City of Indian Wells, California

Annual Comprehensive Financial Report

Year Ended June 30, 2024

CITY OF INDIAN WELLS, CALIFORNIA

Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2024

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INDIAN WELLS
CALIFORNIA

December 12, 2024

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



The City of Indian Wells presents the Annual Financial Report for the fiscal year ending June 30, 2024. This report reflects the City's ongoing commitment to meeting the community's evolving needs through prudent financial stewardship and consistent, constructive communication with residents.

Indian Wells maintains its position as one of California's most affluent and financially secure municipalities, with oversight by the City's Finance Committee supporting strong fiscal practices. This financial strength is attributed to the City Council's conservative fiscal management and collaboration with the management team. The local economy, largely driven by a robust tourism sector—supported by luxury resorts, a renowned tennis facility, and a premier golf resort—continues to sustain Indian Wells' financial health. In 2023/24, tourism revenues exceeded projections, resulting in record collections in transient occupancy and admissions taxes.

While fiscal strength is evident, Indian Wells acknowledges the need for cautious planning given potential economic uncertainties, including the impacts of the pandemic, inflationary pressures, and macroeconomic factors. The City has adopted a conservative approach to budgeting for the coming year, balancing optimism with fiscal prudence.

The City prioritizes essential services, particularly in public safety, and reserves an annual amount exceeding $2 million for capital replacements. Retirement obligations are fully funded, supporting the City's commitment to long-term fiscal sustainability.

This letter provides a summary of the City's financial status and economic outlook. For a more comprehensive analysis, the Management's Discussion and Analysis (MD&A) follows the independent auditor's report and should be read alongside this transmittal letter. The Financial Statements, prepared in accordance with GAAP, are designed to present a fair and accurate financial picture as of June 30, 2024, with internal controls in place to ensure reliability. These controls are balanced to provide reasonable assurance without excessive cost.

Under Government Code 26909(a), the City engaged a certified public accountant to perform an annual audit, meeting statutory requirements to file an audit report with the State Controller and County Auditor within 12 months of fiscal year-end. For the fiscal year ending June 30, 2024, Farr Davis, CPA, issued an unmodified opinion on the City's Financial Statements, included in this report. In addition to the annual audit, Farr Davis conducts agreed-upon procedures reviews at the Golf Resort, Housing Authority communities, Tennis Stadium, and with hotel partners, reinforcing oversight of key City operations.

Profile of the City of Indian Wells



Incorporated in 1967, the City of Indian Wells is located in California's Coachella Valley, approximately 120 miles east of Los Angeles in Riverside County. Known for its natural beauty, exclusive residential country clubs, luxury resorts, championship golf courses, and extensive cultural and recreational offerings, Indian Wells is home to 4,797 permanent residents within its 15.04 square miles, with an additional 4,000 to 5,000 seasonal residents during winter months.

Indian Wells operates under a City Council-City Manager governance structure. The City Council, composed of a Mayor and four members elected to four-year terms, is responsible for policy and legislative decisions and appoints the City Manager and City Attorney. The City Manager, as chief executive, oversees policy execution and city operations.

The City provides comprehensive services, including law enforcement, fire protection, infrastructure management, economic and community development, code enforcement, arts and culture, and recreational activities. Fiscal planning is guided by a biennial budget and a five-year Capital Improvement Program, both developed in line with generally accepted accounting principles. Adopted by July 1, the biennial budget follows a program-based approach that aligns expenditures with City objectives for improved reporting and resource allocation.

Outstanding Community Benefits



The City of Indian Wells epitomizes an exceptional quality of life, enriched by a diverse array of cultural and social offerings, a progressive and unified municipal administration, luxurious hotels, and the esteemed Indian Wells Golf Resort, renowned for its championship golf facilities.

The City hosts numerous significant sporting and cultural events. These include the BNP Paribas Open, the largest two-week event in the world, featuring the Association of Tennis Professionals (ATP) World Tour and the Women's Tennis Association (WTA) at the prestigious Indian Wells Tennis Garden. Additionally, Indian Wells welcomes the Coachella Valley Firebirds, a professional ice hockey expansion team, Ironman 70.3, Desert Town Hall, Winterfest, and the Indian Wells Arts Festival. The cultural vibrancy of the area is further enhanced by the Living Desert Zoo, located in Indian Wells and neighboring Palm Desert.

Indian Wells is proud to maintain one of the lowest crime rates and fastest public safety response times in the Coachella Valley, thanks to the diligent efforts of its law enforcement and fire/paramedic services. The Joslyn Center offers a wide range of activities to cater to diverse interests and energy levels.

Moreover, Indian Wells features a thriving resident benefit program. The Indian Wells Resident Benefit Card provides residents with exclusive discounts at the Indian Wells Golf Resort, Indian Wells Tennis Garden, Acrisure Arena, and all four distinguished Indian Wells hotels. The City also hosts art exhibitions and lectures and offers complimentary access to events such as the BNP Paribas Open and Desert Town Hall. Additionally, residents enjoy social gatherings, patriotic community celebrations, and a variety of engaging activities.

Financial Communication



Financial communication with residents and other stakeholders is a fundamental Council Goal and top priority. Throughout the year, the Council utilizes the following methods to keep residents fiscally informed:

1. Council meetings and study sessions to encourage public engagement.
2. Presentation of the financial Forecast during the Council's annual Strategic Planning sessions to encourage public engagement.
3. Finance Committee Meetings.
4. Presentation of the annual financial statements.
5. The City's website.
6. The Mayor's letter.
7. Fiscal update eblasts.
8. The Financial Primer mailer was sent to all residents.
9. The Capital Improvements overview mailer was sent to all residents.
10. Indian Wells Check Book on the City's website.
11. The Budget at a Glance mailer was sent to all residents.
12. Resident meetings with the City's Finance Director.
13. Coffee with the City Manager.

Factors Affecting Financial Condition

National Economic Trends

In last year's report, we cautiously anticipated a potential recession, noting that while economic indicators suggested its likelihood, the full impact remained uncertain. Although the recession did not materialize, it's crucial to recall that many national economists forecasted an imminent downturn, particularly after two consecutive quarters of negative GDP growth (Q1 and Q2 of 2022), traditionally signaling a recession.

The current U.S. economic outlook remains uncertain. Since late 2022, growth has persisted, though real GDP decline may occur in Q4 2023 or early 2024. Forecasters are increasingly hopeful for a "soft landing," wherein inflation eases without triggering a recession. Despite this optimism, we maintain a recessionary outlook, supported by indicators such as low housing starts, declining consumer confidence, a shorter average manufacturing workweek, and an inverted yield curve.

While inflation has dropped significantly, it remains 3.2% higher than last year. Federal Reserve actions have increased the Federal Funds Rate to a 22-year high, slowing inflation from over 9% to around 4%, yet still above the 2% target. The Fed's decision to hold rates steady in September suggests hesitation to raise them further, though substantial rate cuts seem unlikely unless a severe recession occurs, which is not broadly expected in 2024.

The Coachella Valley, heavily reliant on tourism, continues to face pandemic-related headwinds. International tourism, especially from Asia, remains below pre-pandemic levels due to extended visa processing times and high airfares. However, regional tourism from California has helped offset these challenges, with the Valley benefiting as local residents opted for nearby vacations.

California Economic Overview

California's economy faces challenges with unemployment rising from 3.8% to 4.6% since August 2022, surpassing the national rate. The state's labor force and employment levels show a decline, despite a rebound in the leisure and hospitality sectors. Retail, wholesale, and government jobs remain below pre-pandemic levels, though California ranks fourth in GDP per capita, surpassing Texas and Florida in growth since 2019.

Hotel demand in California has almost returned to pre-pandemic levels, reaching 95% by August 2023. Occupancy and ADR are also gradually rising, with a full recovery anticipated in 2024. This sector's resurgence, particularly in leisure and hospitality, signals robust demand but with tempered ADR growth compared to the post-pandemic surge in 2022.

In the Inland Empire, logistics has been a growth driver, but sector expansion faces increasing environmental and health scrutiny. This shift may provide opportunities for economic diversification in the Coachella Valley. The logistics boom that aided economic recovery plateaued in late 2021, with job losses raising questions about whether this signals a cyclical slowdown or structural adjustments through automation.

The Ports of Los Angeles and Long Beach report a 10% decline in imports, which may suggest a shift in consumer spending or logistical concerns, potentially impacting regional employment in logistics.

Coachella Valley Hotel Sector

Coachella Valley hotels are projected to see a 2.5% increase in RevPAR in 2023, driven by a 2.1% rise in occupancy and a modest 0.4% increase in ADR. However, growth lags behind the national RevPAR increase of 3.8%. Upper-priced hotels are expected to lead with a 3.3% RevPAR increase, while lower-priced segments may see a 1.4% decline due to ADR pressures. Forecasts for 2024 anticipate minimal RevPAR growth at 0.3%, with occupancy expected to stabilize between 65.4% and 65.8% over the next five years.

Strategic Goals and Priorities

City of Indian Wells Financial Strategy Overview

Strategic financial planning in the City of Indian Wells is fundamental to optimizing cash flow and aligning resources with the City's long-term objectives. The Financial Strategy ensures continuous alignment with the community's evolving priorities, presenting a clear picture of the City's financial status and strategy for achieving its strategic goals.

