11.9 million due to sale of land and depreciation expense was \$3.6 million. The net investment in capital assets decreased \$15.5 million from \$163.9 million to \$148.4 million.

Business-Type Activities

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

	Balance at July 1, 2020	Additions	Deletions	Balance at June 30, 2021
Capital assets, not being depreciated:				
Land	\$ 13,910,956	\$ -	\$ -	\$ 13,910,956
Construction in progress	-	-	-	-
Total capital assets not being depreciated	13,910,956	-	-	13,910,956
Capital assets, being depreciated:				
Buildings and improvements	85,075,171	125,010	-	85,200,181
Equipment	5,624,332	73,091	-	5,697,423
Infrastructure	433,389	-	-	433,389
Total capital assets being depreciated	91,132,892	198,101	-	91,330,993
Less accumulated depreciation for:				
Buildings and improvements	(50,973,058)	(1,850,917)	-	(52,823,975)
Equipment	(4,847,188)	(265,063)	-	(5,112,251)
Infrastructure	(101,123)	(7,223)	-	(108,346)
Total accumulated depreciation	(55,921,369)	(2,123,203)	-	(58,044,572)
Total capital assets being depreciated, net	35,211,523	(1,925,102)	-	33,286,421
Total capital assets, net	\$ 49,122,479	\$ (1,925,102)	\$ -	\$ 47,197,377

The Indian Wells Golf Resort purchased \$0.2 million in new equipment replacing equipment that had come to the end of its life cycle. Total depreciation is \$2.3 million.

The net investment in capital assets decreased \$1.9 million from \$49.1 million to \$47.2 million. Details of the City's capital assets can be found in Note 7 Capital Assets on page 53-55 of the Notes to Basic Financial Statements.

Long-term Liabilities

At year-end, the City governmental activities had (net) prefunded \$127,256 in long-term liabilities.

Table 13
Summary of Changes in Long-Term Liabilities

Description	2021	2020	\$ Change	% Change
Net Pension Liability	\$ (781,863)	\$ (1,218,808)	\$ 436,945	-35.9%
Net OPEB Liability	30,772	857,704	(826,932)	-96.4%
Compensated absences	623,835	542,168	81,667	15.1%
Total Long Term Debt	\$ (127,256)	\$ 181,064	\$ (308,320)	-170.3%

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 (\$0.8) million. The City's net pension liability for the Miscellaneous Plan is measured as the proportionate share of the net pension liability.

The City's proportion of the net pension liability (asset) 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, 2019, and 2020, was as follows:

Proportion - June 30, 2019	-0.01189%
Proportion - June 30, 2020	-0.00719%
Change - Increase/(Decrease)	-0.00470%

The City has established a Retiree Healthcare Plan (HC Plan) and participates in an agent multiple employers 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 \$30,772 as of June 30, 2021.

The City reported \$0.6 million in compensated absences liability as of June 30, 2021. 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. Several 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

Until March 2020, the United States was experiencing the longest economic expansion in this Country's history. When the coronavirus hit, 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.

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.

Economic conditions are the primary drivers for a number of the City's revenues, with the most significant impacts in the transient occupancy tax, admissions tax, and sales tax categories. As a result of the COVID-19 pandemic and the necessary response to protect community health and safety, economic activity at the global, national, and local levels were severely restricted.

As anticipated, the immediate halting of daily economic activity had a significant negative impact to many of the economically sensitive revenue categories that are received in the General Fund. On a positive note, general secured property taxes are not anticipated to significantly change in fiscal year 2021/22 as the revenue is based on property values as of January 1, 2021. Any changes in the local real estate market that occurs in 2021 because of the COVID-19 pandemic will not be felt until fiscal year 2022/23.

Economic recovery will likely take eighteen to twenty-four months with many areas of the recovery remaining a mystery. Will "six feet and a mask" be replaced by the "vaccine" or will a form of social distancing become the new normal? Responses to these questions could impact attendance levels during the BNP Paribas or occupancy with Hotel Partners. These issues impact City revenues. During this next budget period, Indian Wells will face many challenges as these issues are resolved.

With the return of tourism, the City will encounter:

- Likely wave of tourism resurgence due to pent up demand.
- Need to re-establish marketing presence in the Southern California/Scottsdale drive markets which could be quickest to recover.
- Strengthen marketing campaigns with CVB and IWGR partners.
- Monitor the return of air-travel markets.

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.

City of Indian Wells, California
Statement of Net Position
June 30, 2021

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and investments	\$ 67,538,938	\$ 3,737,503	\$ 71,276,441
Restricted cash and investments	937,402	-	937,402
Receivables			
Accounts	1,752,423	100,680	1,853,103
Accrued interest	92,628	-	92,628
Prepaid costs	15,086	464,527	479,613
Inventories	-	181,793	181,793
Other assets	40,677	-	40,677
Internal balances	8,947,286	(8,947,286)	-
Notes receivable	1,251,547	-	1,251,547
Due from Successor Agency	19,212,192	-	19,212,192
Net pension asset	759,267	22,596	781,863
Capital assets not being depreciated	32,555,628	13,910,956	46,466,584
Capital assets, net of depreciation	115,819,600	33,286,421	149,106,021
Total assets	<u>248,922,674</u>	<u>42,757,190</u>	<u>291,679,864</u>
Deferred Outflows of Resources			
Deferred amounts related to pensions	910,728	26,319	937,047
Deferred amounts related to OPEB	862,756	-	862,756
Total deferred outflows of resources	<u>1,773,484</u>	<u>26,319</u>	<u>1,799,803</u>
Liabilities			
Current liabilities			
Accounts payable	2,652,210	1,110,009	3,762,219
Accrued liabilities	142,743	5,267	148,010
Deposits payable	943,272	27,245	970,517
Noncurrent liabilities:			
Due within one year:			
Compensated absences	118,415	-	118,415
Due in more than one year:			
Compensated absences	505,420	-	505,420
Net OPEB liability	30,772	-	30,772
Total liabilities	<u>4,392,832</u>	<u>1,142,521</u>	<u>5,535,353</u>
Deferred Inflows of Resources			
Deferred amounts related to pensions	1,823,848	52,708	1,876,556
Total deferred inflows of resources	<u>1,823,848</u>	<u>52,708</u>	<u>1,876,556</u>
Net Position			
Net investment in capital assets	148,375,228	47,197,377	195,572,605
Restricted for			
Community development projects	4,439,261	-	4,439,261
Housing	15,486,485	-	15,486,485
Public safety	6,548,304	-	6,548,304
Public works	2,793,046	-	2,793,046
Section 115 Trust	937,402	-	937,402
Unrestricted	65,899,752	(5,609,097)	60,290,655
Total Net Position	<u>\$ 244,479,478</u>	<u>\$ 41,588,280</u>	<u>\$ 286,067,758</u>

City of Indian Wells, California
Statement of Activities
Year Ended June 30, 2021

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants	Primary Government		
					Governmental Activities	Business-type Activities	Total
Government Activities							
General government	\$ 16,765,605	\$ 41,412	\$ 523,214	\$ -	\$ (16,200,979)	\$ -	\$ (16,200,979)
Public safety	9,448,083	485,403	5,642,553	-	(3,320,127)	-	(3,320,127)
Community development	4,918,929	817,102	-	-	(4,101,827)	-	(4,101,827)
Public works	7,956,690	14,463	2,890,710	119,842	(4,931,675)	-	(4,931,675)
Total governmental activities	39,089,307	1,358,380	9,056,477	119,842	(28,554,608)	-	(28,554,608)
Business-type Activities							
Golf resort operations	13,451,868	11,178,205	-	-	-	(2,273,663)	(2,273,663)
Total business-type activities	13,451,868	11,178,205	-	-	-	(2,273,663)	(2,273,663)
Total Primary Government	\$ 52,541,175	\$ 12,536,585	\$ 9,056,477	\$ 119,842	(28,554,608)	(2,273,663)	(30,828,271)
General Revenues							
Taxes							
Property taxes, levied for general purpose					3,554,123	-	3,554,123
Transient occupancy taxes					4,622,778	-	4,622,778
Sales taxes					656,060	-	656,060
Franchise taxes					993,257	-	993,257
Business licenses taxes					122,955	-	122,955
Admission taxes					116,614	-	116,614
Investment income					2,479,381	(2,222)	2,477,159
Other					744,391	-	744,391
Total general revenues					13,289,559	(2,222)	13,287,337
Change in Net Position					(15,265,049)	(2,275,885)	(17,540,934)
Net Position, Beginning of Year					259,744,527	43,864,165	303,608,692
Net Position, End of Year					\$ 244,479,478	\$ 41,588,280	\$ 286,067,758

City of Indian Wells, California
Balance Sheet - Governmental Funds
June 30, 2021

	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	\$ 4,756,533	\$ 14,013,700	\$ 3,916,421	\$ -	\$ 18,834,443	\$ 25,411,306	\$ 66,932,403
Receivables							
Accounts	1,013,108	-	492,395	-	-	246,920	1,752,423
Accrued interest	8,267	19,102	5,339	-	25,673	33,420	91,801
Prepaid costs	15,086	-	-	-	-	-	15,086
Other assets	40,677	-	-	-	-	-	40,677
Due from other funds	10,458,681	-	-	-	-	-	10,458,681
Notes receivable	1,138,972	-	-	-	-	112,575	1,251,547
Due from Successor Agency	17,739,192	1,473,000	-	-	-	-	19,212,192
Total assets	\$ 35,170,516	\$ 15,505,802	\$ 4,414,155	\$ -	\$ 18,860,116	\$ 25,804,221	\$ 99,754,810
Liabilities and Fund Balances							
Liabilities							
Accounts payable	\$ 1,546,613	\$ 7,895	\$ 505,280	\$ -	\$ -	\$ 592,422	\$ 2,652,210
Accrued liabilities	118,932	11,422	4,229	-	-	1,855	136,438
Deposits payable	828,998	-	-	-	-	114,274	943,272
Due to other funds	-	-	-	1,102,785	-	28,990	1,131,775
Total liabilities	2,494,543	19,317	509,509	1,102,785	-	737,541	4,863,695
Fund Balances							
Nonspendable							
Prepaid costs	15,086	-	-	-	-	-	15,086
Notes and loans	29,336,845	-	-	-	-	-	29,336,845
Restricted for							
Community development	-	15,486,485	-	-	-	4,439,261	19,925,746
Public safety	-	-	3,904,646	-	-	2,643,658	6,548,304
Public works	-	-	-	-	-	2,793,046	2,793,046
Committed to							
Capital projects	-	-	-	-	-	5,664,949	5,664,949
Assigned							
Capital projects	-	-	-	-	18,860,116	9,554,756	28,414,872
Unassigned	3,324,042	-	-	(1,102,785)	-	(28,990)	2,192,267
Total fund balances	32,675,973	15,486,485	3,904,646	(1,102,785)	18,860,116	25,066,680	94,891,115
Total Liabilities and Fund Balances	\$ 35,170,516	\$ 15,505,802	\$ 4,414,155	\$ -	\$ 18,860,116	\$ 25,804,221	\$ 99,754,810

City of Indian Wells, California
Reconciliation of the Balance Sheet to the Statement of Net Position - Governmental Funds
June 30, 2021

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

Total fund balances - total governmental funds	\$ 94,891,115
Capital assets net of related accumulated depreciation have not been included as financial resources in governmental fund activity	148,375,228
Compensated absences are not considered due and payable and therefore have not been included in the governmental funds	(623,835)
Deferred outflows related to pensions	910,728
Deferred inflows related to pensions	(1,823,848)
Proportionate share of net pension asset is not a financial resource and, therefore, has not been included in governmental fund activity	759,267
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>1,990,823</u>
Net Position of Governmental Activities	<u><u>\$ 244,479,478</u></u>

City of Indian Wells, California
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds
Year Ended June 30, 2021

	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	\$ 9,779,512	\$ -	\$ 3,714,412	\$ -	\$ -	\$ 286,275	\$ 13,780,199
Licenses and permits	499,644	-	-	-	-	285	499,929
Intergovernmental	505,900	-	-	-	-	718,115	1,224,015
Charges for services	317,458	-	485,118	-	-	-	802,576
Investment income	147,618	49,256	8,098	4	49,330	60,587	314,893
Fines and forfeitures	41,412	-	-	-	-	14,463	55,875
Rental income	-	-	-	-	-	1,978,311	1,978,311
Assessments	-	-	609,682	-	-	3,492,739	4,102,421
Developer fees	-	-	-	40,194	-	95,277	135,471
Other income	496,168	-	1,888	-	-	246,335	744,391
Total revenues	11,787,712	49,256	4,819,198	40,198	49,330	6,892,387	23,638,081
Expenditures							
Current							
General government	6,628,933	916,125	-	-	-	237,974	7,783,032
Public safety	3,711,435	-	4,030,376	-	-	1,514,535	9,256,346
Community development	1,400,549	250,000	-	-	-	1,417,991	3,068,540
Public works	2,235,399	-	-	-	-	2,934,531	5,169,930
Capital outlay	-	-	490,822	-	-	779,719	1,270,541
Total expenditures	13,976,316	1,166,125	4,521,198	-	-	6,884,750	26,548,389
Excess (Deficiency) of Revenues over (under) Expenditures	(2,188,604)	(1,116,869)	298,000	40,198	49,330	7,637	(2,910,308)
Other Financing Sources (Uses)							
Proceeds from sale of land	-	3,641,822	-	-	-	-	3,641,822
Transfers in	-	-	-	-	-	154,080	154,080
Transfers out	-	-	-	-	-	(154,080)	(154,080)
Total other financing sources (uses)	-	3,641,822	-	-	-	-	3,641,822
Net Change in Fund Balances	(2,188,604)	2,524,953	298,000	40,198	49,330	7,637	731,514
Fund Balances, Beginning of Year	34,864,577	12,961,532	3,606,646	(1,142,983)	18,810,786	25,059,043	94,159,601
Fund Balances, End of Year	\$ 32,675,973	\$ 15,486,485	\$ 3,904,646	\$ (1,102,785)	\$ 18,860,116	\$ 25,066,680	\$ 94,891,115

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, 2021

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

Net change in fund balances - total governmental funds	\$ 731,514
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, proceeds from the sale of assets, and the net depreciation expense is reported in the governmental activities.	(15,481,757)
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	(81,667)
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	(481,545)
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>(137,771)</u>
Change in net position of governmental activities	<u><u>\$ (15,451,226)</u></u>

City of Indian Wells, California
Statement of Net Position - Proprietary Funds
June 30, 2021

	Business-Type Activities	Governmental Activities
	Golf Resort Operations	Internal Service Funds
Assets		
Current Assets		
Cash and investments	\$ 3,737,503	\$ 606,535
Restricted cash and investments	-	937,402
Receivables		
Accounts	100,680	-
Accrued interest	-	827
Prepaid costs	464,527	-
Inventories	181,793	-
Total current assets	4,484,503	1,544,764
Noncurrent Assets		
Net pension asset	22,596	-
Capital assets, not being depreciated	13,910,956	-
Capital assets, net of depreciation	33,286,421	-
Total noncurrent assets	47,219,973	-
Total assets	51,704,476	1,544,764
Deferred Outflows of Resources		
Deferred amounts related to pension	26,319	-
Deferred amounts related to OPEB	-	862,756
Total deferred outflows of resources	26,319	862,756
Liabilities		
Current Liabilities		
Accounts payable	1,110,009	-
Accrued liabilities	5,267	6,305
Deposits payable	27,245	-
Due to other funds	8,947,286	379,620
Total current liabilities	10,089,807	385,925
Noncurrent Liabilities		
Net OPEB liability	-	30,772
Total liabilities	10,089,807	416,697
Deferred Inflows of Resources		
Deferred amounts related to pension	52,708	-
Total deferred inflows of resources	52,708	-
Net Position		
Net investment in capital assets	47,197,377	-
Restricted Section 115 Trust	-	937,402
Unrestricted	(5,609,097)	1,053,421
Total Net Position	\$ 41,588,280	\$ 1,990,823