Budget and Strategic Alignment

The City's biennial budget is not merely a financial plan but a clear statement of priorities. It provides a roadmap for the coming years, capturing the City Council's goals while balancing fiscal constraints. This budget reflects the collaborative input of the City Council, staff, and community, prioritizing high-quality service delivery, operational efficiency, and robust infrastructure investment.

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

Fiscal Policies

- Maintain Capital Reserves: Continue the Council policy of reserving $2.0 million annually for long-term capital replacements.
- Fully Fund Pension Program: Uphold the Council policy of maintaining a fully funded pension program.
- Implement Public Safety and Community Facilities: Establish the districts.
- Expand Pension Program: Develop a plan to expand the pension program to pre-fund future pension obligations.
- Diversify Revenue Streams: Explore new revenue measures to diversify income sources and secure dedicated funding for future needs, such as public safety cost increases.
- Utilize One-Time Loan Funds: Provide direction on the optimal use of one-time loan funds paid to the City by the former RDA.

Capital Improvement Program Update

- Advance Five-Year CIP: Advance five-year Capital Improvement Program (CIP) for the upcoming budget cycle.
- Invest in Street Maintenance: Continue investing in the street maintenance program to achieve an average Pavement Condition Index of 80 points or higher.
- Enhance landscaping: Maintain and expand vibrant, water-conscious citywide landscaping.
- Annual Sidewalk Repairs: Perform annual sidewalk repairs to eliminate tripping hazards.

Provide Responsive, Innovative, and Efficient Public Safety

- Prioritize Public Safety: Emphasize public safety through real-time responsiveness, "Coffee with a Cop" events, quarterly Public Safety Committee meetings, City Council updates, and the annual State of the City event.
- Maintain Low Crime Rates: Ensure a safe, low-crime environment through contracts with the Riverside County Sheriff's and Fire Departments.

Tourism Update and Opportunities

- Support Resort Partners: Collaborate with Visit Greater Palm Springs to support resort partners and influence Transient Occupancy Tax (TOT) growth.

- Develop Marketing Strategies: Create demand for Indian Wells through brand awareness and strategic marketing targeting both group and leisure markets.

Evaluating Energy Efficiency Opportunities

- Implement Energy Efficiency Upgrades: Continue the energy efficiency program, which includes solar installations, efficient heating and cooling systems, lighting upgrades, electric car chargers, backup generators, and a battery backup system at City Hall and the Golf Resort.

General Plan Update

- Complete the General Plan Update: Adhere to state law requiring regular updates to the General Plan, serving as the long-range policy document for land use and resource management.
- Reflect Community Goals: Update the General Plan to comply with new state housing laws, establish new development goals, and expand economic opportunities.

Key focus areas include:
- Directing growth in the northeast section for mixed-use development.
- Incentivizing affordable housing and identifying mixed-use and ADU opportunities.
- Establishing form-based development standards to prevent overburdening public services.
- Improving transportation and bikeway opportunities.
- Planning for 5G wireless infrastructure.
- Updating the Highway 111 Specific Plan for consistent standards.
- Enhancing wayfinding and branding for key locations.

Community Events and Activities

- Promote Community Engagement: The Indian Wells Community Activities Committee advises on and oversees a comprehensive calendar of community activities, including Sister City relations and the Resident Benefits program.

Develop Landscape Uniformity Along Highway 111

- Maintain Consistent Landscaping: Develop uniform standards for landscaping materials and maintenance along Highway 111, coordinating efforts with HOAs for consistent upkeep.

Encourage and Expand Economic Development Opportunities

- Focus on Economic Development: The Economic Development Division, established in 2020, monitors development, evaluates Enhanced Infrastructure Financing Districts (EIFDs), and fosters business relationships to shape the city's future.

Update Communications Plan

- Enhance Resident Communication: Revitalize the City's Communication Policy to expand and enrich communication programs, engaging residents through email, newsletters, social media, mailings, the city website, and cable channels.

Expand Partnership with the Indian Wells Preservation Foundation

- Support Historical Education: Strengthen the relationship with the Indian Wells Historic Preservation Foundation (IWHPF) to educate the community on local history and support IWHPF's community involvement efforts.

Review of City Administrative Processes and Municipal Code Update

- Regular Review and Updates: Continuously review and update administrative processes and the Municipal Code to ensure adherence to best practices.

Housing Authority Goals

- Manage Affordable Housing: Oversee age-restricted affordable housing properties and develop new sites in partnership with Abode Communities, ensuring future projects align with community needs and housing opportunities.

This structured summary ensures clarity and ease of understanding, emphasizing key priorities and initiatives of the City of Indian Wells.

City of Indian Wells Key Achievements

City Finances

- Budget Surplus: FY 2024-25 Mid-Cycle budget update shows a $3.2 million surplus. The FY 2023-24 surplus increased from $1 million to $1.9 million, with a net General Fund growth of over $9 million.
- Cash Flow Projections: General Fund cash reserves are projected to reach $20.7 million by June 2024 and $26.4 million by June 2025.
- Pension Funding: Fully funded pension with a new pre-funding program for future obligations.
- Operational CFD Implementation: Establishment of Community Facilities District (CFD) to support future public safety funding.
- Resident Communications: Enhanced outreach through:
- Financial Primer: Annual direct mailer on financial performance.
- Budget at a Glance: Summary of Council goals, savings initiatives, General Fund, public safety, and capital investments.
- Capital Projects Overview: Capital investment summary, including a map of project areas.
- Capital Improvement Program (CIP): Accelerated $33 million CIP projects, completing several within two years. Allocated $2 million for future projects.
- Grant Funding: Secured over $13 million since 2019 and anticipates an additional $5 million in federal earmarks.
- Developer Fees Update: Revised developer fees to align with current needs.

Housing

- Collaborated with Abode to address maintenance issues at Indian Wells and Mountain View Villas.
- Continued efforts to acquire the Lissoy Opportunity parcel.

Economic Development

- Supported Sprouts' Grand Opening.
- Launched an electronic plan check and permit system for efficient submittals.
- Progressed Genton development plans.

Housing Element

- Successfully completed the Housing Element update.

Tourism

- Appointed a new Director of Tourism.
- Strengthened partnerships with Golf Resort and hotels.
- Hosted 2nd Winterfest and secured the Epson Tour for October 2024.

Public Safety

- Introduced a public safety initiative targeting speeding and noise enforcement.
- Implemented license plate readers citywide.

Fairway Park

- Celebrated the April ribbon cutting, under budget and positively impacting the community.

City Council Policy Update

- Completed an update to the City Council Policy Manual.

Indian Wells Golf Resort

- Revised Troon Management Agreement to include performance incentives.
- Achieved profitability post-capital adjustments, removing resident subsidies.
- Initiated redesign of the Players Course and approved a new restaurant concept with $1.25 million investment from Troon.

Additional Projects

- Advanced Sister City partnership with Kelowna, Canada.
- Expanded event funding and improved resident communications through various channels.
- Received Tree City USA and Growth Award for excellence in urban forestry.
- Finalized the local hazard mitigation plan and Landscape Ordinance.
- Hosted the first HOA Community Workshop.

- Completed citywide CIP projects, including Hwy 111 pavement, community repaving, and a pedestrian path at IWGR traffic circle.
- Supported the Council Ad-Hoc Committee on commissions and expanded resident benefits like pickleball and community events.

Identification of Appropriated Governmental Funds

In accordance with applicable financial reporting standards, the governmental funds subject to biannual appropriation by the City Council are as follows:

- **General Fund:** This fund serves as the city's principal operating fund, supporting essential services such as public safety, public works, and administrative operations.

- **Special Revenue Funds:** These funds account for resources dedicated to specific purposes, such as public safety funds, state gas tax funds, and landscape and lighting maintenance district funds.

- **Debt Service Funds:** These funds are used to repay principal and interest on general obligation bonds and other long-term debt.

- **Capital Projects Funds:** These funds support the construction, acquisition, or improvement of significant capital assets, including infrastructure projects such as roads and facilities.

- **Housing Funds:** These funds provide financial resources to support affordable housing initiatives, including housing development, rehabilitation programs, and rental assistance.

- **Enterprise Fund:** This fund operates as a self-sustaining entity funded primarily through user fees and charges. It is accounted for separately to ensure the financial integrity of operations.

- **Internal Service Fund:** This fund accounts for services provided internally to other city departments.

The City Council appropriates these funds biannually during the formal budget process to ensure fiscal accountability and compliance with legal and policy guidelines. Midcycle updates are also performed to provide additional transparency and accountability. The appropriation of governmental funds reflects our ongoing commitment to transparency, accountability, and excellence in financial management.

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 City's total net position, including infrastructure, and a Statement of Activities displaying the cost of delivering government services.

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

The Annual Financial Report includes the financial activity for all funds of the City. The City provides various 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 City of Indian Wells citizens. They are excluded from this report because the City does not have financial accountability over these agencies: the State of California and its departments, the 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 internal controls framework is designed to provide reasonable but not absolute assurance that these objectives are met. The concept of reasonable assurance recognizes that (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 Farr Davis 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. Accordingly, the internal control structure is subject to constant evaluation by the management of the City and annual review by independent auditors. Assessments determine the internal control structure's adequacy and whether the City complied with applicable laws and regulations. The results of the City's annual audit for the fiscal year that ended June 30, 2024, 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 complete self-balancing accounting records. Each fund is established due to some restriction on the use of the resources received by the fund. For example, in the private sector, a corporation may have many subsidiaries that comprise the parent corporation. Likewise, in the public sector, all 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 control cost should not be high for its derived use as viewed by City management. The internal controls at the City of Indian Wells are sufficient to ensure, in all material respects, the safety of the City's assets and the accuracy of the financial record-keeping system.

Certificate of Award for Outstanding Financial Reporting

The City received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA) for fiscal year 2023. This award recognizes adherence to the highest standards in governmental financial reporting. The report for fiscal year ending June 30, 2024, upholds these standards and is presented with full transparency and accuracy.

Acknowledgments

This report reflects the dedication of the Finance Department and all City staff, alongside the support of Farr Davis and the oversight provided by the City Council and Finance Committee. Their collective efforts ensure the ongoing integrity and transparency of the City's financial operations.

Respectfully submitted,



Chris Freeland
City Manager

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

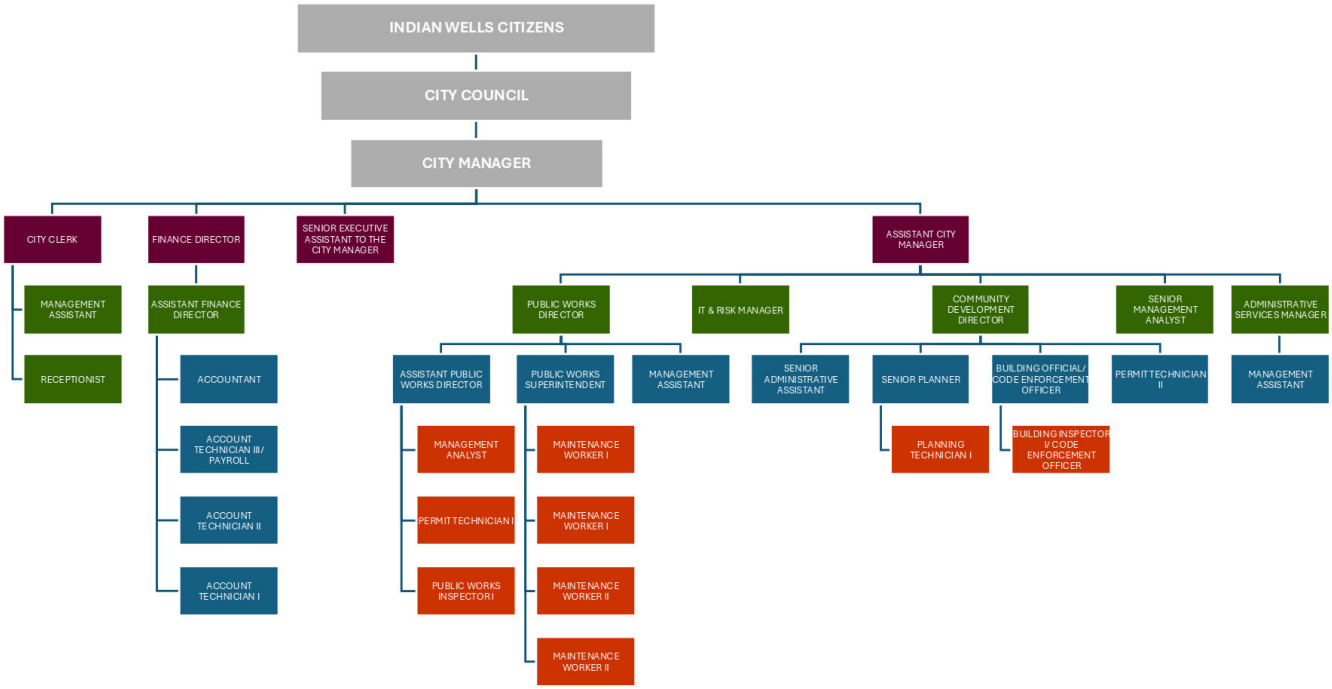
City of Indian Wells
California

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morrill

Executive Director/CEO


INDIAN WELLS CITIZENS
CITY COUNCIL
CITY MANAGER
CITY CLERK
FINANCE DIRECTOR
SENIOR EXECUTIVE ASSISTANT TO THE CITY MANAGER
ASSISTANT CITY MANAGER
MANAGEMENT ASSISTANT
RECEPTIONIST
ASSISTANT FINANCE DIRECTOR
ACCOUNTANT
ACCOUNT TECHNICIAN III/ PAYROLL
ACCOUNT TECHNICIAN II
ACCOUNT TECHNICIAN I
PUBLIC WORKS DIRECTOR
IT & RISK MANAGER
COMMUNITY DEVELOPMENT DIRECTOR
SENIOR MANAGEMENT ANALYST
ADMINISTRATIVE SERVICES MANAGER
ASSISTANT PUBLIC WORKS DIRECTOR
PUBLIC WORKS SUPERINTENDENT
MANAGEMENT ASSISTANT
MANAGEMENT ANALYST
PERMIT TECHNICIAN I
PUBLIC WORKS INSPECTOR I
MAINTENANCE WORKER I
MAINTENANCE WORKER I
MAINTENANCE WORKER II
MAINTENANCE WORKER II
SENIOR ADMINISTRATIVE ASSISTANT
SENIOR PLANNER
BUILDING OFFICIAL/ CODE ENFORCEMENT OFFICER
PERMIT TECHNICIAN II
MANAGEMENT ASSISTANT
PLANNING TECHNICIAN I
BUILDING INSPECTOR I/ CODE ENFORCEMENT OFFICER

CITY OF INDIAN WELLS

LIST OF PRINCIPAL OFFICIALS

JUNE 30, 2024

Council – Manager Form of Government

City Council

Greg Sanders
Mayor

Bruce Whitman
Mayor Pro Tem

Ty Peabody Council Member	Dana Reed Council Member	Donna Griffith 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

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DavisFarr
CERTIFIED PUBLIC ACCOUNTANTS

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Main: 949.474.2020 | Fax: 949.263.5520

Independent Auditor's Report

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

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Indian Wells (the "City"), as of and for the year June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Indian Wells, as of June 30, 2024, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As described further in Notes 8 and 19 to the financial statements, during the year ended June 30, 2024, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 101, Compensated Absences. As a result, the beginning net position has been restated. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

The City's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *Management's Discussion and Analysis, and Budgetary Comparison Schedules for the General Fund and each major special revenue fund, Schedule of Proportionate Share of the Net Pension Liability, Schedule of Plan Contributions, Schedule of Changes in the Net OPEB Liability and Related Ratios* and *Schedule of OPEB Contributions* be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary 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 *Combining and Individual Nonmajor Fund Financial Statements and Budgetary Comparison Schedules* are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The *Combining and Individual Nonmajor Fund Financial Statements* and B*udgetary 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 Nonmajor Fund Financial Statements* and *Budgetary Comparison Schedules* are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the Annual Comprehensive Financial Report. The other information comprises the *Introductory Section* and S*tatistical Section* but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2024, 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 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.



Irvine, California
December 12, 2024

Management's Discussion and Analysis

The management of the City of Indian Wells provides this overview and analysis of the City's financial activities for the fiscal year ended June 30, 2024. Management's Discussion and Analysis offers a summary of the City's financial results and position. This information should be reviewed alongside the letter of transmittal on page i and the basic financial statements on pages 26-27.

Financial Highlights

- At the fiscal year-end, the City's assets exceeded liabilities by $297,398,992, with $186,401,561 invested in capital assets, $84,752,032 in unrestricted funds for obligations, and $26,245,399 restricted by external mandates. The City's net position rose by $5,579,936, primarily due to economic growth.

- Governmental fund balances totaled $106,501,986, comprising $12,685,767 in non-spendable reserves, $27,614,322 in restricted funds, $801,602 for capital projects, $39,114,080 in assigned funds for capital projects, and $26,286,215 in unassigned balances.

- The General Fund balance stood at $41,288,053, including $12,685,230 in non-spendable assets and $28,602,823 in unassigned funds.

- Net capital assets for Governmental Activities fell by $131,528 to $151,870,603 after accounting for $4,413,720 in acquisitions and construction in progress, deletions of $1,690,860, and depreciation of $2,854,388.

- As of June 30, 2024, the City reported a net pension asset of $1,111,562 for the Miscellaneous Plan.

- As of June 30, 2024, the City of Indian Wells reported a net OPEB liability of $7,235,393, reflecting the unfunded retiree health benefit obligations after accounting for assets in the California Employers' Retiree Benefit Trust (CERBT). The City established Section 115 Trusts as a strategic mechanism to address these obligations to accumulate dedicated resources. The City's restricted OPEB assets totaled $4,199,030 in the PARS Trust and $5,869,903 in the Shuster Trust as of the same date. In accordance with GAAP, these assets are classified as restricted City assets and will only be reclassified as plan assets when transferred to the respective pension or OPEB plans. This structure underscores the City's commitment to sound financial management and the proactive reduction of long-term liabilities.