City of Indian Wells, California
Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds
Year Ended June 30, 2021

	Business-Type Activities	Governmental Activities
	Golf Resort Operations	Internal Service Funds
Operating Revenues		
Charges for services	\$ 11,178,205	\$ -
Interdepartmental charges	-	792,393
Total operating revenues	<u>11,178,205</u>	<u>792,393</u>
Operating Expenses		
Operations	10,889,789	-
General and administration	438,875	930,164
Depreciation	2,123,204	-
Total operating expenses	<u>13,451,868</u>	<u>930,164</u>
Operating Income (Loss)	<u>(2,273,663)</u>	<u>(137,771)</u>
Nonoperating Revenues (Expenses)		
Investment income	<u>(2,222)</u>	<u>186,177</u>
Total nonoperating revenues (expenses)	<u>(2,222)</u>	<u>186,177</u>
Changes in Net Position	(2,275,885)	48,406
Net Position, Beginning of Year	<u>43,864,165</u>	<u>1,942,417</u>
Net Position, End of Year	<u>\$ 41,588,280</u>	<u>\$ 1,990,823</u>

City of Indian Wells, California
Statement of Cash Flows - Proprietary Funds
Year Ended June 30, 2021

	Business-Type Activites	Governmental Activities
	Golf Resort Operations	Internal Service Funds
Operating Activities		
Cash received from customers	\$ 11,311,740	\$ -
Cash received from interfund service provided	-	792,393
Cash payments to suppliers for goods and services	(10,574,670)	(868,067)
Cash payments to employees for services	(397,910)	-
Net Cash used for Operating Activities	339,160	(75,674)
Non-Capital Financing Activities		
Cash received from other funds	1,955,659	-
Capital and Related Financing Activities		
Purchase of capital assets	(198,102)	-
Investing Activities		
Interest received on investments	-	186,824
Net Change in Cash and Cash Equivalents	2,096,717	111,150
Cash and Cash Equivalents, Beginning of Year	1,640,786	1,432,787
Cash and Cash Equivalents, End of Year	\$ 3,737,503	\$ 1,543,937

City of Indian Wells, California
Statement of Cash Flows - Proprietary Funds
Year Ended June 30, 2021

	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)	\$ (2,273,663)	\$ (137,771)
Adjustments to reconcile operating income (loss) to net cash from (used for) operating activities:		
Depreciation	2,123,204	-
Changes in		
Accounts receivable	133,535	-
Prepays	(46,662)	-
Inventory	126,224	-
Net OPEB liability and related balances	-	(323,828)
Net pension liability and related balances	13,546	-
Accounts payable	235,557	-
Accrued liabilities	174	6,305
Deposits payable	27,245	-
Due to other funds	-	379,620
	\$ 339,160	\$ (75,674)
Net Cash from (used for) operating activities		

City of Indian Wells, California
Statement of Fiduciary Net Position - Fiduciary Funds
June 30, 2021

	Private-Purpose Trust Fund <u>Successor Agency of the Former RDA</u>
Assets	
Cash and investments	\$ 13,275,976
Receivables	
Accrued interest	18,096
Prepaid costs	141,015
Restricted assets	
Cash and investments with fiscal agents	<u>8,978</u>
Total assets	<u>13,444,065</u>
Deferred Outflows of Resources	
Deferred loss on refunding	<u>327,360</u>
Liabilities	
Accrued interest	1,015,960
Due to City	17,739,192
Long-term liabilities	
Due in one year	6,285,000
Due in more than one year	<u>68,889,493</u>
Total liabilities	<u>93,929,645</u>
Net Position (Deficit)	
Held in trust for other purposes	<u><u>\$ (80,158,220)</u></u>

City of Indian Wells, California
Statement of Changes in Fiduciary Net Position - Fiduciary Funds
Year Ended June 30, 2021

	Private-Purpose Trust Fund <u>Successor Agency of the Former RDA</u>
Additions	
Taxes	<u>\$ 14,587,297</u>
Deductions	
Administrative expenses	345,652
Interest and fiscal charges	<u>2,538,024</u>
Total deductions	<u>2,883,676</u>
Changes in Net Position	11,703,621
Net Position (Deficit), Beginning of the Year	<u>(91,861,841)</u>
Net Position (Deficit), End of the Year	<u><u>\$ (80,158,220)</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, highways and streets, sanitation, public improvements, planning and zoning, parks and recreation, 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, liabilities, and deferred outflows/inflows of resources 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 expenditures. 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, liabilities, and deferred inflows of resources 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. The General Fund is used to account for revenue and expenditures traditionally associated with government, but which are not required legally or by sound financial management to be accounted for in another fund. The revenues and expenditures are often referred to as discretionary, meaning that they can be allocated as directed by the City Council. The revenues supporting the fund are primarily transit occupancy tax, property tax and sales tax. Most of the City's administrative and operating costs such as salaries, benefits, and professional consultants as well as supplies and charitable contributions are paid for out of the General 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 Indian Wells Housing Authority was created to promote and encourage the retention, rehabilitation, and development of affordable housing units. 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, fire prevention, fire investigation, fire safety education and 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

For purposes of the statement of cash flows, cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to known amounts of cash or so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. Cash equivalents have an original maturity date of three months or less from the date of purchase. Cash equivalents also represent the proprietary funds' share in the cash and investment pool 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, 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 three (3) years. The City has made one exception to this basic rule. All computer and computer related equipment purchases will not be capitalized. 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.

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.

The City of Indian Wells is one of thirty-nine cities in the State of California categorized as No/Low property tax city because the City did not have an established property tax rate prior to the adoption of Proposition 13. Cities without an established tax rate received the minimum tax rate formula. The rate has increased over time from 1% of the 1% of the assessed valuation to the maximum of 7% of the 1% of the assessed valuation.

After the formula is applied, the City receives approximately 4.6% (net) of the property tax. This means that for every \$100 of property tax collected by the County, the City receives \$4.60. As a No/Low city, Indian Wells receives only about half the property tax as other cities receive.

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 CalPERS reports them. 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, 2020
Measurement Period	July 1, 2019 to June 30, 2020

New Accounting Pronouncements*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. 87, Leases, effective for the fiscal year that ends June 30, 2022;
- GASB Statement No. 89, Accounting for Interest Cost Incurred Before the End of a Construction Period, effective for fiscal years beginning after December 31, 2021;
- GASB Statement No. 91, Conduit Debt Obligations, effective for fiscal years beginning after December 31, 2022;
- GASB Statement No. 92, Omnibus 2020, effective for the fiscal year that ends June 30, 2022;
- GASB Statement No. 93, Replacement of Interbank Offered Rates, effective for the fiscal year that ends June 30, 2022;
- GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, effective for the fiscal year that ends June 30, 2023;
- GASB Statement No. 96, Subscription-Based Information Technology Arrangements, effective for the fiscal year that ends June 30, 2023;
- GASB Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans, effective for the fiscal year that ends June 30, 2022.

Note 2 - Cash and Investments

Cash and investments at June 30, 2021, are classified in the accompanying financial statements as follows:

	Governmental Activities	Business-Type Activities	Fiduciary Activities	Total
Cash and investments	\$ 67,538,938	\$ 3,737,503	\$ 13,275,976	\$ 84,552,417
Restricted assets				
Restricted cash and investments	937,402	-	-	937,402
Cash and investments with fiscal agent	-	-	8,978	8,978
	\$ 68,476,340	\$ 3,737,503	\$ 13,284,954	\$ 85,498,797

Cash and investments at June 30, 2021, consisted of the following:

Petty cash	\$ 1,400
Demand accounts	5,896,630
Investments	79,600,767
Total Cash and Investments	\$ 85,498,797

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, 2021

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*	30%	5,000,000
State of California Obligations	5 years*	30%	5,000,000
CA Local Agency Obligations	5 years*	30%	5,000,000
Municipal Mutual Funds	N/A	30%	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	30%	3,000,000
Local Agency Investment Fund (LAIF)	N/A	70%	30,000,000 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	\$ 5,046,221	\$ -	\$ 29,879,109	\$ 34,925,330
Negotiable Certificates of Deposit	2,784,164	4,704,313	3,074,703	10,563,180
Local Agency Investment Fund	17,805,498	-	-	17,805,498
Medium Term Corporate Notes	-	8,081,546	4,954,810	13,036,356
Local Agency Bonds	-	2,324,023	-	2,324,023
Section 115 Trust				
Equity Mutual Funds	591,501	-	-	591,501
Fixed Income Mutual Funds	337,465	-	-	337,465
Money Market Mutual Funds	8,436	-	-	8,436
Held by Fiscal Agent				
Money Market Mutual Funds	8,978	-	-	8,978
	<u>\$ 26,582,263</u>	<u>\$ 15,109,882</u>	<u>\$ 37,908,622</u>	<u>\$ 79,600,767</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, 2021:

	Level 1	Level 2	Level 3	Fair Value
Federal Agency Securities	\$ -	\$ 34,925,330	\$ -	\$ 34,925,330
Medium Term Corporate Notes	-	13,036,356	-	13,036,356
Negotiable Certificates of	-	10,563,180	-	10,563,180
Local Agency Bonds	-	2,324,023	-	2,324,023
Section 115 Trust				
Equity Mutual Funds	591,501	-	-	591,501
Fixed Income Mutual Funds	337,465	-	-	337,465
 Total Leveled Investments	 \$ 928,966	 \$ 60,848,889	 \$ -	 61,777,855
 Local Agency Investment Fund				 17,805,498
Money Market Mutual Funds				
Section 115 Trust				
Money Market Mutual Funds				8,436
Held by Fiscal Agent				
Money Market Mutual Funds				8,978
 Total Investment Portfolio				 \$ 79,600,767

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, 2021	Not Rated	AAA	AA+ to AA-	A+ to A-	BBB+
Federal Agency Securities	n/a	\$ 34,925,330	\$ -	\$ -	\$ 34,925,330	\$ -	\$ -
Negotiable Certificates of Deposit	n/a	10,563,180	10,563,180	-	-	-	-
Local Agency Investment Fund	n/a	17,805,498	17,805,498	-	-	-	-
Medium Term Corporate Notes	A	13,036,356	-	-	4,159,110	6,854,556	2,022,690
Local Agency Bonds Section 115 Trust	A	2,324,023	-	-	2,324,023	-	-
Equity Mutual Funds	n/a	591,501	591,501	-	-	-	-
Fixed Income Mutual Funds	n/a	337,465	337,465	-	-	-	-
Money Market Mutual Funds	n/a	8,436	-	8,436	-	-	-
Held by Fiscal Agent Money Market Mutual Funds	A	8,978	-	-	-	8,978	-
		<u>\$ 79,600,767</u>	<u>\$ 29,297,644</u>	<u>\$ 8,436</u>	<u>\$ 41,408,463</u>	<u>\$ 6,863,534</u>	<u>\$ 2,022,690</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 Home Loan Bank	Federal Agency Securities	\$ 13,934,060	18%
Federal Farm Credit Bank	Federal Agency Securities	10,986,120	14%
Federal National Mortgage Association	Federal Agency Securities	5,975,420	8%
Federal Home Loan Mortgage Corporation	Federal Agency Securities	4,032,730	5%

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, 2021, are composed of the following:

	Other Receivable	Taxes Receivable	Total
Governmental Activities:			
General	\$ 169,167	\$ 843,941	\$ 1,013,108
Emergency Services Operations	474,642	17,753	492,395
Nonmajor Governmental Funds	36,590	210,330	246,920
	<u>\$ 680,399</u>	<u>\$ 1,072,024</u>	<u>\$ 1,752,423</u>
Business-type Activities:			
Golf Resort Operations	<u>\$ 100,680</u>	<u>\$ -</u>	<u>\$ 100,680</u>

Note 4 - Notes Receivable

	Outstanding at June 30, 2021
Governmental Activities	
Indian Wells Village Utility Undergrounding	\$ 112,575
Club Drive Property Sale	1,138,972
	<u>\$ 1,251,547</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. During fiscal year 2020-21, the City granted Indian Wells Medical Offices, LLC a three-month payment deferral due to economic hardship during the coronavirus pandemic. Final payment of the note is due and payable on July 1, 2038. Payments are due monthly in the amount of \$8,703. 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, 2021, are as follows:

<u>Due to Other Funds</u>	<u>Due From Other Funds</u>	<u>Amount</u>
Park Facilities in Lieu	General Fund	\$ 1,102,785
Golf Resort	General Fund	8,947,286
Internal service funds	General Fund	379,620
Non-major Governmental Funds	General Fund	28,990
		<u>\$ 10,458,681</u>

The General Fund Receivable from the Park Facilities in Lieu Fund of \$1,102,785 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 \$8,947,286 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 Internal Service Funds of \$379,620 represents monies advanced to the Internal Service Funds to cover current period financial needs. As the Internal Service funds collect revenues these amounts will be reimbursed to the General Fund. The advance is estimated to be paid off within 5 years.

The General Fund Receivable from the Non-major Governmental Funds of \$28,990 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, 2021, are as follows:

<u>Transfer Out of Fund</u>	<u>Transfer In to Fund</u>	<u>Amount</u>
Non-major Governmental Fund	Non-major Governmental Fund	<u>\$ 154,080</u>

The Non-major Governmental Funds transferred \$154,080 of residual Miles Bridge project funds to a different other Non-major Governmental Fund.

Note 7 - Capital Assets

Capital asset activity for the year ended June 30, 2021, was as follows:

	Balance at July 01, 2020	Additions	Deletions	Balance at June 30, 2021
Governmental activities				
Capital assets, not being depreciated				
Land	\$ 44,224,871	\$ -	\$ (11,885,884)	\$ 32,338,987
Construction in progress	216,641	-	-	216,641
Total capital assets not being depreciated	<u>44,441,512</u>	<u>-</u>	<u>(11,885,884)</u>	<u>32,555,628</u>
Capital assets, being depreciated				
Intangible	2,500,000	-	-	2,500,000
Buildings and improvements	67,571,200	53,310	-	67,624,510
Equipment	1,700,045	255,790	-	1,955,835
Infrastructure	114,181,458	-	-	114,181,458
Total capital assets being depreciated	<u>185,952,703</u>	<u>309,100</u>	<u>-</u>	<u>186,261,803</u>
Less accumulated depreciation				
Intangible	(1,875,000)	(250,000)	-	(2,125,000)
Buildings and improvements	(27,636,662)	(1,982,942)	-	(29,619,604)
Equipment	(1,554,690)	(91,445)	40,178	(1,605,957)
Infrastructure	(35,470,878)	(1,620,764)	-	(37,091,642)
Total accumulated depreciation	<u>(66,537,230)</u>	<u>(3,945,151)</u>	<u>40,178</u>	<u>(70,442,203)</u>
Total capital assets being depreciated, net	<u>119,415,473</u>	<u>(3,636,051)</u>	<u>40,178</u>	<u>115,819,600</u>
Governmental activities capital assets, net	<u>\$ 163,856,985</u>	<u>\$ (3,636,051)</u>	<u>\$ (11,845,706)</u>	<u>\$ 148,375,228</u>

City of Indian Wells, California

Notes to Financial Statements

June 30, 2021

	Balance at July 1, 2020	Additions	Deletions	Balance at June 30, 2021
Business-type activities				
Capital assets, not being depreciated				
Land	\$ 13,910,956	\$ -	\$ -	\$ 13,910,956
Total capital assets not being depreciated	<u>13,910,956</u>	<u>-</u>	<u>-</u>	<u>13,910,956</u>
Capital assets, being depreciated				
Buildings and improvements	85,075,171	125,010	-	85,200,181
Equipment	5,624,332	73,092	-	5,697,424
Infrastructure	433,389	-	-	433,389
Total capital assets being depreciated	<u>91,132,892</u>	<u>198,102</u>	<u>-</u>	<u>91,330,994</u>
Less accumulated depreciation				
Buildings and improvements	(50,973,058)	(1,850,918)	-	(52,823,976)
Equipment	(4,847,188)	(265,063)	-	(5,112,251)
Infrastructure	(101,123)	(7,223)	-	(108,346)
Total accumulated depreciation	<u>(55,921,369)</u>	<u>(2,123,204)</u>	<u>-</u>	<u>(58,044,573)</u>
Total capital assets being depreciated, net	<u>35,211,523</u>	<u>(1,925,102)</u>	<u>-</u>	<u>33,286,421</u>
Business-type activities capital assets, net	<u>\$ 49,122,479</u>	<u>\$ (1,925,102)</u>	<u>\$ -</u>	<u>\$ 47,197,377</u>

Depreciation Expense

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

Governmental Activities	
General government	\$ 320,346
Community development	1,397,968
Public safety	91,813
Public works	<u>2,135,024</u>
Total governmental activities	<u>\$ 3,945,151</u>
Business-type Activities	
Golf resort operations	<u>\$ 2,123,204</u>

Disposal of Land

In September 2020 the City completed the sale of a parcel of land to a third party unrelated to the City. Prior to the sale the land was the property of the Housing Authority of the City of Indian Wells. The book value of the parcel sold was \$11,885,884, and the City received \$3,641,822 in proceeds, net of closing costs. This transaction resulted in a net loss of \$8,244,062, which is recognized as a General Government expense on the Statement of Activities. The proceeds from the sale are recognized as an Other Financing Source to the Housing Authority on the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances.