- The City's compensated absences liability was $1,067,620 as of June 30, 2024.

- Indian Wells Golf Resort's operating revenues reached $22,434,245, with operating expenses of $22,085,747, including operations ($18,904,856), general and administrative costs ($654,296), and depreciation ($2,526,595). Nonoperating expenditures totaled $231,380, with investment income loss of $9,374, interest expense of $16,134, and a loss on asset disposition of $205,872.

Overview of the Financial Statements

The discussion and analysis here will introduce 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 to furnish additional detail to support the basic financial statements.

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 like 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 valuable indicator of whether the City of Indian Wells' financial position 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 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 (business-type activities). The City's governmental activities include general government, public safety, highways and streets, sanitation, economic development, and culture and recreation. The Government-wide Financial Statements include the City (the primary government) and 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 is therefore included as an integral part of the primary government. The Government-Wide Financial Statements are on pages 26-27 of this report.

Fund Financial Statements - A *fund* is a grouping of related accounts that control resources segregated for specific activities or objectives. The *Fund Financial Statements* provide information about the City's most significant funds (major funds) rather than the City as a whole. Some funds are required by State and Federal law or by bond covenants. Other funds are utilized 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* account for the same functions reported as *governmental activities* in the Government-wide Financial Statements. However, unlike Government-wide Financial Statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources* and *balances of spendable resources* available at the end of the fiscal year. Such information may help evaluate a government's near-term financing requirements.

Because the focus of governmental funds is narrower than the Government-wide Financial Statements, it is helpful 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. 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 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, distinguishing between major and non-major funds. Information is presented separately in the governmental fund balance sheet and the

governmental fund statement of revenues, expenditures, and changes in fund balances. Data collected from governmental funds are 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 separately reporting each of the funds. The City also combines five (5) Gas Tax funds as the Consolidated Gas Tax Fund for this reporting purpose.

The City adopts a biennial budget. The Biennial Operating Budget and the Capital Improvement Program are prepared and administered in accordance with established procedures set forth by the City Council. These procedures include guidelines, standards, and requirements for the preparation and monitoring of both the Operating and Capital Budgets. The budget is managed to ensure adequate funds are available to cover anticipated expenditures. Public input is considered throughout the process, with scheduled public meetings and study sessions at key City Council decision points. A budgetary comparison schedule is provided for the General Fund to demonstrate compliance with this budget.

Proprietary funds - *Proprietary funds* report the same functions as *business-type activities* in the Government-wide Financial Statements. *Internal service funds a*ccumulate and allocate costs internally among various functions. Proprietary funds provide the same 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 net fiduciary 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 essential narrative details about the information in the financial statements. Data in the Notes to the Financial Statements are critical to a reader's understanding of the Government-Wide and Fund Financial Statements.

Required Supplementary Information - Besides the required elements of the Basic Financial Statements, we included *Required Supplementary Information*, which provided 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 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. The changes in net position over time may serve as a valuable 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, 2024, and 2023.

Table 1
Statement of Net Position

	Governmental Activities		Business -Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Current and restricted assets	$ 127,525,367	$ 113,877,738	$ 1,004,121	$ (1,329,126)	$ 128,529,488	$ 112,548,612
Capital assets	151,870,603	152,011,131	42,708,276	44,928,050	194,578,879	196,939,181
Total Assets	279,395,970	265,888,869	43,712,397	43,598,924	323,108,367	309,487,793
Deferred Outflows of Resources	5,901,289	7,294,736	105,410	163,316	6,006,699	7,458,052
Current Liabilities	5,810,115	5,297,852	1,185,231	1,566,592	6,995,346	6,864,444
Non-current Liabilities	22,220,880	15,434,003	535,380	330,461	22,756,260	15,764,464
Total Liabilities	28,030,995	20,731,855	1,720,611	1,897,053	29,751,606	22,628,908
Deferred Inflows of Resources	1,927,049	2,453,685	37,419	44,196	1,964,468	2,497,881
Net Position:						
Net investment in capital assets	142,190,278	147,924,061	42,518,369	44,597,589	184,708,647	192,521,650
Restricted						
Community development	945,799	725,787	-	-	945,799	725,787
Housing	12,034,055	15,429,469	-	-	12,034,055	15,429,469
Public safety	5,863,937	6,183,630	-	-	5,863,937	6,183,630
Public works	2,494,602	2,345,243	-	-	2,494,602	2,345,243
Pension obligations	2,041,991	5,567,799	31,475	139,371	2,073,466	5,707,170
OPEB obligations	2,833,540	1,798,141	-	-	2,833,540	1,798,141
Unrestricted	86,935,013	70,023,935	(490,067)	(2,915,969)	86,444,946	67,107,966
Total Net Position	$ 255,339,215	$ 249,998,065	$ 42,059,777	$ 41,820,991	$ 297,398,992	$ 291,819,056

In the most recent fiscal year, current and restricted assets in governmental activities rose by $13,647,629, while capital assets declined by $140,528. Total liabilities in governmental activities increased by $7,299,140, mainly due to increased non-current liabilities.

At the fiscal year-end, the City's assets exceeded liabilities by $297,398,992. Of this, $184,708,647 is invested in capital assets, $86,444,946 is available as unrestricted net position for ongoing obligations, and $26,245,399 is restricted for specific uses mandated by external parties, including grantors, bondholders, and higher levels of government.

Analysis of the Statement of Activities

Table 2 below lists a condensed Statement of Activities for the fiscal years ending June 30, 2024, and 2023.

Table 2
Statement of Activities

	Governmental Activities		Business -Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues						
Program Revenues:						
Charges for services	$ 4,782,673	$ 2,218,818	$ 22,331,661	$ 21,188,761	$ 27,114,334	$ 23,407,579
Operating contributions and grants	16,225,266	11,256,801	-	-	16,225,266	11,256,801
Capital contributions and grants	68,032	202,766	-	-	68,032	202,766
General Revenues:						
Taxes						
Property taxes	4,362,305	3,945,967	-	-	4,362,305	3,945,967
Transient occupancy taxes	12,159,497	12,450,662	-	-	12,159,497	12,450,662
Sales taxes	1,824,421	1,766,438	-	-	1,824,421	1,766,438
Franchise taxes	1,398,516	1,231,605	-	-	1,398,516	1,231,605
Business licenses taxes	225,554	150,396	-	-	225,554	150,396
Admission taxes	5,067,845	3,939,996	-	-	5,067,845	3,939,996
Investment income (loss)	4,965,343	3,137,278	(9,374)	(9,708)	4,955,969	3,127,570
Other	296,204	481,138	-	26,000	296,204	507,138
Total Revenues	51,375,656	40,781,865	22,322,287	21,205,053	73,697,943	61,986,918
Expenses:						
General government	14,392,102	15,297,837	-	-	14,392,102	15,297,837
Public safety	13,334,797	13,309,494	-	-	13,334,797	13,309,494
Community development	5,638,377	6,782,254	-	-	5,638,377	6,782,254
Public works	12,071,338	11,245,752	-	-	12,071,338	11,245,752
Interest	329,643	457,880	-	-	329,643	457,880
Golf resort	-	-	22,307,753	21,970,857	22,307,753	21,970,857
Total Expenses	45,766,257	47,093,217	22,307,753	21,970,857	68,074,010	69,064,074
Increase (decrease) in net position before transfers	5,609,399	(6,311,352)	14,534	(765,804)	5,623,933	(7,077,156)
Transfers	(102,584)	(44,606)	102,584	44,606	-	-
Increase (decrease) in net position	5,506,815	(6,355,958)	117,118	(721,198)	5,623,933	(7,077,156)
Net Position, Beginning of Year, as Restated	249,832,400	256,354,023	41,942,659	42,542,189	291,775,059	298,896,212
Net Position, End of Year	$ 255,339,215	$ 249,998,065	$ 42,059,777	$ 41,820,991	$ 297,398,992	$ 291,819,056

Revenues:

Governmental Activities: The City collected $51,375,656 in fiscal year 2023/24, up from $40,781,865 the previous year. This revenue increase was driven by property tax growth, a resurgence in tourism, the BNP Paribas tennis tournament, and higher investment earnings.

Business-Type Activities: The Golf Resort collected $22,322,287 in fiscal year 2023/24, compared to $21,205,053 the prior year. Increased revenue was due to tourism growth, expanded outdoor entertainment, higher demand for golf, increased golf rates, and more banquet and wedding events.

Expenses:

Governmental Activities: Total expenses were $45,766,257. Operational cost increases were primarily due to inflation.

Business-Type Activities: The Golf Resort incurred $22,307,753 in operating costs, which included $19,904,856 for operations, $654,296 for general and administrative expenses, $16,134 in interest expenses, a $205,872 loss on asset disposition, and $2,526,595 in depreciation.

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 *spendable* resources. Such information helps assess 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 $106,501,986 as follows:

Table 3
Fund Balances by Category
Fiscal Year Ending 6/30/2024

	General Fund	All Other Funds	Total Funds
Nonspendable:			
Prepaid costs	$ 63,162	$ 537	$ 63,699
Notes and loans	12,622,068	-	12,622,068
Restricted for:			
Community development	-	12,979,854	12,979,854
Public safety	-	5,863,937	5,863,937
Public works	-	2,494,602	2,494,602
Debt service	-	6,275,929	6,275,929
Committed for:			
Capital projects	-	801,602	801,602
Assigned To:			
Capital projects	-	39,114,080	39,114,080
Unassigned:	28,602,823	(2,316,608)	26,286,215
Total Fund Balances	$ 41,288,053	$ 65,213,933	$ 106,501,986

At year-end, government fund balances totaled $106,501,986, including $12,685,767 in non-spendable reserves, $27,614,322 in restricted funds, $801,602 committed to capital projects, and $39,114,080 assigned for long-term capital projects and replacements per Governing Board limitations. The unassigned fund balance is $26,286,215.

Business-type activities The City intends 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 6/30/2024

	Golf Resort Operations	Total
Operating Revenues:		
Charges for services	$ 22,434,245	$ 22,434,245
Total Revenues	22,434,245	22,434,245
Operating Expenses:		
Operations	18,904,856	18,904,856
General and Administration	654,296	654,296
Depreciation	2,526,595	2,526,595
Total Expenditures	22,085,747	22,085,747
Operating Income (loss)	348,498	348,498
Non-operating Revenues (Expenses)		
Investment Income (loss)	(9,374)	(9,374)
Interest expense	(16,134)	(16,134)
Loss on disposition of capital assets	(205,872)	(205,872)
Total nonoperating revenues (expenses)	(231,380)	(231,380)
Changes in Net Position	117,118	117,118
Net Position, Beginning of the Year	41,942,659	41,942,659
Net Position at End of Year	$ 42,059,777	$ 42,059,777

The Indian Wells Golf Resort collected $22,434,245 in operating revenues from golf fees, food and beverage sales, and event sales. Operating expenses totaled $22,085,747, comprising $18,904,856 in operations, $654,296 in general and administrative expenses, and $2,526,595 in depreciation. Nonoperating expenses totaled $231,380, including an investment income loss of $9,374, interest expense of $16,134, and a $205,872 loss on asset disposition.

Analysis of Individual Funds

The General Fund

The General Fund is the City's primary operating fund. At the end of the most recent fiscal year, the fund balance in the City’s General Fund was $41,288,053. The fund balance breaks down as follows: non-spendable assets comprise $12,685,230 in notes and loans, and $28,602,823 is unassigned.

Comparing unassigned and total fund balances to total general fund expenditures may be helpful in measuring the general fund's liquidity. For example, the unassigned fund balance represents 141.2% of total general fund expenditures, while the total fund balance represents 203.9%.

Table 5
General Fund Financial Summary

	2024	2023	$ Change	% Change
Revenues:				
Taxes	$ 24,526,087	$ 23,099,286	$ 1,426,801	6.2%
Licenses and permits	683,169	925,135	(241,966)	-26.2%
Intergovernmental	942,282	933,561	8,721	0.9%
Charges for services	666,372	558,846	107,526	19.2%
Interest income (loss)	1,404,591	101,144	1,303,447	1288.7%
Fines and forfeitures	64,546	107,012	(42,466)	-39.7%
Other income	31,117	158,635	(127,518)	-80.4%
Total Revenues	28,318,164	25,883,619	2,434,545	9.4%
Expenditures:				
General government	10,405,052	10,257,611	147,441	1.4%
Public safety	4,854,763	5,096,149	(241,386)	-4.7%
Community development	2,078,322	2,051,675	26,647	1.3%
Public works	2,914,979	2,985,140	(70,161)	-2.4%
Total Expenditures	20,253,116	20,390,575	(137,459)	-0.7%
Excess (Deficiency) of Revenues Over (Under) Expenditures	8,065,048	5,493,044	2,572,004	46.8%
Other Financing Sources (Uses)				
Transfer in	-	18,500	(18,500)	100.0%
Transfer out	(3,425,053)	(4,127,789)	702,736	100.0%
Total Transfers	(3,425,053)	(4,109,289)	684,236	100.0%
Net Change in Fund Balance	$ 4,639,995	$ 1,383,755	$ 3,256,240	-235.3%

Tourism remains the primary source of the City’s revenue, with tourism and Golf Resort revenues exceeding projections for the fiscal year. Transient occupancy tax and admissions tax revenue reached record levels, resulting in a 9.4% increase in General Fund revenues for fiscal year 2023/24 compared to the prior year, driven primarily by tourism growth. General Fund expenditures decreased by $137,459 (0.7%) due to effective public safety service cost management. Refer to the Fund Financial Statements, pages 28-37.

The Housing Authority Fund

The Indian Wells Housing Authority was established to support the retention, rehabilitation, and development of affordable housing for households within HUD income limits. The Housing Authority Fund manages expenditures for affordable housing operations and provides annual reports to the State Department of Housing and Community Development on community housing projects. At the close of the fiscal year, the Housing Authority Fund balance was $12,034,055.

Table 6
Housing Authority Financial Summary

	2024	2023	$ Change	% Change
Revenues:				
Intergovernmental	$ 113,172	$ -	$ 113,172	0.0%
Interest income	434,381	154,080	280,301	181.9%
Total Revenues	547,553	154,080	393,473	181.9%
Expenditures:				
General government	3,404,143	1,847,021	1,557,122	84.3%
Community development	250,000	250,000	-	0.0%
Total Expenditures	3,654,143	2,097,021	1,557,122	74.3%
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,106,590)	(1,942,941)	(1,163,649)	59.9%
Other Financing Sources (Uses)				
Transfer in	517,445	4,442,555	(3,925,110)	-88.4%
Transfer out	(806,269)	(87,019)	(719,250)	826.5%
Total Transfers	(288,824)	4,355,536	(4,644,360)	-106.6%
Net Change in Fund Balance	$ (3,395,414)	$ 2,412,595	$ (5,808,009)	-240.7%

Revenues for fiscal year 2023/24 included $113,172 in intergovernmental fees and $434,381 in interest income. Expenditures totaled $3,654,143, covering staff salaries and benefits, professional services (such as audits and legal counsel), liability insurance premiums, contributions to homelessness nonprofits, and capital maintenance projects. This represented a $1,557,122 increase over the prior year, primarily due to higher capital repair and maintenance costs. Refer to the Fund Financial Statements, pages 28-37.

The Emergency Services Upgrade Fund

The Emergency Services Upgrade Fund manages contracts for fire suppression, prevention, investigation, safety education, emergency management, and paramedic services, which the Riverside County Fire Department provides under a CALFIRE subcontract. The fund balance at the fiscal year-end was $4,729,212.

Table 7
Emergency Services Upgrade Financial Summary

	2024	2023	$ Change	% Change
Revenues:				
Taxes	$ 4,206,481	$ 4,680,767	$ (474,286)	-10.1%
Charges for services	737,398	604,356	133,042	22.0%
Interest income (loss)	207,355	(1,691)	209,046	-12362.3%
Assessments	610,241	611,631	(1,390)	-0.2%
Other income	21,171	10,677	10,494	98.3%
Total Revenues	5,782,646	5,905,740	(123,094)	-2.1%
Expenditures:				
Public safety	5,350,057	6,160,835	(810,778)	-13.2%
Capital Outlay	29,297	18,397	10,900	59.2%
Total Expenditures	5,379,354	6,179,232	(799,878)	-12.9%
Excess (Deficiency) of Revenues Over (Under) Expenditures	403,292	(273,492)	676,784	-247.5%
Other Financing Sources (Uses)				
Transfer out	(146,616)	(145,031)	(1,585)	0.0%
Total Transfers	(146,616)	(145,031)	(1,585)	0.0%
Net Change in Fund Balance	$ 256,676	$ (418,523)	$ 675,199	-161.3%

Revenues for fiscal year 2023/24 included a $4,206,481 fire tax credit collected by Riverside County on behalf of the City, $737,398 from ambulance billing, and $610,241 from a citywide assessment. Interest income was $207,355.

Expenditures totaled $5,379,354, covering staff salaries and benefits, professional services, fire contract costs, liability insurance premiums, maintenance projects, and capital outlay. This amount represents a $799,878 decrease from the prior year, primarily due to efficient fire services contract management. Refer to the Fund Financial Statements, pages 28-37.

The Indian Wells Financing Authority

In February 2023, the Indian Wells Financing Authority issued lease revenue bonds of $13,930,000 to provide funds to finance public improvements and energy efficiency improvements in the City. The bonds dated February 10, 2023, and issued at a premium of $1,338,171 are payable semiannually on April 1 and October 1 of each year, commencing October 1, 2023, and mature in 2042.

The bonds are payable from base rental payments to be made by the City for the right to use certain real property and improvements of the City pursuant to a Lease Agreement dated February 1, 2023. At the end of the most recent fiscal year, the fund balance in the Indian Wells Financing Authority Fund was $6,275,929.