Note 8 - Long-Term Liabilities

The changes in long-term liabilities for the year ended June 30, 2021, were as follows:

	Balance at July 01, 2020	Additions	Reductions	Balance June 30, 2021	Due within One year
Compensated absences	\$ 542,168	\$ 462,086	\$ (380,419)	\$ 623,835	\$ 118,415

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 distinct types of paid leave accrue to full-time employees. These include vacation, holiday, administrative leave, sick leave, and compensatory time accruals. Employee leave accruals are 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). Employees hired before January 1, 2013, and those who have CalPERS credited service prior to that date who are hired by the City less than 6 months after separation from that CalPERS contracting employer are "Classic" members with a classic formula benefit. Employees hired on or after January 1, 2013 or who separated from a CalPERS contracting employer more than 6 months prior to their date of hire with the City are "New" or "PEPRA" members with a PEPRA formula benefit. The CalPERS Plan consists of separate miscellaneous pools for Classic and PEPRA members, and separate safety pools for both Classic and PEPRA members (referred to as "risk pools"), which are comprised of individual

employer miscellaneous and safety rate plans, respectively. The City does not participate in the CalPERS safety plans. The risk pools are included within the Public Employees' Retirement Fund C (PERF C). Benefit provisions under the Plan are established by State statute under the Public Employees' Retirement Law (PERL), where optional provisions may be adopted by amendment of the City's CalPERS contract if not added at contract inception. 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, disability, and pre-retirement death benefits, credited service for unused sick leave, and annual cost of living adjustments for plan members, who must be public employees or beneficiaries. Benefits are based on years of credited service, where one year of full-time employment equates to one year of credited service. After achieving five years of total credited service, Classic members are eligible to retire at age 50 and PEPRA members are eligible to retire at age 52, both with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The pre-retirement 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 Plans' provisions and benefits in effect at June 30, 2021 are summarized below:

	Miscellaneous Plan	
	Classic Members	PEPRA Members
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 and up
Monthly benefits, as a % of eligible compensation	2.0% to 2.7%	1% to 2.5%
Required employee contribution rates	8.00%	7.25%
Required employer contribution rates*	15.037%	7.874%

*The percentage reflects the normal cost rate only. The portion of the required employer contribution that is attributed to amortization of the unfunded actuarial liability (UAL) for the miscellaneous plans is reflected as a fixed dollar value.

For the classic plan, the annual UAL prepayment option was \$15,357. For illustrative purposes only, the combined normal cost rate and the UAL payment reflected as a percentage of payroll equals as total of 15.613%.

For the PEPRA plan, the annual UAL prepayment option was \$1,968. For illustrative purposes only, the combined normal cost rate and the UAL payment reflected as a percentage of payroll equals as total of 8.581%.

Contribution Description

Section 20814(c) of the PERL requires that the employer contribution rates for all public employers be determined on an annual basis by the CalPERS actuarial office 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 and account for both Classic and PEPRAs contributions. 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 normal cost rate and the contribution rate of employees, plus the amortized UAL paid on a monthly basis, or prepaid in a lump sum with interest savings. The City's contributions for both the Classic and PEPRAs. Contributions to the pension plan were \$428,319 for the year ended June 30, 2021.

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 \$(781,863).

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, 2020, 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, 2019, rolled forward to June 30, 2020 using standard updated procedures. 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 in those plans, actuarially determined. The City's proportionate share of the net pension liability (asset) for the Miscellaneous Plans as of the June 30, 2019, and 2020 measurement dates was as follows:

Proportion - June 30, 2019	(0.01189%)
Proportion - June 30, 2020	<u>(0.00719%)</u>
Change - Increase/(Decrease)	<u><u>(0.00471%)</u></u>

For the year ended June 30, 2021, the City recognized pension expense of \$897,023 for the Miscellaneous Plan. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$ 428,319	\$ -
Changes in proportion and difference between City's contributions and proportionate share of contributions	476,832	1,760,330
Net difference between projected and actual earnings on pension plan investments	-	23,226
Difference between expected and actual experience	-	40,292
Changes in assumptions	<u>5,577</u>	<u>-</u>
	<u><u>\$ 910,728</u></u>	<u><u>\$ 1,823,848</u></u>

The amount of \$428,319 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, 2022. Other amounts reported as deferred outflows of resources and deferred or resources related to pensions will be recognized as pension expense as follows:

	<u>Year Ended June 30,</u>	
2022		\$ (553,710)
2023		(620,822)
2024		(155,767)
2025		<u>(11,140)</u>
		<u>\$ (1,341,439)</u>

Actuarial Assumptions

The total pension liabilities in the June 30, 2019, actuarial valuation was determined using the following actuarial assumptions.

Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions	
Discount Rate	7.15%
Inflation	2.50%
Payroll Growth	2.75%
Projected Salary Increase	Varies by Entry Age and Service
Investment Rate of Return	7.15%
Mortality*	Derived using CalPERS' Membership Data for all Funds

* The mortality table used was developed based on CalPERS' specific data. The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and postretirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from December 2017 that can be found on the CalPERS website.

All other actuarial assumptions used in the June 30, 2019, 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. To determine whether the municipal bond rate should be used in the calculation of the discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. The tests revealed the assets would not run out. Therefore, the current 7.15 percent discount rate is appropriate, and the use of the municipal bond rate calculation is not deemed necessary. The long-term expected discount rate of 7.15 percent is applied to all plans in the Public Employees' Retirement Fund (PERF). The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS website under the GASB 68 section.

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)	\$ 3,486,142	\$ (781,863)	\$ (4,308,381)

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 \$3,435,862 compared with a total payroll of \$3,517,107 for the fiscal year ended June 30, 2021. The plan provisions are established and may be amended by the 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 compensation, as that term is defined under the plan. No employee contributions are permitted. The total contribution made by the City was \$103,419. 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). Employees aged fifty or older may contribute up to an additional \$6,500 for a total of \$26,000. 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 Public Employees' Medical and Hospital Care Act ("PEMHCA") which is administered by CalPERS in order to make health insurance coverage available to its employees. Pursuant to its contract with CalPERS for participation in PEMHCA, the City is obligated to provide retiree health coverage to eligible retirees. The City's retiree health liability is pre-funded through an other post-employment benefit account ("OPEB Account") with the California Employers' Retiree Benefit Fund (CERBT) trust, which is also administered by CalPERS. The CERBT trust is a multiple employer Section 115 governmental trust.

A summary of the OPEB amounts for the City's plan is shown below:

Net OPEB Liability	\$	30,772
Deferred Outflows related to OPEB		862,756
OPEB Expense		353,725

Plan Description

The City provides retiree health benefits to all employees of the City that have retired, or will retire, from service with the City and meet the eligibility requirements set forth in Government Code Section 22760(c) to be considered an annuitant ("Annuitant"). The amount of the retiree health benefit allowance ("Allowance") available to an Annuitant is based on the date of hire as summarized below.

The Allowance is provided in two forms. The first is a direct payment to CalPERS equal to the minimum employer contribution required pursuant to Government Code Section 22893(b) ("PEMHCA Minimum"). The PEMHCA Minimum for 2021 is \$143 per month. If an Annuitant is eligible for a greater retiree health benefit, the Annuitant will receive a reimbursement from a health reimbursement arrangement sponsored by the City for the health insurance premiums actually paid by the Annuitant in an amount not to exceed the difference between the applicable Allowance and the PEMHCA Minimum.

The amount of the Allowance depends on the tier for which the Annuitant is eligible as described below:

- Tier A Allowance:
 - o The allowance for Annuitants hired before February 1, 2009 ("Tier A") is equal to up to 100% of the premium of the premium of any CalPERS health insurance plan in which the Tier A Annuitant, including coverage for eligible family members, enrolls.

- Tier B Allowance:
 - The allowance for Annuitants hired on or after February 1, 2009 but before July 1, 2020 who retire from the City with at least 10 years of CalPERS service credit, including 5 years of service credit with the City (“Tier B”) is equal to a percentage of the Government Code Section 22893 premium for the applicable coverage level based on years of CalPERS service credit. The percentage is equal to 50% for the first 10 years of CalPERS service credit, including 5 years of service credit with the City, plus an additional 5% for each additional year of service with any CalPERS employer after satisfying the 10 year minimum.
- Tier C Allowance:
 - The allowance for Annuitants hired on or after July 1, 2020, and employees hired by the City on or after February 1, 2009 but before July 1, 2020 that do not qualify for Tier B, is equal to the PEMHCA Minimum.

The amount of the Allowance is established through contracts between the City and the employee associations and may be amended by agreements between the City and the employee association.

Employees Covered by Benefit Terms

At June 30, 2020, the most recent measurement date, the following current and former employees were covered by the benefit terms of the plan:

Active employees	30
Inactive employees or beneficiaries currently receiving benefits	36
	66
	66

Contributions

The annual contribution to the City’s OPEB Account is based on the actuarially determined contribution. Employees do not make contributions to the OPEB Account but are responsible for the share of retiree health coverage that exceeds the value of the allowance. Contributions to the OPEB Account by the City for the year ended June 30, 2021 were \$677,553.

Net OPEB Liability

The City’s net OPEB liability for the retiree health benefits was measured as the total OPEB liability, less the OPEB plan’s fiduciary net position. The net OPEB liability was measured as of June 30, 2020, 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, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions	
Discount Rate	6.25%
Inflation	2.75%
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, 2020, 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. The projection of cash flows used to determine the discount rate assumed 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 fiduciary net position for the City's retiree health benefits 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 OPEB Account investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

The long-term expected rate of return on the OPEB 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:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return	
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

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance at June 30, 2020	\$ 8,847,569	\$ 7,989,865	\$ 857,704
Changes in the year:			
Service cost	252,340	-	252,340
Interest on the total OPEB liability	554,551	-	554,551
Contribution - employer	-	1,190,919	(1,190,919)
Net investment income	-	448,019	(448,019)
employee contributions	(454,170)	(454,170)	-
Administrative expenses	-	(5,115)	5,115
Net changes	<u>352,721</u>	<u>1,179,653</u>	<u>(826,932)</u>
Balance at June 30, 2021	<u>\$ 9,200,290</u>	<u>\$ 9,169,518</u>	<u>\$ 30,772</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)	\$ 1,189,758	\$ 30,772	\$ (929,042)

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)	\$ (1,097,084)	\$ 30,772	\$ 1,418,905

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, 2021, the City recognized OPEB expense of \$353,725. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
OPEB contributions subsequent to measurement date	\$ 677,553	\$ -
Change in assumptions	42,214	-
Differences between expected and actual experience	141,690	-
Net difference between projected and actual earnings on plan investments	<u>1,299</u>	<u>-</u>
	<u>\$ 862,756</u>	<u>\$ -</u>

The \$677,553 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, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ended June 30,</u>	<u>Amortization</u>
2022	\$ 50,075
2023	65,076
2024	57,783
2025	<u>12,269</u>
	<u>\$ 185,203</u>

Note 13 - PARS 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, 2021 was \$937,402. During the fiscal year, the Trust earned \$10,913 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 City has no immediate plans to fund OPEB obligations through the Section 115 Trust maintained by PARS.

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.

Primary 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.

The overall coverage limit for each member, including all layers of coverage, is \$50 million per occurrence. Subsidence losses have a sub-limit of \$40 million per occurrence. The coverage structure includes retained risk that is pooled among members, reinsurance, and excess insurance. More detailed information about the various layers of coverage is available on the following website: <https://cipia.org/coverage/risk-sharing-pools/>.

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 2020-21, 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*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 \$106,748,474. There is a \$10,000 deductible per occurrence except for non-emergency vehicle insurance which has a \$2,500 deductible.

Earthquake and Flood Insurance

The City of Indian Wells purchases earthquake and flood insurance on a portion of its property. The earthquake insurance is part of the property protection insurance program of the Authority. City of Indian Wells property currently has earthquake protection in the amount of \$104,235,663. There is a deductible of 5% per unit of value with a minimum deductible of \$100,000.

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 2020-21.

Note 15 - Other Required Disclosures**Deficit Fund Balance and Net Position**

The following funds reported a deficit fund balance at June 30, 2021:

Park Facilities in Lieu Capital Projects Fund	\$ 1,102,785
Hwy 111 Circulation Improvement Capital Projects Fund	28,990
Sucessor Agency of the Former RDA Private Purpose Trust Fund	80,158,220

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. AB X1 26 provides that a successor agency is to be designated as the successor entity to the former Redevelopment Agency, vested with all authority, rights, powers, duties, and obligations previously vested with the former Agency under the Community Redevelopment Law (Health & Safety Code, § 33000 et seq.), with certain exceptions. 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. Payments for these enforceable obligations are secured from incremental tax revenues generated within the redevelopment project areas. It is important to differentiate the Successor Agency from the City of Indian Wells, in that, the City itself has no outstanding debt or any obligation to fund Successor Agency debt.

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	\$ 13,275,976
Cash and investments with fiscal agent	8,978
	<hr/>
	\$ 13,284,954
	<hr/> <hr/>

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>\$ 17,739,192</u>

Long-Term Debt

The following debt is recorded in the Successor Agency:

<u>Project Area 1</u>	<u>Balance at July 01, 2020</u>	<u>Additions</u>	<u>Repayments</u>	<u>Balance June 30, 2021</u>	<u>Due within One year</u>
SERAF Loan	\$ 3,473,000	\$ -	\$ 2,000,000	\$ 1,473,000	\$ -
2014A Tax Allocation Bonds	3,345,000	-	3,345,000	-	-
2014A-T Tax Allocation Bonds	8,960,000	-	575,000	8,385,000	4,110,000
2015 Refunding Tax Allocation Bonds	15,910,000	-	1,535,000	14,375,000	1,615,000
2016 A Tax Allocation Bonds	36,765,000	-	105,000	36,660,000	110,000
2020 A Tax Allocation Bonds	<u>7,220,000</u>	<u>-</u>	<u>-</u>	<u>7,220,000</u>	<u>450,000</u>
	<u>\$ 75,673,000</u>	<u>\$ -</u>	<u>\$ 7,560,000</u>	<u>\$ 68,113,000</u>	<u>\$ 6,285,000</u>
Adjustments:					
Unamortized net original issue (discount) or premium				<u>7,061,493</u>	
Net Long-term Debt				<u>\$ 75,174,493</u>	

A description of long-term debt outstanding of the Successor Agency as of June 30, 2021, 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 \$2,000,000 was made to the Housing Authority in the current year. In a letter dated March 24, 2021, the California Department of Finance approved the Successor Agency's FY 2021-22 ROPS funding Request which included the final payment of \$1,473,000 in outstanding SERAF loans.

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, 2021, were \$8,385,000.