Table 8
Indian Wells Financing Authority Financial Summary

	2024	2023	$ Change	% Change
Revenues:				
Investment income	$ 356,346	$ 379,938	$ (23,592)	-6.2%
Total Revenues	356,346	379,938	(23,592)	-6.2%
Expenditures:				
Principal retirement	470,000	380,000	90,000	23.7%
Interest and fiscal charges	466,445	586,874	(120,429)	-20.5%
Total Expenditures	936,445	966,874	(30,429)	-3.1%
Excess (Deficiency) of Revenues Over (Under) Expenditures	(580,099)	(586,936)	6,837	-1.2%
Other Financing Sources (Uses)				
Transfer in	977,739	966,875	10,864	1.1%
Transfer out	(4,843,037)	(1,752,399)	(3,090,638)	176.4%
Total Transfers	(3,865,298)	(785,524)	(3,079,774)	392.1%
Net Change in Fund Balance	$ (4,445,397)	$ (1,372,460)	$ (3,072,937)	223.9%

Revenues collected during the fiscal year 2023/24 include $356,346 in interest income. Total debt service totaled $936,445, including $470,000 in principal retirements and $466,445 in interest and fiscal charges.

The Capital Improvements Fund

The Capital Improvement Program is the City's multi-year plan for developing capital facilities and improvements, outlining expected projects over the next five years. Capital projects involve construction, acquisition, expansion, rehabilitation, or non-routine maintenance costing $5,000 or more, resulting in a capital asset. The program identifies required capital maintenance, facilities, improvements, significant equipment purchases, and capital-related studies or master plans. At the end of the fiscal year, the Capital Improvements Fund balance was $11,923,603.

Table 9
Capital Improvements Financial Summary

	2024	2023	$ Change	% Change
Revenues:				
Intergovernmental	$ 3,911,420	$ 184,414	$ 3,727,006	2021.0%
Investment income	566,598	3,484	563,114	16162.9%
Other income	1,096	-	1,096	100.0%
Total Revenues	4,479,114	187,898	4,291,216	2283.8%
Expenditures:				
General government	91,847	134,511	(42,664)	-31.7%
Capital outlay	6,411,443	5,147,043	1,264,400	24.6%
Total Expenditures	6,503,290	5,281,554	1,221,736	23.1%
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,024,176)	(5,093,656)	3,069,480	-60.3%
Other Financing Sources (Uses)				
Transfer in	6,093,037	3,772,129	2,320,908	61.5%
Total Transfers	6,093,037	3,772,129	2,320,908	61.5%
Net Change in Fund Balance	$ 4,068,861	$ (1,321,527)	$ 5,390,388	-407.9%

Revenues collected during the fiscal year 2023/24 include $3,911,420 in intergovernmental revenues, $566,598 in interest income, and $1,096 in other income. Expenditures totaling $6,503,290 during the fiscal year 2023/24 include $91,847 in general government costs and $6,411,443 in new capital investments within the Community. See the Fund Financial Statements tab, pages 28-37.

City Streets Capital Reserve

The City Streets Capital Reserve Fund is part of the City's replacement plan, designated to fund capital improvement projects. The capital asset replacement plan outlines annual contributions to support the long-term capital replacement program.

Table 10
City Streets Capital Reserve Financial Summary

	2024	2023	$ Change	% Change
Revenues:				
Investment income	$ 662,416	$ 55,779	$ 606,637	1087.6%
Total Revenues	662,416	55,779	606,637	1087.6%
Expenditures:				
Capital outlay	-	2,500,000	(2,500,000)	0.0%
Total Expenditures	-	2,500,000	(2,500,000)	0.0%
Excess (Deficiency) of Revenues Over (Under) Expenditures	662,416	(2,444,221)	3,106,637	-127.1%
Other Financing Sources (Uses)				
Transfer in	162,500	814,000	(651,500)	100.0%
Total Transfers	162,500	814,000	(651,500)	100.0%
Net Change in Fund Balance	$ 824,916	$ (1,630,221)	$ 2,455,137	-150.6%

The City's Capital Contribution Policy allocates funds to the Capital Reserve program for future infrastructure projects, including streets, bridges, and City facilities. Reserves support municipal asset management by allowing funds to be allocated for asset lifecycle management. The City Council determines reserve appropriations. The City Streets Capital Reserve is funded through interest income and transfers. When capital funding is required, the City Council authorizes transfers from replacement funds to the capital improvement fund, either during the annual budget cycle or for specific projects. Prior to approval, the City provides financial information on replacement funds, including beginning balances, projected revenues, and anticipated ending balances. See the Fund Financial Statements tab, pages 28-37.

Park Facilities In Lieu

Park-in-lieu fees are used for the construction of recreation and open spaces charged under the Quimby Act to new residential development occurring in a subdivision at a standard of 3.0 acres per 1,000 residents. Under this framework, developers are required to pay a fee, often calculated based on the extent of their development project, in lieu of providing on-site park or recreational facilities. The collected fees are utilized to fund the acquisition, development, and maintenance of parks and open spaces within the jurisdiction, thereby ensuring that the community's recreational needs are met.

Table 11
Park Facilities In Lieu Financial Summary

	2024	2023	$ Change	% Change
Revenues:				
Intergovernmental	$ 3,328	$ -	$ 3,328	0.0%
Developer fees	40,341	111,021	(70,680)	-63.7%
Total Revenues	43,669	111,021	(67,352)	-60.7%
Expenditures:				
General government	7,605	2,822	4,783	169.5%
Capital Outlay	78,571	-	78,571	0.0%
Total Expenditures	86,176	2,822	83,354	2953.7%
Excess (Deficiency) of Revenues Over (Under) Expenditures	(42,507)	108,199	(150,706)	-139.3%
Net Change in Fund Balance	$ (42,507)	$ 108,199	$ (150,706)	-139.3%

General Fund Budgetary Highlights

Actual General Fund revenues exceeded budget projections by $2,434,545, primarily due to:

- Higher property tax revenue
- Growth in the tourism sector
- Increased interest income

The final budget for General Fund expenditures was $137,459 below the original budget, resulting from:

- Cost management in public safety services
- Reduced spending on Public Works

Government Activities

Table 12 presents the cost of the City's five most extensive programs: general government, community development, public safety, public works, and golf resort—and each program's *net* cost (total cost less revenues generated by the activities).

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

Table 12
Net Cost of Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2024	2023	2024	2023
Government Activities				
General government	$ 14,392,102	$ 15,297,837	$ (9,814,604)	$ (14,444,907)
Public safety	13,334,797	13,309,494	(5,251,697)	(5,934,663)
Community development	5,638,377	6,782,254	(1,556,021)	(5,277,241)
Public works	12,071,338	11,245,752	(7,738,321)	(7,300,141)
Interest	329,643	457,880	(329,643)	(457,880)
Total Governmental Activities	45,766,257	47,093,217	(24,690,286)	(33,414,832)
Business-Type Activities				
Golf resort	22,307,753	21,970,857	23,908	(782,096)
Total Business-Type Activates	22,307,753	21,970,857	23,908	(782,096)
Total Primary Government	$ 68,074,010	$ 69,064,074	$ (24,666,378)	$ (34,196,928)

See the Statement of Activities on page 27 for further details.

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 land, are depreciated to reflect a net infrastructure amount.

Government Activities

Table 13
Summary of Changes in Capital Assets
Governmental Activities

	Balance at July 1, 2023	Additions	Deletions	Transfers	Balance at June 30, 2024
Capital assets, not being depreciated:					
Land	$ 33,289,388	$ -	$ -	$ -	$ 33,289,388
Construction in progress	6,612,312	1,311,432	-	(339,376)	7,584,368
Total capital assets not being depreciated	39,901,700	1,311,432	-	(339,376)	40,873,756
Capital assets, being depreciated:					
Intangible	2,500,000	-	-	-	2,500,000
Buildings and improvements	67,286,071	-	(1,001,557)	(601,433)	65,683,081
Equipment	2,033,803	296,757	(689,303)	-	1,641,257
Infrastructure	115,991,782	2,805,531	-	940,809	119,738,122
Total capital assets being depreciated	187,811,656	3,102,288	(1,690,860)	339,376	189,562,460
Less accumulated depreciation for:					
Intangible	(250,000)	(250,000)	-	-	(500,000)
Buildings and improvements	(32,705,925)	(1,621,120)	42,714	43,142	(34,241,189)
Equipment	(1,647,137)	(160,723)	682,870	-	(1,124,990)
Infrastructure	(41,108,163)	(2,116,057)	567,928	(43,142)	(42,699,434)
Total accumulated depreciation	(75,711,225)	(4,147,900)	1,293,512	-	(78,565,613)
Total capital assets being depreciated, net	112,100,431	(1,045,612)	(397,348)	339,376	110,996,847
Total capital assets, net	$ 152,002,131	$ 265,820	$ (397,348)	$ -	$ 151,870,603

Governmental Activities capital assets, net of depreciation, decreased by $131,528, from $152,002,131 to $151,870,603. During the fiscal year, the City acquired $4,413,720 in new capital assets, with additional construction still underway. Asset deletions totaled $1,690,860, and net depreciation expense amounted to $2,854,388. For detailed information, refer to Note 7, Capital Assets, in the Notes to Basic Financial Statements on pages 58-59.