Future debt service requirements on these bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2022	\$ 4,110,000	\$ 265,702	\$ 4,375,702
2023	4,275,000	91,186	4,366,186
	\$ 8,385,000	\$ 356,888	\$ 8,741,888

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, 2021 were \$14,375,000.

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>
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	2,205,000	292,875	2,497,875
2027-2029	<u>4,755,000</u>	<u>240,625</u>	<u>4,995,625</u>
	14,375,000	2,711,375	17,086,375
Bond Premium	<u>1,512,539</u>	-	<u>1,512,539</u>
	<u>\$ 15,887,539</u>	<u>\$ 2,711,375</u>	<u>\$ 18,598,914</u>

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, 2021 were \$36,660,000.

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>
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	1,055,000	1,563,475	2,618,475
2027-2031	14,495,000	6,356,500	20,851,500
2032-2035	18,915,000	1,850,050	20,765,050
	<u>36,660,000</u>	<u>16,437,550</u>	<u>53,097,550</u>
Bond Premium	<u>5,548,954</u>	<u>-</u>	<u>5,548,954</u>
	<u>\$ 42,208,954</u>	<u>\$ 16,437,550</u>	<u>\$ 58,646,504</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, 2021 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:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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	490,000	110,188	600,188
2027-2031	2,595,000	387,484	2,982,484
2032-2035	2,285,000	99,599	2,384,599
	<u>\$ 7,220,000</u>	<u>\$ 1,139,717</u>	<u>\$ 8,359,717</u>

Insurance

The Successor Agency of the former redevelopment agency is covered under the insurance policy of the City of Indian Wells at June 30, 2021.

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 fiscal 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. The Housing Authority was created to promote and encourage the retention, rehabilitation, and development of affordable housing units.

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*

	2021	2020	2019	2018	2017	2016	2015
Proportion of the net pension liability (asset)	(0.00719%)	(0.01189%)	0.0008%	0.0154%	0.0480%	0.0695%	0.1456%
Proportionate share of the net pension liability (asset)	\$ (781,863)	\$ (1,218,808)	\$73,946	\$ 1,526,915	\$ 4,152,019	\$ 4,769,476	\$ 3,597,324
Covered payroll**	3,038,144	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	-25.73%	-42.19%	2.51%	54.29%	143.05%	169.46%	134.55%
Plan fiduciary net position as a percentage of the total pension liability	77.71%	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>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contributions	\$ 455,250	\$ 475,302	\$ 430,310	\$ 974,198	\$ 544,107	\$ 566,489	\$ 455,850
Contributions in relation to the actuarially determined contribution	<u>(428,319)</u>	<u>(428,319)</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>\$ 26,931</u>	<u>\$ 46,983</u>	<u>\$ 71,728</u>	<u>\$ (360,677)</u>	<u>\$ (3,187,616)</u>	<u>\$ (2,000,000)</u>	<u>\$ -</u>
Covered payroll	\$ 3,207,039	\$ 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	13.36%	14.10%	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*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability				
Service cost	\$ 252,340	\$ 323,517	\$ 314,094	\$ 305,000
Interest on the total OPEB liability	554,551	513,612	485,756	459,000
Actual vs. expected experience	-	239,406	-	-
Assumption changes	-	71,328	-	-
Benefit payments	<u>(454,170)</u>	<u>(389,144)</u>	<u>(338,000)</u>	<u>(331,000)</u>
Net change in total OPEB liability	352,721	758,719	461,850	433,000
Total OPEB liability - beginning	<u>8,847,569</u>	<u>8,088,850</u>	<u>7,627,000</u>	<u>7,194,000</u>
Total OPEB liability - ending (a)	<u><u>\$ 9,200,290</u></u>	<u><u>\$ 8,847,569</u></u>	<u><u>\$ 8,088,850</u></u>	<u><u>\$ 7,627,000</u></u>
Plan Fiduciary Net Position				
Contributions - employer	\$ 1,190,919	\$ 389,962	\$ 607,000	\$ 614,000
Net investment income	448,019	524,434	423,619	459,000
Benefit payments	(454,170)	(389,144)	(338,000)	(331,000)
Administrative expenses	<u>(5,115)</u>	<u>(2,424)</u>	<u>(13,582)</u>	<u>(4,000)</u>
Net change in plan fiduciary net position	1,179,653	522,828	679,037	738,000
Plan fiduciary net position - beginning	<u>7,989,865</u>	<u>7,467,037</u>	<u>6,788,000</u>	<u>6,050,000</u>
Plan fiduciary net position - ending (b)	<u>9,169,518</u>	<u>7,989,865</u>	<u>7,467,037</u>	<u>6,788,000</u>
Net OPEB liability - ending (a)-(b)	<u><u>\$ 30,772</u></u>	<u><u>\$ 857,704</u></u>	<u><u>\$ 621,813</u></u>	<u><u>\$ 839,000</u></u>
Plan fiduciary net position as a percentage of the total OPEB liability	99.67%	90.31%	92.31%	89.00%
Covered-employee payroll	\$ 3,451,419	\$ 3,263,961	\$ 3,407,217	\$ 3,237,969
Net OPEB liability as percentage of covered payroll	0.89%	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>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Actuarially determined contribution	\$ 411,874	\$ 354,000	\$ 607,000	\$ 614,000
Contributions in relation to the actuarially determined contributions	<u>677,553</u>	<u>1,190,919</u>	<u>389,962</u>	<u>573,377</u>
Contribution deficiency (excess)	<u>\$ (265,679)</u>	<u>\$ (836,919)</u>	<u>\$ 217,038</u>	<u>\$ 40,623</u>
Covered-employee payroll **	\$ 3,666,820	\$ 3,451,419	\$ 3,263,961	\$ 3,407,214
Contributions as a percentage of covered-employee payroll	18%	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, 2021

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 34,864,577	\$ 34,864,577	\$ 34,864,577	\$ -
Resources (Inflows)				
Taxes	15,318,268	10,013,268	9,779,512	(233,756)
Licenses and permits	395,940	395,940	499,644	103,704
Intergovernmental	481,137	481,137	505,900	24,763
Charges for services	454,335	439,211	317,458	(121,753)
Investment income	196,974	196,974	147,618	(49,356)
Fines and forfeitures	43,960	43,960	41,412	(2,548)
Other income	504,782	504,782	496,168	(8,614)
Amounts available for appropriations	<u>52,259,973</u>	<u>46,939,849</u>	<u>46,652,289</u>	<u>(287,560)</u>
Charges to Appropriation (Outflows)				
General government				
Legislation and policy	217,038	99,874	93,812	6,062
City manager	574,182	679,160	650,584	28,576
City clerk	366,252	323,894	291,916	31,978
City attorney	324,973	399,645	371,653	27,992
Financial services	1,373,154	932,960	856,517	76,443
Central services	2,144,986	772,224	763,806	8,418
Community & cultural events	3,148,055	4,562,447	2,975,323	1,587,124
Human resources	214,913	204,386	158,463	45,923
Technology	430,776	461,567	435,244	26,323
Public safety				
Administration	4,718,267	4,722,780	3,715,111	1,007,669
Community development				
Administration	185,157	175,777	157,700	18,077
Inspections and examinations	719,361	607,494	550,471	57,023
Current and advanced planning	291,118	307,517	260,667	46,850
Code enforcement	468,639	474,122	459,644	14,478
Public works				
City engineering	620,556	693,328	633,126	60,202
Maintenance services	773,755	783,021	753,595	29,426
City parkway landscape	813,888	906,486	848,684	57,802
Total charges to appropriations	<u>17,385,070</u>	<u>17,106,682</u>	<u>13,976,316</u>	<u>3,130,366</u>
Budgetary Fund Balance, End of Year	<u>\$ 34,874,903</u>	<u>\$ 29,833,167</u>	<u>\$ 32,675,973</u>	<u>\$ 2,842,806</u>

City of Indian Wells, California
 Budgetary Comparison Schedule - Housing Authority Special Revenue Fund
 Year Ended June 30, 2021

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 12,961,532	\$ 12,961,532	\$ 12,961,532	\$ -
Resources (InFlows)				
Investment income	44,300	44,300	49,256	4,956
Proceeds from Sale of Land	-	-	3,641,822	3,641,822
Amounts Available for Appropriations	<u>13,005,832</u>	<u>13,005,832</u>	<u>16,652,610</u>	<u>3,646,778</u>
Charges to Appropriation (OutFlows)				
General government	1,189,164	1,637,183	916,125	721,058
Community development	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>	<u>-</u>
Total Charges to Appropriations	<u>1,439,164</u>	<u>1,887,183</u>	<u>1,166,125</u>	<u>721,058</u>
Budgetary Fund Balance, End of Year	<u><u>\$ 11,566,668</u></u>	<u><u>\$ 11,118,649</u></u>	<u><u>\$ 15,486,485</u></u>	<u><u>\$ 4,367,836</u></u>

City of Indian Wells, California
 Budgetary Comparison Schedule - Emergency Services Upgrade Special Revenue Fund
 Year Ended June 30, 2021

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 3,606,646	\$ 3,606,646	\$ 3,606,646	\$ -
Resources (InFlows)				
Taxes	3,400,319	3,400,319	3,714,412	314,093
Charges for services	471,700	471,700	485,118	13,418
Investment income	15,000	15,000	8,098	(6,902)
Assessments	643,891	643,891	609,682	(34,209)
Other income	7,967	7,967	1,888	(6,079)
Amounts Available for Appropriations	<u>8,145,523</u>	<u>8,145,523</u>	<u>8,425,844</u>	<u>280,321</u>
Charges to Appropriation (OutFlows)				
Public safety	4,711,415	4,711,415	4,030,376	681,039
Capital outlay	<u>-</u>	<u>600,000</u>	<u>490,822</u>	<u>109,178</u>
Total Charges to Appropriations	<u>4,711,415</u>	<u>5,311,415</u>	<u>4,521,198</u>	<u>790,217</u>
Budgetary Fund Balance, End of Year	<u>\$ 3,434,108</u>	<u>\$ 2,834,108</u>	<u>\$ 3,904,646</u>	<u>\$ 1,070,538</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 and programs within a fund. The 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, 2021, 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, 2021:

	Final Budget	Actual	Excess Over Appropriations
Measure A Transportation	\$ 278,645	\$ 324,996	\$ (46,351)
South Coast AQMD Vehicle Registration	6,458	6,569	(111)
Citizen Option for Public Safety Program	156,276	287,343	(131,067)
City Wide Public Improvements	-	154,080	(154,080)
Solid Waste	1,058,758	1,061,164	(2,406)

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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 allocation of the sales tax increase, one-half cent, authorized by the Riverside County residents within November 1988. The funds collected are divided into four categories: Regional Transportation board (40%) administered by the Coachella Valley Association of Governments (CVAG), Sunline Transit (10%), State Highways (15%), and local agencies (35%). The local share is based 50% on population and 50% on point-of-sale. The local monies are legally restricted for the acquisition, construction and improvements of the 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, 2021

	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	\$ -	\$ 5,482	\$ -	\$ 2,613,852	\$ 13,129	\$ -	\$ 229,059	\$ 564,727	\$ 265,283	\$ 1,919,717	\$ 13,347	\$ 4,668,886
Receivables												
Accounts	4,119	2,428	94,806	42,126	1,794	-	9,764	5,384	43,086	27,884	-	868
Accrued interest	-	7	63	3,564	18	179	312	-	1,131	2,625	18	4,843
Notes receivable	-	-	-	-	-	-	-	-	-	-	-	-
Total assets	\$ 4,119	\$ 7,917	\$ 94,869	\$ 2,659,542	\$ 14,941	\$ 179	\$ 239,135	\$ 570,111	\$ 309,500	\$ 1,950,226	\$ 13,365	\$ 4,674,597
Liabilities and Fund Balances												
Liabilities												
Accounts payable	\$ -	\$ -	\$ -	\$ 23,025	\$ 3,980	\$ -	\$ -	\$ 488	\$ 34,222	\$ 362,675	\$ -	\$ 122,017
Accrued liabilities	-	-	-	-	-	-	-	1,574	281	-	-	-
Deposits payable	-	-	-	955	-	-	-	-	-	-	-	113,319
Due to other funds	-	-	-	-	-	-	-	-	-	-	-	-
Total liabilities	-	-	-	23,980	3,980	-	-	2,062	34,503	362,675	-	235,336
Fund Balances												
Restricted for												
Community development	-	-	-	-	-	-	-	-	-	-	-	4,439,261
Public safety	-	7,917	-	2,635,562	-	179	-	-	-	-	-	-
Public works	4,119	-	94,869	-	10,961	-	239,135	568,049	274,997	1,587,551	13,365	-
Committed to												
Capital projects	-	-	-	-	-	-	-	-	-	-	-	-
Assigned												
Capital projects	-	-	-	-	-	-	-	-	-	-	-	-
Unassigned												
Unassigned	-	-	-	-	-	-	-	-	-	-	-	-
Total fund balances	4,119	7,917	94,869	2,635,562	10,961	179	239,135	568,049	274,997	1,587,551	13,365	4,439,261
Total Liabilities and Fund Balances	\$ 4,119	\$ 7,917	\$ 94,869	\$ 2,659,542	\$ 14,941	\$ 179	\$ 239,135	\$ 570,111	\$ 309,500	\$ 1,950,226	\$ 13,365	\$ 4,674,597

City of Indian Wells, California
Combining Balance Sheet - Nonmajor Governmental Funds
June 30, 2021

	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	\$ -	\$ -	\$ 164,724	\$ 1,716,968	\$ 8,545,320	\$ 1,430,723	\$ 1,366,351	\$ 690,276	\$ 566,900	\$ 517,544	\$ 119,018	\$ 25,411,306
Receivables												
Accounts	-	-	-	-	14,661	-	-	-	-	-	-	246,920
Accrued interest	-	210	225	2,340	11,492	1,950	1,862	941	773	705	162	33,420
Notes receivable	-	-	-	-	112,575	-	-	-	-	-	-	112,575
Total assets	\$ -	\$ 210	\$ 164,949	\$ 1,719,308	\$ 8,684,048	\$ 1,432,673	\$ 1,368,213	\$ 691,217	\$ 567,673	\$ 518,249	\$ 119,180	\$ 25,804,221
Liabilities and Fund Balances												
Liabilities												
Accounts payable	\$ -	\$ 210	\$ -	\$ -	\$ 45,805	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 592,422
Accrued liabilities	-	-	-	-	-	-	-	-	-	-	-	1,855
Deposits payable	-	-	-	-	-	-	-	-	-	-	-	114,274
Due to other funds	28,990	-	-	-	-	-	-	-	-	-	-	28,990
Total liabilities	28,990	210	-	-	45,805	-	-	-	-	-	-	737,541
Fund Balances												
Restricted for												
Community development	-	-	-	-	-	-	-	-	-	-	-	4,439,261
Public safety	-	-	-	-	-	-	-	-	-	-	-	2,643,658
Public works	-	-	-	-	-	-	-	-	-	-	-	2,793,046
Committed to												
Capital projects	-	-	164,949	-	5,500,000	-	-	-	-	-	-	5,664,949
Assigned												
Capital projects	-	-	-	1,719,308	3,138,243	1,432,673	1,368,213	691,217	567,673	518,249	119,180	9,554,756
Unassigned	(28,990)	-	-	-	-	-	-	-	-	-	-	(28,990)
Total fund balances	(28,990)	-	164,949	1,719,308	8,638,243	1,432,673	1,368,213	691,217	567,673	518,249	119,180	25,066,680
Total Liabilities and Fund Balances	\$ -	\$ 210	\$ 164,949	\$ 1,719,308	\$ 8,684,048	\$ 1,432,673	\$ 1,368,213	\$ 691,217	\$ 567,673	\$ 518,249	\$ 119,180	\$ 25,804,221

City of Indian Wells, California
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds
 Year Ended June 30, 2021