Business-Type Activities

Table 14
Summary of Changes in Capital Assets
Business-Type Activities

	Balance at July 1, 2023	Additions	Deletions	Transfers	Balance at June 30, 2024
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	85,713,772	-	(492,536)	(223,173)	84,998,063
Equipment	4,496,222	512,746	(44,553)	223,173	5,187,588
Infrastructure	433,390	-	-	-	433,390
Right to use asset	555,109	-	-	-	555,109
Total capital assets being depreciated	91,198,493	512,746	(537,089)	-	91,174,150
Less accumulated depreciation for:					
Buildings and improvements	(56,556,844)	(1,841,376)	286,665	-	(58,111,555)
Equipment	(3,261,641)	(539,327)	44,499	-	(3,756,469)
Infrastructure	(122,793)	(7,223)	-	-	(130,016)
Right to use asset	(240,121)	(138,669)	-	-	(378,790)
Total accumulated depreciation	(60,181,399)	(2,526,595)	331,164	-	(62,376,830)
Total capital assets being depreciated, net	31,017,094	(2,013,849)	(205,925)	-	28,797,320
Total capital assets, net	$ 44,928,050	$ (2,013,849)	$ (205,925)	$ -	$ 42,708,276

Capital assets from Business-type Activities net of depreciation decreased by $2,219,774 from 44,928,050 to $42,708,276. The Indian Wells Golf Resort acquired $512,746 in new capital assets during the fiscal year. Deletions totaled $537,089, and the depreciation expense (net) reached $2,526,595. Details of the City's capital assets can be found in Note 7 Capital Assets on pages 58-59 of the Notes to Basic Financial Statements.

Long-term Liabilities

At year-end, the City's governmental activities had $21,667,146 in long-term liabilities.

Table 15
Summary of Changes in Long-Term Liabilities

Description	2024	2023	$ Change	% Change
Compensated absences	$ 1,067,620	$ 936,030	$ 131,590	14.1%
2022 Lease Revenue Bonds	13,080,000	13,550,000	(470,000)	-3.5%
Premium	1,183,340	1,249,696	(66,356)	-5.3%
Lease Payable	189,907	330,461	(140,554)	-42.5%
Net Pension Liability (asset)	(1,089,114)	(700,736)	(388,378)	55.4%
Net OPEB Liability (asset)	7,235,393	(745,061)	7,980,454	-1071.1%
Total Long Term Debt	$ 21,667,146	$ 14,620,390	$ 7,046,756	48.2%

As of June 30, 2024, the City of Indian Wells reported a compensated absences liability totaling $1,067,620. Additionally, the Indian Wells Financing Authority recorded $13,080,000 in outstanding lease revenue bonds, accompanied by a bond premium of $1,183,340. These bonds are earmarked to support public infrastructure and energy efficiency improvements.

Net Pension Asset

The City recognized a net pension asset of $1,111,562 as its proportional share of the Miscellaneous Plan’s net pension liability as of June 30, 2024. This allocation is based on the City’s projected long-term contributions relative to the total contributions of participating employers, as determined through actuarial analysis.

Net OPEB Liability

The City of Indian Wells participates in the Public Employees Medical and Hospital Care Act (PEMHCA), administered by CalPERS, to provide health insurance coverage for its employees and eligible retirees. Under the City’s PEMHCA contract, retiree health obligations are pre-funded through an Other Post-Employment Benefits (OPEB) account held within the California Employers’ Retiree Benefit Trust (CERBT). The CERBT is a Section 115 governmental trust, also managed by CalPERS, designed to assist public employers in funding future retiree health liabilities.

As of June 30, 2024, the City reported a net OPEB liability of $7,235,393. This liability reflects the remaining unfunded obligation for retiree health benefits after considering the assets accumulated in the CERBT trust. The City’s proactive approach in pre-funding its OPEB obligations demonstrates its commitment to maintaining financial stability and fulfilling its long-term obligations to employees and retirees.

OPEB Section 115 Trusts

To address its pension and OPEB obligations, the City of Indian Wells has established Section 115 Trusts as a strategic mechanism to accumulate assets dedicated to reducing these liabilities. In June 2018, the City

Council approved the creation of a Section 115 Trust with U.S. Bank National Association and Public Agency Retirement Services (PARS) as the Trust Administrator. As of June 30, 2024, the PARS Trust held $984,352 in pension assets, with $105,056 earned in interest income and $5,336 in plan costs for the fiscal year. Additionally, the Trust reported $4,199,030 in OPEB assets, with $500,907 in interest income, $16,588 in plan costs, and $3,500,000 in contributions during the same period.

In December 2023, the City Council approved a second Section 115 Trust in partnership with Shuster Advisory Group and Charles Schwab as the Trust Administrator, focusing exclusively on OPEB obligations. As of June 30, 2024, this trust held $5,869,903 in OPEB assets. Contributions to both trusts are irrevocable, the assets are safeguarded from creditors, and the funds are dedicated to providing benefits for plan members.

In accordance with generally accepted accounting principles (GAAP), the assets held in these Section 115 Trusts are classified as restricted City assets rather than pension or OPEB plan assets. They will only be reclassified as plan assets when transferred directly to the pension or OPEB plans. This structured approach underscores the City's commitment to responsibly managing its pension and OPEB obligations while ensuring compliance with regulatory standards and financial best practices.

The restricted Section 115 trust assets are as follows at June 30, 2024:

- PARS – Pension $ 984,352
- PARS – OPEB 4,199,030
- Shuster – OPEB 5,869,903
- Total restricted assets $11,053,285

For details, see Note 8 (Long-Term Liabilities), Note 9 (Defined Benefit Pension Plan), Note 12 (Other Post Employment Benefit Plan), and Note 13 (PARS and Shuster Advisory Group Section 115 Trusts) in the Notes to Basic Financial Statements.

Economic Factors and Next Year's Budgets and Rates

Last year, our report expressed cautious optimism about the potential impact of a recession on Indian Wells, stating that while a recession appeared likely, its impact remained uncertain. What Happened?

Despite the absence of the anticipated recession, it is essential to remember that most national forecasters were predicting an imminent economic downturn at that time. Our concerns were based on negative economic growth in consecutive quarters (Q1 and Q2 of 2022), constituting a recession when referring to two negative quarters of real Gross Domestic Product (GDP) growth.

Currently, the trajectory of the U.S. economy remains unclear. Since the conclusion of the second quarter of 2022, national growth rates have been evident, with any decline in real GDP likely to occur later, towards the final quarter of 2023 and early in the subsequent year. The question remains whether a recession will materialize by the end of this year or early 2024 or if the Federal Reserve Bank of the U.S. can orchestrate a soft landing characterized by reduced inflation without inducing a recession. A growing number of forecasters appear to lean towards the possibility of a soft landing.

We maintain our recession forecast based on various indicators signaling the concluding 12 months of an economic expansion, including relatively low housing starts, diminished consumer confidence, a declining average workweek in manufacturing, and an inverted yield curve. Despite a significant reduction in inflation over the past few months, it remains up 3.2% compared with the same period a year ago, according to the latest Department of Labor data. Ahead of the December meeting, Fed officials are trying to determine whether they have tightened monetary policy enough or need to raise rates further to curb inflation. The U.S.

central bank has proactively addressed inflation concerns by consistently and rapidly raising the Federal Funds Rate, reaching a 22-year high with 11 increases since Q1 of 2022. Although the inflation rate has reduced from over 9% to around 4%, the target inflation rate of 2% remains unattained. The Federal Reserve opted to maintain interest rates at the current level in its latest meeting in September, signaling a reluctance to raise them further. It is unlikely that the central bank will substantially lower interest rates in 2024 unless a severe recession materializes, which is not currently predicted.

U.S. international tourism has yet to recover fully, with only two-thirds of pre-COVID-19 levels reported by the Los Angeles Tourism and Convention Board. Prolonged foreign visa application processes and elevated airline ticket prices from China hinder the recovery of international tourism. However, Canadian travel restrictions are comparatively less significant, which provides some relief to the Coachella Valley.

Despite setbacks such as the cancellation/postponement of the Coachella Art and Music Festival for two consecutive years, the impact of the Coronavirus was somewhat mitigated by increased regional tourism. Southern California residents, unable or unwilling to travel abroad, redirected their preferences, choosing the Coachella Valley as a local destination. This shift contributed to a more favorable recovery scenario for the Coachella Valley post-COVID-19.