	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	\$ -	\$ -	\$ -	\$ 286,275	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	285	-	-	-	-	-	-	-	-
Intergovernmental	-	(16,499)	328,146	1,801	7,055	156,727	223,571	-	-	-	-	-
Investment income	2	(69)	16	5,239	27	266	190	-	2,994	1,753	24	9,303
Fines and forfeitures	14,463	-	-	-	-	-	-	-	-	-	-	-
Rental income	-	-	-	-	-	-	-	-	-	-	-	1,978,311
Assessments	-	-	-	1,176,430	-	-	-	75,733	1,044,349	1,194,849	1,378	-
Developer fees	-	-	-	-	-	-	-	-	-	-	-	-
Other income	-	-	-	2,540	-	-	-	-	-	175,164	-	68,631
Total revenues	14,465	(16,568)	328,162	1,472,570	7,082	156,993	223,761	75,733	1,047,343	1,371,766	1,402	2,056,245
Expenditures												
Current												
General government	-	-	-	-	-	-	-	-	-	-	-	-
Public safety	-	20,000	-	1,207,192	-	287,343	-	-	-	-	-	-
Community development	-	-	-	-	-	-	-	-	-	-	-	1,417,991
Public works	10,712	-	324,996	-	6,569	-	125,249	101,197	1,061,164	1,304,452	192	-
Capital outlay	-	-	-	576,575	-	-	-	-	-	-	-	-
Total expenditures	10,712	20,000	324,996	1,783,767	6,569	287,343	125,249	101,197	1,061,164	1,304,452	192	1,417,991
Excess (Deficiency) of Revenues over (under) Expenditures	3,753	(36,568)	3,166	(311,197)	513	(130,350)	98,512	(25,464)	(13,821)	67,314	1,210	638,254
Other Financing Sources (Uses)												
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-	-
Net Change in Fund Balances	3,753	(36,568)	3,166	(311,197)	513	(130,350)	98,512	(25,464)	(13,821)	67,314	1,210	638,254
Fund Balances, Beginning 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
Fund Balances, End of Year	\$ 4,119	\$ 7,917	\$ 94,869	\$ 2,635,562	\$ 10,961	\$ 179	\$ 239,135	\$ 568,049	\$ 274,997	\$ 1,587,551	\$ 13,365	\$ 4,439,261

City of Indian Wells, California
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds
 Year Ended June 30, 2021

	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	
Revenues												
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 286,275
Licenses and permits	-	-	-	-	-	-	-	-	-	-	-	285
Intergovernmental	-	-	-	-	17,314	-	-	-	-	-	-	718,115
Investment income	-	(67)	365	4,497	23,758	3,748	3,579	1,807	(2,029)	1,357	3,827	60,587
Fines and forfeitures	-	-	-	-	-	-	-	-	-	-	-	14,463
Rental income	-	-	-	-	-	-	-	-	-	-	-	1,978,311
Assessments	-	-	-	-	-	-	-	-	-	-	-	3,492,739
Developer fees	-	79,648	15,629	-	-	-	-	-	-	-	-	95,277
Other income	-	-	-	-	-	-	-	-	-	-	-	246,335
Total revenues	-	79,581	15,994	4,497	41,072	3,748	3,579	1,807	(2,029)	1,357	3,827	6,892,387
Expenditures												
Current												
General government	-	-	-	-	237,974	-	-	-	-	-	-	237,974
Public safety	-	-	-	-	-	-	-	-	-	-	-	1,514,535
Community development	-	-	-	-	-	-	-	-	-	-	-	1,417,991
Public works	-	-	-	-	-	-	-	-	-	-	-	2,934,531
Capital outlay	-	-	-	-	203,144	-	-	-	-	-	-	779,719
Total expenditures	-	-	-	-	441,118	-	-	-	-	-	-	6,884,750
Excess (Deficiency) of Revenues over (under) Expenditures	-	79,581	15,994	4,497	(400,046)	3,748	3,579	1,807	(2,029)	1,357	3,827	7,637
Other Financing Sources (Uses)												
Transfers in	-	-	-	-	154,080	-	-	-	-	-	-	154,080
Transfers out	-	(154,080)	-	-	-	-	-	-	-	-	-	(154,080)
Total other financing sources (uses)	-	(154,080)	-	-	154,080	-	-	-	-	-	-	-
Net Change in Fund Balances	-	(74,499)	15,994	4,497	(245,966)	3,748	3,579	1,807	(2,029)	1,357	3,827	7,637
Fund Balances, Beginning 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
Fund Balances, End of Year	\$ (28,990)	\$ -	\$ 164,949	\$ 1,719,308	\$ 8,638,243	\$ 1,432,673	\$ 1,368,213	\$ 691,217	\$ 567,673	\$ 518,249	\$ 119,180	\$ 25,066,680

City of Indian Wells, California
 Budgetary Comparison Schedule - Traffic Safety
 Year Ended June 30, 2021

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 366	\$ 366	\$ 366	\$ -
Resources (InFlows)				
Investment income	10	10	2	(8)
Fines and forfeitures	24,243	24,243	14,463	(9,780)
Amounts Available for Appropriations	24,619	24,619	14,831	(9,788)
Charges to Appropriation (OutFlows)				
Public works	28,050	28,050	10,712	17,338
Total Charges to Appropriations	28,050	28,050	10,712	17,338
Budgetary Fund Balance, End of Year	<u>\$ (3,431)</u>	<u>\$ (3,431)</u>	<u>\$ 4,119</u>	<u>\$ 7,550</u>

City of Indian Wells, California
 Budgetary Comparison Schedule - Public Safety 1/2% Tax
 Year Ended June 30, 2021

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 44,485	\$ 44,485	\$ 44,485	\$ -
Resources (InFlows)				
Intergovernmental	23,665	23,665	(16,499)	(40,164)
Investment income	50	50	(69)	(119)
Amounts Available for Appropriations	<u>68,200</u>	<u>68,200</u>	<u>27,917</u>	<u>(40,283)</u>
Charges to Appropriation (OutFlows)				
Public safety	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>-</u>
Total Charges to Appropriations	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>-</u>
Budgetary Fund Balance, End of Year	<u><u>\$ 48,200</u></u>	<u><u>\$ 48,200</u></u>	<u><u>\$ 7,917</u></u>	<u><u>\$ (40,283)</u></u>

City of Indian Wells, California
 Budgetary Comparison Schedule - Measure "A" Transportation
 Year Ended June 30, 2021

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 91,703	\$ 91,703	\$ 91,703	\$ -
Resources (InFlows)				
Intergovernmental	278,645	278,645	328,146	49,501
Investment income	175	175	16	(159)
Amounts Available for Appropriations	<u>370,523</u>	<u>370,523</u>	<u>419,865</u>	<u>49,342</u>
Charges to Appropriation (OutFlows)				
Public works	<u>278,645</u>	<u>278,645</u>	<u>324,996</u>	<u>(46,351)</u>
Total Charges to Appropriations	<u>278,645</u>	<u>278,645</u>	<u>324,996</u>	<u>(46,351)</u>
Budgetary Fund Balance, End of Year	<u><u>\$ 91,878</u></u>	<u><u>\$ 91,878</u></u>	<u><u>\$ 94,869</u></u>	<u><u>\$ 2,991</u></u>

City of Indian Wells, California
 Budgetary Comparison Schedule - Fire Access Maintenance District No. 1
 Year Ended June 30, 2021

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 2,946,759	\$ 2,946,759	\$ 2,946,759	\$ -
Resources (InFlows)				
Taxes	374,564	374,564	286,275	(88,289)
Licenses and permits	750	750	285	(465)
Intergovernmental	3,000	3,000	1,801	(1,199)
Investment income	12,082	12,082	5,239	(6,843)
Assessments	1,200,000	1,200,000	1,176,430	(23,570)
Other income	1,500	1,500	2,540	1,040
Amounts Available for Appropriations	<u>4,538,655</u>	<u>4,538,655</u>	<u>4,419,329</u>	<u>(119,326)</u>
Charges to Appropriation (OutFlows)				
Public safety	1,252,550	1,327,550	1,207,192	120,358
Capital outlay	-	611,167	576,575	34,592
Total Charges to Appropriations	<u>1,252,550</u>	<u>1,938,717</u>	<u>1,783,767</u>	<u>154,950</u>
Budgetary Fund Balance, End of Year	<u>\$ 3,286,105</u>	<u>\$ 2,599,938</u>	<u>\$ 2,635,562</u>	<u>\$ 35,624</u>

City of Indian Wells, California
 Budgetary Comparison Schedule - South Coast AQMD Vehicle Registration
 Year Ended June 30, 2021

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 10,448	\$ 10,448	\$ 10,448	\$ -
Resources (InFlows)				
Intergovernmental	7,171	7,171	7,055	(116)
Investment income	20	20	27	7
Amounts Available for Appropriations	<u>17,639</u>	<u>17,639</u>	<u>17,530</u>	<u>(109)</u>
Charges to Appropriation (OutFlows)				
Public works	<u>6,458</u>	<u>6,458</u>	<u>6,569</u>	<u>(111)</u>
Total Charges to Appropriations	<u>6,458</u>	<u>6,458</u>	<u>6,569</u>	<u>(111)</u>
Budgetary Fund Balance, End of Year	<u>\$ 11,181</u>	<u>\$ 11,181</u>	<u>\$ 10,961</u>	<u>\$ (220)</u>

City of Indian Wells, California
 Budgetary Comparison Schedule - Citizens Option for Public Safety Program
 Year Ended June 30, 2021

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 130,529	\$ 130,529	\$ 130,529	\$ -
Resources (InFlows)				
Intergovernmental	156,276	156,276	156,727	451
Investment income	20	20	266	246
Amounts Available for Appropriations	<u>286,825</u>	<u>286,825</u>	<u>287,522</u>	<u>697</u>
Charges to Appropriation (OutFlows)				
Public safety	<u>156,276</u>	<u>156,276</u>	<u>287,343</u>	<u>(131,067)</u>
Total Charges to Appropriations	<u>156,276</u>	<u>156,276</u>	<u>287,343</u>	<u>(131,067)</u>
Budgetary Fund Balance, End of Year	<u>\$ 130,549</u>	<u>\$ 130,549</u>	<u>\$ 179</u>	<u>\$ (130,370)</u>

City of Indian Wells, California
 Budgetary Comparison Schedule - Gas Tax
 Year Ended June 30, 2021

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 140,623	\$ 140,623	\$ 140,623	\$ -
Resources (InFlows)				
Intergovernmental	242,639	242,639	223,571	(19,068)
Investment income	300	300	190	(110)
Amounts Available for Appropriations	<u>383,562</u>	<u>383,562</u>	<u>364,384</u>	<u>(19,178)</u>
Charges to Appropriation (OutFlows)				
Public works	<u>242,639</u>	<u>242,639</u>	<u>125,249</u>	<u>117,390</u>
Total Charges to Appropriations	<u>242,639</u>	<u>242,639</u>	<u>125,249</u>	<u>117,390</u>
Budgetary Fund Balance, End of Year	<u>\$ 140,923</u>	<u>\$ 140,923</u>	<u>\$ 239,135</u>	<u>\$ 98,212</u>

City of Indian Wells, California
 Budgetary Comparison Schedule - AB 939 Recycling
 Year Ended June 30, 2021

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 593,513	\$ 593,513	\$ 593,513	\$ -
Resources (InFlows) Assessments	<u>111,734</u>	<u>111,734</u>	<u>75,733</u>	<u>(36,001)</u>
Amounts Available for Appropriations	<u>705,247</u>	<u>705,247</u>	<u>669,246</u>	<u>(36,001)</u>
Charges to Appropriation (OutFlows) Public works	<u>113,662</u>	<u>113,662</u>	<u>101,197</u>	<u>12,465</u>
Total Charges to Appropriations	<u>113,662</u>	<u>113,662</u>	<u>101,197</u>	<u>12,465</u>
Budgetary Fund Balance, End of Year	<u><u>\$ 591,585</u></u>	<u><u>\$ 591,585</u></u>	<u><u>\$ 568,049</u></u>	<u><u>\$ (23,536)</u></u>

City of Indian Wells, California
 Budgetary Comparison Schedule - Solid Waste
 Year Ended June 30, 2021

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 288,818	\$ 288,818	\$ 288,818	\$ -
Resources (InFlows)				
Investment income	2,000	2,000	2,994	994
Assessments	979,601	979,601	1,044,349	64,748
Amounts Available for Appropriations	1,270,419	1,270,419	1,336,161	65,742
Charges to Appropriation (OutFlows)				
Public works	1,016,689	1,058,758	1,061,164	(2,406)
Total Charges to Appropriations	1,016,689	1,058,758	1,061,164	(2,406)
Budgetary Fund Balance, End of Year	\$ 253,730	\$ 211,661	\$ 274,997	\$ 63,336

City of Indian Wells, California
 Budgetary Comparison Schedule - Consolidating LLMD
 Year Ended June 30, 2021

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 1,520,237	\$ 1,520,237	\$ 1,520,237	\$ -
Resources (InFlows)				
Investment income	5,660	5,660	1,753	(3,907)
Assessments	(1,182,915)	1,182,915	1,194,849	11,934
Other income	175,164	175,164	175,164	-
Amounts Available for Appropriations	518,146	2,883,976	2,892,003	8,027
Charges to Appropriation (OutFlows)				
Public works	1,457,876	1,472,771	1,304,452	168,319
Total Charges to Appropriations	1,457,876	1,472,771	1,304,452	168,319
Budgetary Fund Balance, End of Year	\$ (939,730)	\$ 1,411,205	\$ 1,587,551	\$ 176,346

City of Indian Wells, California
 Budgetary Comparison Schedule - Street Lighting District 2001-1
 Year Ended June 30, 2021

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 12,155	\$ 12,155	\$ 12,155	\$ -
Resources (InFlows)				
Investment income	75	75	24	(51)
Assessments	1,480	1,480	1,378	(102)
Amounts Available for Appropriations	13,710	13,710	13,557	(153)
Charges to Appropriation (OutFlows)				
Public works	1,480	1,480	192	1,288
Total Charges to Appropriations	1,480	1,480	192	1,288
Budgetary Fund Balance, End of Year	\$ 12,230	\$ 12,230	\$ 13,365	\$ 1,135

City of Indian Wells, California
 Budgetary Comparison Schedule - Affordable Housing Operations
 Year Ended June 30, 2021

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 3,801,007	\$ 3,801,007	\$ 3,801,007	\$ -
Resources (InFlows)				
Investment income	30,000	30,000	9,303	(20,697)
Assessments	1,900,000	2,022,656	1,978,311	(44,345)
Other income	-	-	68,631	68,631
Amounts Available for Appropriations	<u>5,731,007</u>	<u>5,853,663</u>	<u>5,857,252</u>	<u>3,589</u>
Charges to Appropriation (OutFlows)				
Community development	-	2,022,656	1,417,991	604,665
Total Charges to Appropriations	<u>-</u>	<u>2,022,656</u>	<u>1,417,991</u>	<u>604,665</u>
Budgetary Fund Balance, End of Year	<u>\$ 5,731,007</u>	<u>\$ 3,831,007</u>	<u>\$ 4,439,261</u>	<u>\$ 608,254</u>

City of Indian Wells, California
 Budgetary Comparison Schedule - Park Facilities in Lieu
 Year Ended June 30, 2021

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ (1,142,983)	\$ (1,142,983)	(1,142,983)	\$ -
Resources (InFlows)				
Developer fees	58,835	58,835	40,194	(18,641)
Investement income	-	-	4	4
Amounts Available for Appropriatons	<u>(1,084,148)</u>	<u>(1,084,148)</u>	<u>(1,102,785)</u>	<u>(18,637)</u>
Budgetary Fund Balance, End of Year	<u><u>\$ (1,084,148)</u></u>	<u><u>\$ (1,084,148)</u></u>	<u><u>\$ (1,102,785)</u></u>	<u><u>\$ (18,637)</u></u>

City of Indian Wells, California
 Budgetary Comparison Schedule – City Streets Capital Reserve
 Year Ended June 30, 2021

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 18,810,786	\$ 18,810,786	\$ 18,810,786	\$ -
Resources (InFlows) Investment income	-	-	49,330	49,330
Amounts Available for Appropriations	18,810,786	18,810,786	18,860,116	49,330
Budgetary Fund Balance, End of Year	<u>\$ 18,810,786</u>	<u>\$ 18,810,786</u>	<u>\$ 18,860,116</u>	<u>\$ 49,330</u>

City of Indian Wells, California
 Budgetary Comparison Schedule - Highway 111 Circulation Improvement
 Year Ended June 30, 2021

	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, 2021

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 74,499	\$ 74,499	\$ 74,499	\$ -
Resources (InFlows)				
Developer fees	89,318	89,318	79,648	(9,670)
Investment income	(20)	(20)	(67)	(47)
Amounts Available for Appropriations	<u>163,797</u>	<u>163,797</u>	<u>154,080</u>	<u>(9,717)</u>
Charges to Appropriation (OutFlows)				
Transfers out	-	-	154,080	(154,080)
Total Charges to Appropriations	<u>-</u>	<u>-</u>	<u>154,080</u>	<u>-</u>
Budgetary Fund Balance, End of Year	<u>\$ 163,797</u>	<u>\$ 163,797</u>	<u>\$ -</u>	<u>\$ (163,797)</u>

City of Indian Wells, California
 Budgetary Comparison Schedule - Art in Public Places
 Year Ended June 30, 2021

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 148,955	\$ 148,955	\$ 148,955	\$ -
Resources (InFlows)				
Investment income	893	893	365	(528)
Developer fees	20,000	20,000	15,629	(4,371)
Amounts Available for Appropriations	<u>169,848</u>	<u>169,848</u>	<u>164,949</u>	<u>(4,899)</u>
Budgetary Fund Balance, End of Year	<u>\$ 169,848</u>	<u>\$ 169,848</u>	<u>\$ 164,949</u>	<u>\$ (4,899)</u>

City of Indian Wells, California
 Budgetary Comparison Schedule – Bridge Capital Reserve
 Year Ended June 30, 2021

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 1,714,811	\$ 1,714,811	\$ 1,714,811	\$ -
Resources (InFlows) Investment income	<u>22,895</u>	<u>22,895</u>	<u>4,497</u>	<u>(18,398)</u>
Amounts Available for Appropriations	<u>1,737,706</u>	<u>1,737,706</u>	<u>1,719,308</u>	<u>(18,398)</u>
Budgetary Fund Balance, End of Year	<u>\$ 1,737,706</u>	<u>\$ 1,737,706</u>	<u>\$ 1,719,308</u>	<u>\$ (18,398)</u>

City of Indian Wells, California
 Budgetary Comparison Schedule - Capital Improvements
 Year Ended June 30, 2021

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 8,884,209	\$ 8,884,209	\$ 8,884,209	\$ -
Resources (InFlows)				
Intergovernmental	75,000	75,000	17,314	(57,686)
Investment income	9,981	9,981	23,758	13,777
Transfers in	2,079,500	2,079,500	154,080	(1,925,420)
Amounts Available for Appropriations	<u>11,048,690</u>	<u>11,048,690</u>	<u>9,079,361</u>	<u>(1,969,329)</u>
Charges to Appropriation (OutFlows)				
General government	155,000	320,709	237,974	82,735
Capital outlay	<u>1,764,500</u>	<u>1,368,632</u>	<u>203,144</u>	<u>1,165,488</u>
Total Charges to Appropriations	<u>1,919,500</u>	<u>1,689,341</u>	<u>441,118</u>	<u>1,248,223</u>
Budgetary Fund Balance, End of Year	<u>\$ 9,129,190</u>	<u>\$ 9,359,349</u>	<u>\$ 8,638,243</u>	<u>\$ (721,106)</u>

City of Indian Wells, California
 Budgetary Comparison Schedule - Buildings Capital Reserve
 Year Ended June 30, 2021

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 1,428,925	\$ 1,428,925	\$ 1,428,925	\$ -
Resources (InFlows) Investment income	<u>20,784</u>	<u>20,784</u>	<u>3,748</u>	<u>(17,036)</u>
Amounts Available for Appropriations	<u>1,449,709</u>	<u>1,449,709</u>	<u>1,432,673</u>	<u>(17,036)</u>
Budgetary Fund Balance, End of Year	<u>\$ 1,449,709</u>	<u>\$ 1,449,709</u>	<u>\$ 1,432,673</u>	<u>\$ (17,036)</u>

City of Indian Wells, California
 Budgetary Comparison Schedule - Medians & Parkways Capital Reserve
 Year Ended June 30, 2021

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 1,364,634	\$ 1,364,634	\$ 1,364,634	\$ -
Resources (InFlows) Investment income	<u>14,094</u>	<u>14,094</u>	<u>3,579</u>	<u>(10,515)</u>
Amounts Available for Appropriations	<u>1,378,728</u>	<u>1,378,728</u>	<u>1,368,213</u>	<u>(10,515)</u>
Budgetary Fund Balance, End of Year	<u><u>\$ 1,378,728</u></u>	<u><u>\$ 1,378,728</u></u>	<u><u>\$ 1,368,213</u></u>	<u><u>\$ (10,515)</u></u>

City of Indian Wells, California
 Budgetary Comparison Schedule - Storm Drains Capital Reserve
 Year Ended June 30, 2021

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 689,410	\$ 689,410	\$ 689,410	\$ -
Resources (InFlows) Investment income	<u>16,631</u>	<u>16,631</u>	<u>1,807</u>	<u>(14,824)</u>
Amounts Available for Appropriations	<u>706,041</u>	<u>706,041</u>	<u>691,217</u>	<u>(14,824)</u>
Budgetary Fund Balance, End of Year	<u>\$ 706,041</u>	<u>\$ 706,041</u>	<u>\$ 691,217</u>	<u>\$ (14,824)</u>

City of Indian Wells, California
 Budgetary Comparison Schedule - Traffic Signals Capital Reserve
 Year Ended June 30, 2021

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 569,702	\$ 569,702	\$ 569,702	\$ -
Resources (InFlows) Investment income	44,895	44,895	(2,029)	(46,924)
Amounts Available for Appropriations	614,597	614,597	567,673	(46,924)
Budgetary Fund Balance, End of Year	<u>\$ 614,597</u>	<u>\$ 614,597</u>	<u>\$ 567,673</u>	<u>\$ (46,924)</u>

City of Indian Wells, California
 Budgetary Comparison Schedule - Technology Capital Reserve
 Year Ended June 30, 2021

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 516,892	\$ 516,892	\$ 516,892	\$ -
Resources (InFlows) Investment income	<u>21,525</u>	<u>21,525</u>	<u>1,357</u>	<u>(20,168)</u>
Amounts Available for Appropriations	<u>538,417</u>	<u>538,417</u>	<u>518,249</u>	<u>(20,168)</u>
Budgetary Fund Balance, End of Year	<u>\$ 538,417</u>	<u>\$ 538,417</u>	<u>\$ 518,249</u>	<u>\$ (20,168)</u>

City of Indian Wells, California
 Budgetary Comparison Schedule - City Vehicles Capital Reserve
 Year Ended June 30, 2021

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 115,353	\$ 115,353	\$ 115,353	\$ -
Resources (InFlows) Investment income	<u>213,500</u>	<u>213,500</u>	<u>3,827</u>	<u>(209,673)</u>
Amounts Available for Appropriations	<u>328,853</u>	<u>328,853</u>	<u>119,180</u>	<u>(209,673)</u>
Budgetary Fund Balance, End of Year	<u><u>\$ 328,853</u></u>	<u><u>\$ 328,853</u></u>	<u><u>\$ 119,180</u></u>	<u><u>\$ (209,673)</u></u>

City of Indian Wells, California
Combining Statement of Net Position - Internal Service Funds
June 30, 2021

	Governmental Activities - Internal Service Funds		Totals
	Employee Benefits	Compensated Absences	
Assets:			
Current Assets:			
Cash and investments	\$ -	\$ 606,535	\$ 606,535
Restricted Section 115 Trust cash and investments	937,402	-	937,402
Prepaid trust contributions			
Receivables:			
Accrued interest	-	827	827
Total assets	937,402	607,362	1,544,764
Deferred Outflows of Resources			
Deferred amounts related to OPEB	862,756	-	862,756
Liabilities:			
Current Liabilities:			
Accrued liabilities	6,305	-	6,305
Due to other funds	379,620	-	379,620
Noncurrent Liabilities:			
Net OPEB Liability	30,772	-	30,772
Total liabilities	416,697	-	416,697
Net Position			
Restricted Section 115 Trust	937,402	-	937,402
Unrestricted	446,059	607,362	1,053,421
Total net position	\$ 1,383,461	\$ 607,362	\$ 1,990,823

City of Indian Wells, California

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

Year Ended June 30, 2021

	Governmental Activities - Internal Service Funds		Totals
	Employee Benefits	Compensated Absences	
Operating Revenues			
Interdepartmental charges	\$ 792,393	\$ -	\$ 792,393
Total operating revenues	792,393	-	792,393
Operating Expenses			
Administration and general	930,164	-	930,164
Total operating expenses	930,164	-	930,164
Operating Income (Loss)	(137,771)	-	(137,771)
Nonoperating Revenue (Expenses)			
Investment income	184,588	1,589	186,177
Total nonoperating revenues (expenses)	184,588	1,589	186,177
Income (Loss) Before Transfers	46,817	1,589	48,406
Changes in Net Position	46,817	1,589	48,406
Net Position, Beginning of Year	1,336,644	605,773	1,942,417
Net Position, End of Year	\$ 1,383,461	\$ 607,362	\$ 1,990,823

City of Indian Wells, California
Combining Statement of Cash Flows - Internal Service Funds
Year Ended June 30, 2021

	Governmental Activities - Internal Service Funds		Totals
	Employee Benefits	Compensated Absences	
Operating Activities			
Cash received from interfund services provided	\$ 792,393	\$ -	\$ 792,393
Cash paid to suppliers for goods and services	(868,067)	-	(868,067)
Net Cash used for Operating Activities	(75,674)	-	(75,674)
Investing Activities			
Interest received	184,738	2,086	186,824
Net Cash from (used for) Investing Activities	184,738	2,086	186,824
Net Change in Cash and Cash Equivalents	109,064	2,086	111,150
Cash, Restricted Cash, and Cash Equivalents, Beginning of Year	828,338	604,449	1,432,787
Cash, Restricted Cash, and Cash Equivalents, End of Year	\$ 937,402	\$ 606,535	\$ 1,543,937
Reconciliation of Operating Income to Net Cash from (used for) Operating Activities			
Operating income (loss)	\$ (137,771)	\$ -	\$ (137,771)
Changes in			
Net OPEB liability and related balances	(323,828)	-	(323,828)
Accrued liability	6,305	-	6,305
Due to other funds	379,620	-	379,620
Net Cash from (used for) Operating Activities	\$ (75,674)	\$ -	\$ (75,674)

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 Position by Component
Accrual Basis of Accounting
Last Ten Fiscal Years

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Governmental activities:										
Net investment in capital assets	\$ 148,375,228	\$ 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
Restricted for:										
Community development	4,439,261	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
Housing	15,486,485	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	6,548,304	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
Public works	2,793,046	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
Debt service	-	-	-	-	-	-	-	-	-	-
Section 115 Trust	937,402									
Unrestricted	65,899,752	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
Total governmental activities net position	<u>244,479,478</u>	<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>
Business-type activities:										
Net investment in capital assets	47,197,377	49,122,479	49,821,298	51,198,409	52,758,255	57,498,601	-	-	-	-
Unrestricted	(5,609,097)	(5,258,314)	(1,809,374)	1,024,501	1,657,668	1,798,085	-	-	-	-
Total business-type activities net position	<u>41,588,280</u>	<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>
Primary government:										
Net investment in capital assets	195,572,605	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
Restricted	29,267,096	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
Unrestricted	60,290,655	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
Total primary government net position	<u>\$ 286,067,758</u>	<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>

*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									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Expenses:										
Governmental activities:										
General government	\$ 16,765,605	\$ 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
Public safety	9,448,083	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
Community development	4,918,929	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
Public works	7,956,690	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
Golf resort	-	-	-	-	-	-	13,564,356	12,945,121	12,088,530	12,714,308
Interest on long-term debt	-	-	-	-	-	-	-	-	-	2,024,309
Total governmental activities expenses	39,089,307	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
Business-type activities:										
Golf resort	13,451,868	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	13,451,868	15,504,561	17,322,778	16,418,280	20,072,072	21,071,535	-	-	-	-
Total primary government expenses	52,541,175	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
Program revenues:										
Governmental activities:										
Charges for services:										
General government	41,412	58,587	43,100	39,584	35,873	48,263	35,971	46,282	88,959	134,600
Public safety	485,403	525,383	600,091	199,095	134	4,522	8,599	6,883	7,900	5,507
Community development	817,102	969,257	990,040	1,038,569	1,121,873	968,377	1,003,232	854,755	934,524	663,445
Public works	14,463	9,288	12,124	21,064	22,884	27,412	22,723	28,038	32,978	35,877
Golf resort	-	-	-	-	-	-	13,179,508	12,429,070	12,051,307	12,480,492
Operating grants and contributions:										
General government	523,214	485,587	478,269	444,372	430,718	456,491	524,526	386,696	381,405	382,613
Public safety	5,642,553	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
Community development	-	-	-	-	52,738	-	60,559	-	-	-
Public works	2,890,710	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
Capital grants and contributions:										
General government	-	-	-	-	-	-	1,050,000	500,000	1,450,000	-
Community development	-	-	-	-	-	-	-	-	-	-
Public works	119,842	487,500	236,175	215,870	143,993	104,869	775,943	2,352,481	119,513	2,839,642
Total governmental activities program revenue	10,534,699	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
Business-type activities:										
Charges for services:										
Golf resort	11,178,205	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	11,178,205	11,340,304	15,108,397	13,820,320	12,949,634	13,026,606	-	-	-	-
Total primary government program revenue	21,712,904	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

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

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Net revenues (expenses):										
Governmental activities	(28,554,608)	(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)
Business-type activities	(2,273,663)	(4,164,257)	(2,214,381)	(2,597,960)	(7,122,438)	(8,044,929)	-	-	-	-
Total net revenues (expenses)	<u>(30,828,271)</u>	<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>
General revenues and other changes in net position:										
Governmental activities:										
Taxes:										
Property taxes	3,554,123	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
Transient occupancy taxes	4,622,778	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
Sales taxes	656,060	821,533	1,493,254	1,111,159	1,347,804	1,217,570	1,121,191	1,016,141	945,359	992,271
Franchise taxes	993,257	995,921	992,865	929,551	941,938	922,074	924,869	886,891	860,303	848,259
Other taxes	239,569	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
Investment income	2,479,381	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
Gain on sale of asset	-	-	-	-	-	-	-	-	-	-
Extraordinary gain/(loss) on dissolution of RDA	-	-	-	-	-	-	-	16,400,000	48,767,526	78,671,501
Other	744,391	685,064	785,799	909,895	659,280	908,638	1,082,274	1,012,035	1,078,031	563,735
Transfers	-	-	-	-	6,139,623	(831,713)	-	-	-	-
Total governmental activities	<u>13,289,559</u>	<u>15,157,415</u>	<u>23,516,825</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>
Business-type activities:										
Investment income	(2,222)	16,498	8,006	-	1,809	3,095	-	-	-	-
Other	-	-	-	404,947	8,379,489	1,850,156	-	-	-	-
Transfers	-	-	-	-	(6,139,623)	831,713	-	-	-	-
Total business-type activities	<u>(2,222)</u>	<u>16,498</u>	<u>8,006</u>	<u>404,947</u>	<u>2,241,675</u>	<u>2,684,964</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 13,287,337</u>	<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>
Changes in net position:										
Governmental activities	(15,265,049)	(4,172,028)	3,192,850	1,240,060	7,981,130	199,640	(4,670,982)	13,056,743	35,737,572	81,890,644
Business-type activities	(2,275,885)	(4,147,759)	(2,206,375)	(2,193,013)	(4,880,763)	(5,359,965)	-	-	-	-
Total primary government	<u>\$ (17,540,934)</u>	<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>

*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									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General fund:										
Nonspendable:										
Prepaid items	\$ 15,086	\$ 51,660	\$ 7,738	\$ 1,911	\$ 24,666	\$ 5,740	\$ 950	\$ 3,715	\$ 352,799	\$ 724,847
Notes and loans	29,336,845	18,917,870	18,945,867	17,739,192	17,739,192	17,889,192	17,889,192	17,889,192	-	-
Committed to:										
Capital projects	-	5,500,000	5,500,000	-	-	-	-	-	-	-
Emergency reserve	-	-	-	-	-	-	2,500,000	2,250,000	2,250,000	2,250,000
Unassigned	3,324,042	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
Total general fund	<u>32,675,973</u>	<u>34,913,382</u>	<u>40,493,399</u>	<u>37,138,777</u>	<u>36,623,684</u>	<u>28,622,431</u>	<u>27,832,777</u>	<u>25,984,624</u>	<u>7,347,418</u>	<u>7,717,941</u>
All other governmental funds										
Nonspendable										
Inventory	-	-	-	-	-	-	728,323	695,998	613,309	696,882
Prepaid items	-	-	-	-	-	-	230,059	108,542	83,196	79,410
Notes and loans	-	-	-	-	-	-	-	-	15,831,412	15,831,412
Restricted for:										
Community development	19,925,746	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
Public safety	6,548,304	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
Public works	2,793,046	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
Committed to:										
Capital projects	5,664,949	148,955	159,190	144,213	676,363	354,335	22,913,539	23,805,825	25,431,121	35,781,876
Assigned to:										
Capital projects	28,414,872	34,045,927	30,525,572	23,325,122	23,643,770	23,199,044	-	-	-	-
Unassigned	<u>(1,131,775)</u>	<u>(1,171,973)</u>	<u>(1,254,477)</u>	<u>(1,306,134)</u>	<u>(1,345,970)</u>	<u>(1,387,826)</u>	<u>(1,420,514)</u>	<u>(1,853,153)</u>	<u>(1,499,190)</u>	<u>(1,539,173)</u>
Total all other governmental funds	<u>\$ 62,215,142</u>	<u>\$ 59,171,730</u>	<u>\$ 54,558,096</u>	<u>\$ 46,989,776</u>	<u>\$ 46,388,577</u>	<u>\$ 74,703,141</u>	<u>\$ 47,432,143</u>	<u>\$ 46,697,735</u>	<u>\$ 51,665,234</u>	<u>\$ 59,362,304</u>

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

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Revenues:										
Taxes	\$ 13,780,199	\$ 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
Licenses and permits	499,929	542,715	504,876	465,327	642,162	466,550	479,296	426,382	439,139	226,322
Intergovernmental	1,224,015	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
Contribution from property owners	-	-	-	-	-	-	1,050,000	500,000	1,450,000	-
Charges for services	802,576	951,925	1,085,255	772,337	480,245	503,429	13,705,848	12,857,977	12,548,294	12,918,149
Investment income	314,893	2,316,373	2,492,431	212,021	225,978	727,908	527,212	1,623,137	400,607	2,157,135
Fines and forfeitures	55,875	67,875	55,224	60,648	58,359	78,595	64,889	80,669	128,235	175,450
Rental income	1,978,311	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	4,102,421	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
Development fees	135,471	260,616	168,798	149,631	448,419	129,054	139,614	124,851	222,451	73,510
Other	744,391	685,064	785,799	909,895	659,280	908,638	1,082,274	1,012,035	1,078,031	563,735
Total revenues	23,638,081	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
Expenditures										
Current:										
General government	7,783,032	7,884,804	8,993,847	8,136,619	7,836,296	8,008,297	9,424,603	8,573,662	7,996,591	6,214,712
Public safety	9,256,346	9,108,526	8,780,570	8,488,123	8,047,904	8,151,039	8,036,589	7,685,383	3,211,837	7,212,762
Community development	3,068,540	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
Parks and recreation	-	-	-	-	-	-	-	-	1,920,320	0
Public works	5,169,930	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
Golf resort	-	-	-	-	-	-	13,564,356	12,945,121	12,088,530	12,714,308
Pass-through	-	-	-	-	-	-	-	-	-	7,183,533
Capital outlay	1,270,541	1,350,837	3,484,885	3,911,186	1,305,125	559,912	861,263	8,678,100	3,330,510	9,197,818
Debt service:										
Principal retirement	-	-	-	-	-	-	-	-	-	4,460,000
Interest and fiscal charges	-	-	-	-	-	-	-	-	-	3,894,759
Total expenditures	26,548,389	26,586,897	29,080,679	27,882,962	24,597,647	24,227,212	38,774,152	44,837,300	37,523,768	57,347,774
Excess (deficiency) of revenues over (under) expenditures	(2,910,308)	(891,894)	4,568,093	1,116,292	3,333,113	2,798,957	2,582,561	(3,640,686)	(80,297)	(2,320,146)
Other financing sources (uses):										
Transfers in	154,080	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
Transfers out	(154,080)	(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)
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	3,641,822	-	4,351,849	-	-	-	-	-	-	-
Total other financing sources (uses)	3,641,822	-	6,356,460	-	4,976,007	(831,713)	-	16,324,000	(6,312,688)	10,238,176
Net change in fund balances	\$ 731,514	\$ (891,894)	\$ 10,924,553	\$ 1,116,292	\$ 8,309,120	\$ 1,967,244	\$ 2,582,561	\$ 12,683,314	\$ (6,392,985)	\$ 7,918,030

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

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

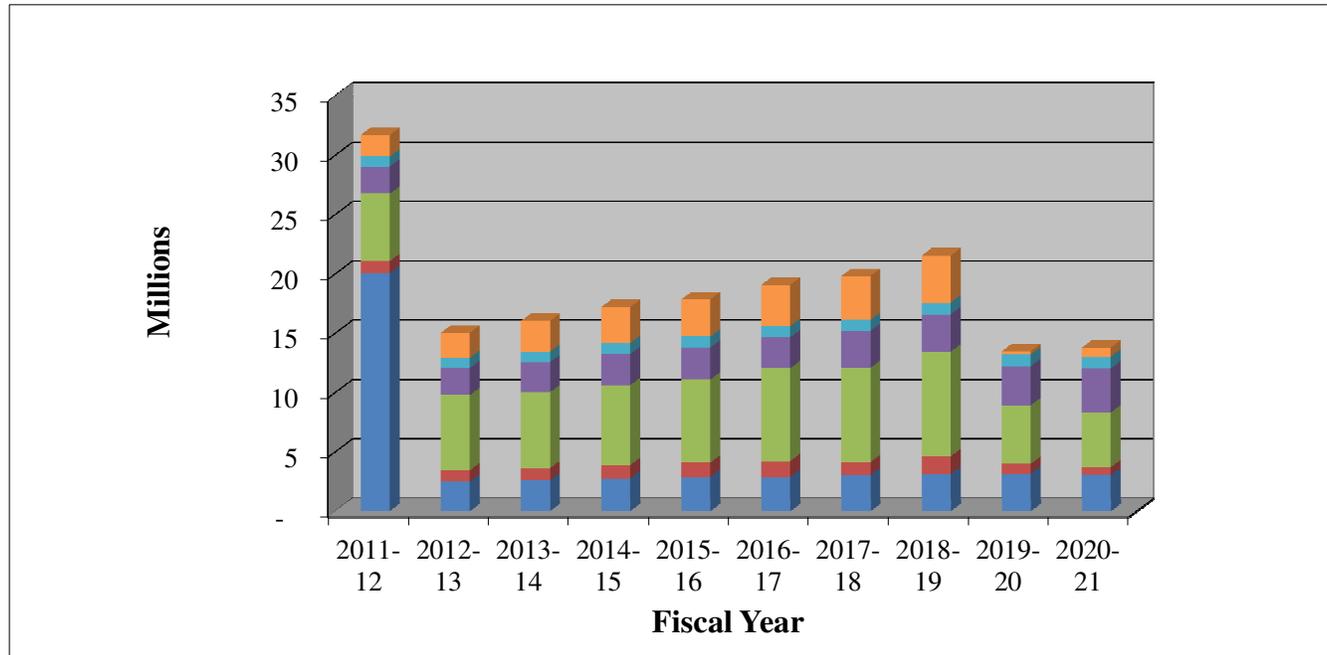
	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Debt service as a percentage of noncapital expenditures	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	21.0%
Capital outlay (Recon of Rev & Exp)	(11,576,784)	868,327	(1,681,711)	3,456,064	588,717	(102,981)	695,864	8,627,428	3,118,599	9,190,259
Total governmental expenditures	26,548,389	26,586,897	29,080,679	27,882,962	24,597,647	24,227,212	38,774,152	44,837,300	37,523,768	57,347,774
Less: Principal	-	-	-	-	-	-	-	-	-	(4,460,000)
Less: Interest	-	-	-	-	-	-	-	-	-	(3,894,759)
	26,548,389	26,586,897	29,080,679	27,882,962	24,597,647	24,227,212	38,774,152	44,837,300	37,523,768	48,993,015
Less: Capital Asset Additions	11,576,784	(868,327)	1,681,711	(3,456,064)	(588,717)	102,981	(695,864)	(8,627,428)	(3,118,599)	(9,190,259)
Non Capital Expenditures	38,125,173	25,718,570	30,762,390	24,426,898	24,008,930	24,330,193	38,078,288	36,209,872	34,405,169	39,802,756
Total Debt Service Payments	-	-	-	-	-	-	-	-	-	8,354,759
Debt Service as % of Non Capital Exp.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	21.0%

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

Fiscal Year End	Property Tax	Sales	Transient Occupancy	Emergency Services	Franchise	Other	Total
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
2020-21	3,039,148	656,060	4,622,778	3,714,412	993,258	754,545	13,780,201

Percentage change:

2011-2021 -84.9% -33.9% -18.8% 62.4% 17.1% -58.7% -56.6%



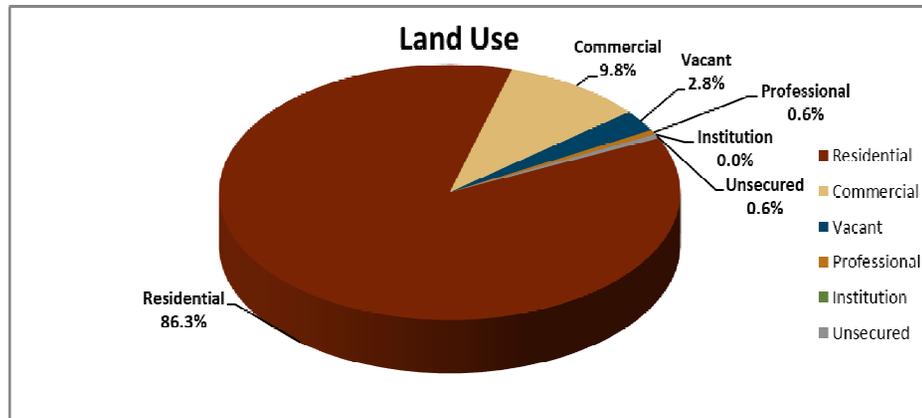
City of Indian Wells, California
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended June 30	City (Excl. RDA)			Redevelopment Agency/Successor Agency			City's Direct Tax Rate
	Secured	Unsecured	Taxable Assessed Value	Secured	Unsecured	Taxable Assessed Value	
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
2020-21	1,505,059,403	13,164,761	1,518,224,164	4,868,974,853	21,852,265	4,890,827,118	1.21396

Source: Riverside County Assessor Data, MuniServices, LLC
Source: 2010-11 and prior, previously published CAFR Report
Net Taxable Value is net of all exemptions, including homeowners.
(1.) Total Direct Tax Rate is represented by TRA 016-000

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

Category	2011-12	2012-13	2013-14	2014-15*	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Residential	\$ 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	\$ 5,482,677,084
Commercial	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	623,499,659
Vacant	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	175,159,873
Professional	-	-	-	-	-	-	-	-	-	35,928,381
Institutional	-	-	-	-	-	-	-	-	-	375,198
Unknown	315,812,049	411,623,758	362,409,067	-	-	-	-	-	-	0
Net Secured Value	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	6,317,640,195
Unsecured	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	35,017,026
Net Taxable Value	\$ 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	\$ 6,352,657,221



Source: Avenu Insights & Analytics
Source: 2019-20 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

	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>
City Direct Rates:										
City Basic Rate	0.00649751	0.00649751	0.00649751	0.00649751	0.00649751	0.00649751	0.00649751	0.00649751	0.00649751	0.00779246
Agency Basic Rate	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000
Low & Mod 20% Set-aside	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000
Total city direct rate	<u>0.00649751</u>	<u>0.00779246</u>								
Overlapping Rates:										
General	0.15716188	0.15716188	0.15716188	0.15716188	0.15716188	0.15716188	0.15716188	0.15716188	0.15716348	0.31458170
Riverside County General & Fire	0.06556884	0.06556884	0.06556884	0.06556884	0.06556884	0.06556884	0.06556884	0.06556884	0.06556119	0.06556922
Coachella Valley Water District	0.03055245	0.03055245	0.03055245	0.03055245	0.03055245	0.03055245	0.03055245	0.03055245	0.03055245	0.03055245
Desert Sands Unified School District	0.40439065	0.40439065	0.40439065	0.40439065	0.40439065	0.40439065	0.40439065	0.40439065	0.40439065	0.40439065
Riverside County Superintendent of Schools	0.04571713	0.04571713	0.04571713	0.04571713	0.04571713	0.04571713	0.04571713	0.04571713	0.04571713	0.04571713
College of Desert	0.08403091	0.08403091	0.08403091	0.08403091	0.08403091	0.08403091	0.08403091	0.08403091	0.08403091	0.08403091
Coachella Valley Parks & Recreation District	0.01321243	0.01321243	0.01321243	0.01321243	0.01321243	0.01321243	0.01321243	0.01321243	0.01321243	0.02312834
CV Mosquito & Vector Control District	0.01091312	0.01091312	0.01091312	0.01091312	0.01091312	0.01091312	0.01091312	0.01091312	0.01091312	0.01529179
Riverside County Regional Park & Open Space	0.00387930	0.00387930	0.00387930	0.00387930	0.00387930	0.00387930	0.00387930	0.00387930	0.00387930	0.00475859
Coachella Valley Public Cemetery	0.00256659	0.00256659	0.00256659	0.00256659	0.00256659	0.00256659	0.00256659	0.00256659	0.00256659	0.00379506
Desert Regional Medical Center	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000
Coachella Valley Resource Conservation	0.00039170	0.00039170	0.00039170	0.00039170	0.00039170	0.00039170	0.00039170	0.00039170	0.00039170	0.00039170
Education Revenue Augmentation Fund	0.17511749	0.17511749	0.17511749	0.17511749	0.17511749	0.17511749	0.17511749	0.17511749	0.17512353	0.00000000
Total	<u>1.00000000</u>									
Override Assessments										
Coachella Valley Water District	0.08000000	0.08000000	0.10000000	0.10000000	0.10000000	0.10000000	0.10000000	0.10000000	0.10000000	0.10000000
Desert Community College	0.01995000	0.01995000	0.01995000	0.02325000	0.02087000	0.02036000	0.04030000	0.03978000	0.03983000	0.03978000
Desert Sands Unified School District	0.11467000	0.11156000	0.10954000	0.10984000	0.10915000	0.08599000	0.07251000	0.07418000	0.07381000	0.07418000
Total	<u>0.21462000</u>	<u>0.21151000</u>	<u>0.22949000</u>	<u>0.23309000</u>	<u>0.23002000</u>	<u>0.20635000</u>	<u>0.21281000</u>	<u>0.21396000</u>	<u>0.21364000</u>	<u>0.21396000</u>
Total tax rate	1.21462000	1.21151000	1.22949000	1.23309000	1.23002000	1.20635000	1.21281000	1.21396000	1.21364000	1.21396000

Source: Riverside County Auditor data, Avenu Insights & Analytics
Source: 2010-11 and prior, previously published CAFR Report
(1.) Total Direct Tax Rate is represented by TRA 016-000

City of Indian Wells, California

Principal Property Tax Payers
Last Fiscal Year and Nine Years Ago

Taxpayer	2020-21		2011-12	
	Taxable Value (\$)	Percent of Total City Taxable Value (%)	Taxable Value (\$)	Percent of Total City Taxable Value (%)
Garden Of Champions	\$ 274,050,862	4.31%	\$ 57,523,731	1.28%
H E Indian Wells	120,977,195	1.90%		
BBC Esmeralda	75,087,442	1.18%		
Toscana Country Club Inc	49,425,798	0.78%	49,308,800	
Standard Pacific Corp	29,772,892	0.47%	12,157,290	0.27%
Vintage Club	29,220,342	0.46%	26,974,727	0.60%
RPCWG Miramonte Owner	24,842,406	0.39%		
Eldorado Country Club	18,119,224	0.29%	24,382,287	0.54%
Village Shopping Center At Indian Wells	17,872,717	0.28%	14,480,464	0.32%
PCG & RGG General Partnership	15,628,011	0.25%		
Cook Leo W	14,515,440	0.23%	12,390,766	
Marion Anne W	14,342,952	0.23%		0.00%
Kayne Richard A	13,922,570	0.22%		
Brinson Gary P Trust Dtd 10/29/92	13,665,600	0.22%	9,500,000	
Schmid Inv	13,541,282	0.21%	12,673,321	
Carletti Christopher M	13,520,000	0.21%		
Indian Wells Village II	13,395,356	0.21%	11,572,502	0.26%
DRW Desert Holdings	12,872,441	0.20%		
IWCC Acquisition Corp	12,573,999	0.20%	11,760,707	0.26%
Coleman Sheldon C	11,751,707	0.18%		
Neptune	11,509,274	0.18%	9,809,908	0.22%
49430 Hidden Valley Trail	11,450,000	0.18%		0.00%
Good Daniel J	11,332,264	0.18%		
KH Indian Wells	11,208,955	0.18%		
Targoff Michael B	10,542,019	0.17%		
Grand Champions LLC			51,991,758	1.16%
Felcor Esmeralda			33,675,000	0.75%
LH Indian Wells Holding			16,716,939	0.37%
Sanderson J Ray Indian Wells			16,072,497	0.36%
Ryan Oil Co			13,570,783	0.30%
Reserve Club			12,766,946	0.29%
Windfohr Anne Burnett			12,243,512	0.27%
Gilleland Richard A			11,797,091	0.26%
Washington Roy Dennis			9,858,292	0.22%
Dillard Kay			9,807,725	0.22%
Argyros George L			9,382,270	0.21%
Gilliland Gloria J			9,052,610	0.20%
Walters William T			8,738,734	0.20%
Total Top 25 Taxpayers	<u>845,140,748</u>	<u>13.30%</u>	<u>468,208,660</u>	<u>8.59%</u>
Total Taxable Value	<u>\$ 6,352,657,221</u>	<u>100.00%</u>	<u>\$ 4,476,601,154</u>	<u>100.00%</u>

Source: County Assessor data, Avenu Insights & Analytics

City of Indian Wells, California

Principal Sales Tax Producers

Last Fiscal Year and Nine Years Ago

2020-21		2011-12	
Taxpayer	Business Type	Taxpayer	Business Type
CVS Pharmacy	Drug Stores	American Audio Visual Center	Business Services
Desert Horizons Country Club	Miscellaneous Retail	Cafe Italia	Restaurants
Don Diego Restaurante	Restaurants	Compliments	Apparel Stores
Donna Diamond Interior Design	Miscellaneous Retail	Creative Pipe	Misc. Vehicle Sales
Eldorado Country Club	Miscellaneous Retail	CVS Pharmacy	Drug Stores
Eureka! Burger	Restaurants	Desert Horizons Country Club	Restaurants
Hyatt Hotel	Restaurants	Don Diego Restaurante	Restaurants
Indian Wells Country Club & Hotel	Miscellaneous Retail	Donna Diamond Designer	Miscellaneous Retail
Indian Wells Golf Resort	Miscellaneous Retail	Eldorado Country Club	Restaurants
IW Coffee	Food Markets	Hotel Indian Wells	Restaurants
Karen Harlow For The Home	Miscellaneous Retail	Hyatt Grand Champions Resort	Restaurants
Kim Bradley Design Group	Miscellaneous Retail	Indian Wells Country Club	Miscellaneous Retail
Kitchen Kitchen For The Chef	Miscellaneous Retail	Indian Wells Golf Resort	Miscellaneous Retail
Kitchens & Baths By Lynn	Bldg.Matls-Whsle	Indian Wells Tennis Garden	Recreation Products
Renaissance Esmeralda Resort & Spa	Restaurants	Miramonte Resort And Spa Food	Restaurants
Reserve Club	Miscellaneous Retail	Ralph's Grocery Company	Food Markets
Ross Stout Architect	Miscellaneous Retail	Renaissance Esmeralda Resort & Spa	Restaurants
SCH Enterprises	Miscellaneous Retail	Reserve Club	Restaurants
Serenas Golf & Resort Wear	Miscellaneous Retail	Swank Audio Visuals	Light Industry
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 Vintage Club	Restaurants
The Vintage Club	Miscellaneous Retail	Toscana Country Club	Restaurants
Toscana Country Club	Miscellaneous Retail	Vicky's Of Santa Fe	Restaurants
Vicky's Of Santa Fe	Restaurants	Village Inscribe	Miscellaneous Retail

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
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*	2,555,040	3,104,015	121.49%	9,525	3,113,540	121.86%
2020*	2,556,217	3,153,150	123.35%	13,287	3,166,437	123.87%
2021	2,704,296	3,039,148	112.38%	-	3,039,148	112.38%

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.

*FY2019 & FY2020 revised per Riverside County Reporting Data

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

	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15*</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>
Resort Hotels	\$ 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	\$ 4,451,687
Short-term Rentals	12,013	23,104	32,838	117,552	281,039	229,213	226,660	199,582	133,174	171,091
Total	<u>\$ 5,689,952</u>	<u>\$ 6,341,825</u>	<u>\$ 6,407,454</u>	<u>\$ 6,742,840</u>	<u>\$ 7,000,096</u>	<u>\$ 7,855,416</u>	<u>\$ 7,943,017</u>	<u>\$ 8,835,433</u>	<u>\$ 4,944,773</u>	<u>\$ 4,622,778</u>
Transient Occupancy Tax Rate in effect	11.25%	11.25%	11.25%	11.25%	11.25%	11.25%	11.25%	12.25%	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 End	Governmental Activities			Percentage of Personal Income	Per Capita
	Tax Allocation Bonds	Notes Payable	Total		
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%	-
2021	- 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 End	Outstanding		Per Capita	Less:	Total Net	Legal Debt Limit	Legal Debt Margin	Legal Debt Margin as a % of Limit
	Tax Allocation Bonds	% of Assessed Value ¹		Amounts Set Aside To Repay Debt	Debt Applicable To Debt Limit			
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%	-	-	-	887,084	887,084	100.0%
2020	-	0.0%	-	-	-	922,223	922,223	100.0%
2021	-	0.0%	-	-	-	954,148	954,148	100.0%

Legal Debt Margin Calculation for Fiscal Year 2021:

Assessed Value (From Assessor's net 02-2441)	<u>FY 2020/21</u> \$ 6,360,984,421
Legal Debt limit (15% of total assessed value)	954,147,663

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

2020-21 Assessed Valuation:			\$ 6,361,153,182
	<u>Total Debt</u>	<u>%</u>	<u>City Share of</u>
	6/30/2021	Applicable (1)	Debt 6/30/20
Direct and Overlapping Tax and Assessment Debt:			
Desert Community College District	\$ 392,435,000	7.203%	\$ 28,267,093
Desert Sands Unified School District	410,450,000	14.669%	60,208,911
Desert Sands Unified School District Community Facilities District No. 1	695,000	11.088%	77,062
City of Indian Wells	-	100.000%	-
Total direct and overlapping tax and assessment debt			<u>\$ 88,553,066</u>
Overlapping General Fund Obligation Debt:			
Riverside County General Fund Obligations	\$ 717,525,698	2.031%	\$ 14,572,947
Riverside County Pension Obligations	881,575,000	2.031%	17,904,788
Desert Sands Unified School District Certificates of Participation	24,960,000	14.669%	3,661,382
Total gross overlapping general fund debt			36,139,117
Overlapping Tax Increment Debt:	247,770,000	0.180-100%	\$ 66,966,034
Total direct debt			\$ -
Total overlapping debt			\$ 191,658,217
Combined total debt			\$ 191,658,217 ⁽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 2020-21 Assessed Valuation:

Direct Debt	0.00%
Total Direct and Overlapping Tax and Assessment Debt	1.39%
Combined Total Debt	3.01%

Ratios to Redevelopment Successor Agencies Incremental Valuation (\$4,498,655,301):

Total Overlapping Tax Increment Debt	1.49%
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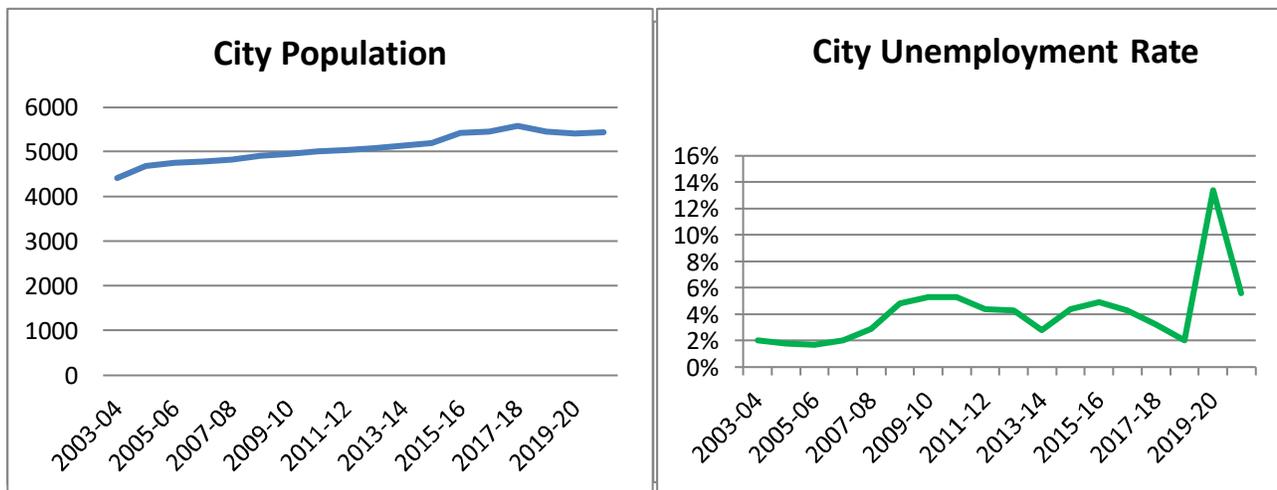
Source: Avenu Insights & Analytics, California Municipal Statistics, Inc.

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

Fiscal Year Ended June 30	Tax Allocation Bonds			
	Tax Increment	Debt Service		Coverage
		Principal	Interest	
2012	\$ 17,891,078	\$ 4,460,000	\$ 5,852,651	1.73
2013	-	-	-	-
2014	-	-	-	-
2015	-	-	-	-
2016	-	-	-	-
2017	-	-	-	-
2018	-	-	-	-
2019	-	-	-	-
2020	-	-	-	-
2021	-	-	-	-

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

Fiscal Year	Population (1)	Personal Income	Per Capita Personal Income (2)	Median Age	Public School Enrollment (3)	City Unemployment Rate (%) (4)
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%
2020-21	5,428	592,602,660	109,175	67.9	26,982	5.6%



Source: Avenu Insights & Analytics

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	2020-21		2011-12	
	Number of Employees	Percent of Total Employment (%)	Number of Employees	Percent of Total Employment (%)
Hyatt Regency Resort & Spa	344	19.11%	446	22.19%
Renaissance Esmeralda Resort	253	14.06%	489	24.33%
Toscana Country Club	232	12.89%	90	4.48%
Indian Wells Golf Resort (1)	186	10.33%	236	11.74%
El Dorado Country Club (1)	99	5.50%	205	10.20%
Miramonte Resort and Spa	92	5.11%	219	10.90%
Indian Wells Resort Hotel	71	3.94%	76	3.78%
Indian Wells Country Club	68	3.78%	116	5.77%
Gerald Ford Elementary School	64	3.56%		0.00%
Desert Horizons Country Club (1)	52	2.89%	78	3.88%
Merrill Lynch Wealth Management			55	2.74%
Total Top Employers	1,461	81.17%	2,010	100%
Total City Employment (2)	1,800			

Source: Avenu Insights & Analytics

Source: 2011-12, previously published ACFR

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	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
City Manager/Clerk	4.75	4.75	4.75	4.52	4.48	4.48	5.05	5.05	5.75	5.85
Advertising/Marketing	2.00	2.00	2.00	1.97	1.97	1.97	-	-	-	0.95
Community Services	-	-	-	-	-	-	1.95	1.95	1.40	0.55
Risk Management	0.125	0.125	0.125	0.150	0.150	0.15	0.30	0.30	0.30	0.30
Personnel	0.125	0.125	0.125	0.450	0.450	0.45	0.55	0.55	0.45	0.45
City Attorney	0.25	0.25	0.25	0.05	0.09	0.09	0.20	0.20	0.20	0.10
Community										
Development	5.25	5.25	6.50	6.27	6.27	6.77	5.45	5.45	6.35	5.45
Finance Department	6.00	6.00	6.00	5.47	5.33	5.33	4.41	4.41	3.42	3.19
Public Safety	1.50	1.50	1.25	1.60	1.60	1.10	1.10	1.10	1.15	1.50
Public Works	8.00	8.00	8.00	7.53	7.44	7.44	7.44	7.51	8.47	8.63
Housing Authority	-	-	-	0.99	0.99	0.99	1.64	1.64	1.72	2.24
Golf Resort	-	-	-	-	0.18	0.18	0.84	0.84	0.79	0.79
Club Drive	-	-	-	-	0.05	0.05	0.07	-	-	-
Total	28.00	28.00	29.00	29.00	29.00	29.00	29.00	29.00	30.00	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									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Police										
Violent Crime	-	-	-	3	6	6	2	8	8	14
Thefts	102	141	97	87	91	96	89	101	101	67
Burglaries	47	66	39	29	45	39	34	49	49	19
Traffic Collisions	88	88	125	136	104	116	98	101	102	108
Traffic Citations	870	838	1,251	971	1,101	1,248	1,231	853	393	949
Fire										
Medical Aid Calls	696	704	659	751	794	818	934	951	1,135	766
Public Service Assists	108	118	90	102	76	79	69	59	65	56
Structure Fires	4	4	4	4	3	1	5	2	2	-
Vegetation Fires	-	-	-	-	-	2	2	-	-	-
Building Activity										
Permits Issued	582	774	914	845	887	774	764	758	722	751
Inspections Performed	2,811	3,862	4,927	5,438	4,607	3,319	3,686	3,841	4,209	3,576
New Dwelling Units	13	35	33	37	32	33	39	46	61	38
Public Works										
Lot Line Adjustments	1	3	3	4	2	4	-	2	6	8
Parcel Mergers	2	3	3	5	4	1	3	2	1	1
Encroachment Permits	48	66	84	59	70	82	71	86	82	56
Tract Maps	2	2	-	1	-	-	-	2	-	-
Golf Resort										
Golf rounds played	83,104	82,712	81,696	78,829	77,613	74,358	74,828	74,589	56,402	64,968
Administration										
City Council Meetings	21	21	20	18	15	8	10	9	21	20
Public Hearings	16	11	23	18	14	15	11	9	18	17
Adopted Resolutions	43	53	53	49	42	49	41	39	50	43

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

Function	Units of Measure	Fiscal Year									
		2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
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	10.00	10.00	10.00	10.00	11.00	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