Request for Information

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

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City of Indian Wells, California
Statement of Net Position
June 30, 2024

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and investments	$ 79,669,717	$ 653,208	$ 80,322,925
Restricted cash and investments	17,562,943	-	17,562,943
Receivables			
Accounts	3,330,444	316,954	3,647,398
Accrued interest	382,540	433	382,973
Prepaid costs	63,699	46,117	109,816
Deposits	12,140,000	-	12,140,000
Inventories	-	546,576	546,576
Internal balances	590,642	(590,642)	-
Notes receivable	1,127,743	-	1,127,743
Due from Successor Agency	11,600,000	-	11,600,000
Net pension asset	1,057,639	31,475	1,089,114
Capital assets not being depreciated	40,873,756	13,910,956	54,784,712
Capital assets, net of depreciation	110,996,847	28,797,320	139,794,167
Total assets	279,395,970	43,712,397	323,108,367
Deferred Outflows of Resources			
Deferred amounts related to pensions	3,569,160	105,410	3,674,570
Deferred amounts related to OPEB	2,332,129	-	2,332,129
Total deferred outflows of resources	5,901,289	105,410	6,006,699
Liabilities			
Current liabilities			
Accounts payable	4,518,601	848,607	5,367,208
Accrued liabilities	285,054	1,147	286,201
Deposits payable	888,572	335,477	1,224,049
Interest payable	117,888	-	117,888
Noncurrent liabilities			
Due within one year			
Compensated absences	168,566	86,368	254,934
Long-term debt	729,922	81,732	811,654
Due in more than one year			
Compensated absences	553,581	259,105	812,686
Net OPEB liability	7,235,393	-	7,235,393
Long-term debt	13,533,418	108,175	13,641,593
Total liabilities	28,030,995	1,720,611	29,751,606
Deferred Inflows of Resources			
Deferred amounts related to pensions	1,241,737	37,419	1,279,156
Deferred amounts related to OPEB	685,312	-	685,312
Total deferred inflows of resources	1,927,049	37,419	1,964,468
Net Position			
Net investment in capital assets	142,190,278	42,518,369	184,708,647
Restricted for			
Community development projects	945,799	-	945,799
Housing	12,034,055	-	12,034,055
Public safety	5,863,937	-	5,863,937
Public works	2,494,602	-	2,494,602
Pension	2,041,991	31,475	2,073,466
OPEB	2,833,540	-	2,833,540
Unrestricted	86,935,013	(490,067)	86,444,946
Total Net Position	$ 255,339,215	$ 42,059,777	$ 297,398,992

See Notes to Financial Statements

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Contributions and Grants	Program Revenues: Capital Contributions and Grants	Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Primary Government: Business-type Activities	Net (Expense) Revenue and Changes in Net Position: Primary Government: Total
Government Activities							
General government	$ 14,392,102	$ 64,546	$ 4,512,952	$ -	$ (9,814,604)	$ -	$ (9,814,604)
Public safety	13,334,797	737,398	7,345,702	-	(5,251,697)	-	(5,251,697)
Community development	5,638,377	3,958,920	123,436	-	(1,556,021)	-	(1,556,021)
Public works	12,071,338	21,809	4,243,176	68,032	(7,738,321)	-	(7,738,321)
Interest	329,643	-	-	-	(329,643)	-	(329,643)
							-
Total governmental activities	45,766,257	4,782,673	16,225,266	68,032	(24,690,286)	-	(24,690,286)
Business-type Activities							
Golf resort operations	22,307,753	22,331,661	-	-	-	23,908	23,908
Total business-type activities	22,307,753	22,331,661	-	-	-	23,908	23,908
Total Primary Government	$ 68,074,010	$ 27,114,334	$ 16,225,266	$ 68,032	(24,690,286)	23,908	(24,666,378)
General Revenues							
Taxes							
Property taxes, levied for general purpose					4,362,305	-	4,362,305
Transient occupancy taxes					12,159,497	-	12,159,497
Sales taxes					1,824,421	-	1,824,421
Franchise taxes					1,398,516	-	1,398,516
Business licenses taxes					225,554	-	225,554
Admission taxes					5,067,845	-	5,067,845
Investment income (loss)					4,965,343	(9,374)	4,955,969
Other					296,204	-	296,204
Total general revenues					30,299,685	(9,374)	30,290,311
Transfers					(102,584)	102,584	-
Change in Net Position					5,506,815	117,118	5,623,933
Net Position, Beginning of Year, as Restated					249,832,400	41,942,659	291,775,059
Net Position, End of Year					$ 255,339,215	$ 42,059,777	$ 297,398,992

See Notes to Financial Statements

City of Indian Wells, California

Balance Sheet - Governmental Funds

June 30, 2024

	General	Special Revenue Funds: Housing Authority	Special Revenue Funds: Emergency Services Upgrade	Capital Projects: Capital Improvements	Capital Projects: City Streets Capital Reserve	Capital Projects: Park Facilities In Lieu	Nonmajor Governmental Funds	Total Governmental Funds
Assets								
Cash and investments	$ 25,726,650	$ 301,155	$ 5,238,205	$ 13,286,728	$ 17,993,117	$ -	$ 14,994,611	$ 77,540,466
Restricted cash and investments	-	-	-	-	-	-	6,509,658	6,509,658
Receivables								
Accounts	1,976,836	-	1,091,304	16,001	-	-	246,303	3,330,444
Accrued interest	42,097	133,938	20,298	50,133	69,723	-	58,101	374,290
Prepaid costs	63,162	-	-	-	-	-	537	63,699
Deposits	-	12,140,000	-	-	-	-	-	12,140,000
Due from other funds	2,904,250	-	-	506,804	-	-	-	3,411,054
Notes receivable	1,022,068	-	-	105,675	-	-	-	1,127,743
Due from Successor Agency	11,600,000	-	-	-	-	-	-	11,600,000
Total assets	$ 43,335,063	$ 12,575,093	$ 6,349,807	$ 13,965,341	$ 18,062,840	$ -	$ 21,809,210	$ 116,097,354
Liabilities and Fund Balances								
Liabilities								
Accounts payable	$ 1,302,241	$ 519,271	$ 638,712	$ 1,188,803	$ -	$ -	$ 869,574	$ 4,518,601
Accrued liabilities	259,167	14,639	7,953	-	-	-	3,295	285,054
Deposits payable	401,208	7,128	-	349,131	-	-	131,105	888,572
Due to other funds	-	-	-	503,804	-	1,386,737	929,871	2,820,412
Total liabilities	1,962,616	541,038	646,665	2,041,738	-	1,386,737	1,933,845	8,512,639
Deferred Inflows of Resources								
Unavailable revenue	84,394	-	973,930	-	-	-	24,405	1,082,729
Fund Balances								
Nonspendable								
Prepaid costs	63,162	-	-	-	-	-	537	63,699
Notes and loans	12,622,068	-	-	-	-	-	-	12,622,068
Restricted for								
Community development	-	12,034,055	-	-	-	-	945,799	12,979,854
Public safety	-	-	4,729,212	-	-	-	1,134,725	5,863,937
Public works	-	-	-	-	-	-	2,494,602	2,494,602
Debt service	-	-	-	-	-	-	6,275,929	6,275,929
Committed to								
Capital projects	-	-	-	-	-	-	801,602	801,602
Assigned								
Capital projects	-	-	-	11,923,603	18,062,840	-	9,127,637	39,114,080
Unassigned	28,602,823	-	-	-	-	(1,386,737)	(929,871)	26,286,215
Total fund balances	41,288,053	12,034,055	4,729,212	11,923,603	18,062,840	(1,386,737)	19,850,960	106,501,986
Total Liabilities and Fund Balances	$ 43,250,669	$ 12,575,093	$ 5,375,877	$ 13,965,341	$ 18,062,840	$ -	$ 21,784,805	$ 115,014,625

See Notes to Financial Statements

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

Total fund balances - total governmental funds	$	106,501,986
Capital assets net of related accumulated depreciation have not been included as financial resources in governmental fund activity.		151,870,603
Unavailable revenue not collected within the availability period is included in revenue in the government wide financial statements.		1,082,729
Compensated absences are not considered due and payable and therefore have not been included in the governmental funds.		(722,147)
Long-term debt is not considered due and payable and therefore has not been included in the governmental funds.		(14,263,340)
Interest payable is not considered due and payable and therefore has not been included in the governmental funds.		(117,888)
Deferred outflows related to pensions		3,569,160
Deferred inflows related to pensions		(1,241,737)
Proportionate share of net pension asset is not a financial resource and, therefore, has not been included in governmental fund activity.		1,057,639
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.		7,602,210
Net Position of Governmental Activities	$	255,339,215

	General	Special Revenue Funds: Housing Authority	Special Revenue Funds: Emergency Services Upgrade	Capital Projects: Capital Improvements	Capital Projects: City Streets Capital Reserve	Capital Projects: Park Facilities In Lieu	Nonmajor Governmental Funds	Total Governmental Funds
Revenues								
Taxes	$ 24,526,087	$ -	$ 4,206,481	$ -	$ -	$ -	$ 427,657	$ 29,160,225
Licenses and permits	683,169	-	-	-	-	-	-	683,169
Intergovernmental	942,282	113,172	-	3,911,420	-	3,328	831,588	5,801,790
Charges for services	666,372	-	737,398	-	-	-	-	1,403,770
Investment income (loss)	1,404,591	434,381	207,355	566,598	662,416	-	966,721	4,242,062
Fines and forfeitures	64,546	-	-	-	-	-	21,809	86,355
Rental income	-	-	-	-	-	-	2,609,379	2,609,379
Assessments	-	-	610,241	-	-	-	4,392,502	5,002,743
Developer fees	-	-	-	-	-	40,341	483,608	523,949
Other income	31,117	-	21,171	1,096	-	-	2,820	56,204
Total revenues	28,318,164	547,553	5,782,646	4,479,114	662,416	43,669	9,736,084	49,569,646
Expenditures								
Current								
General government	10,405,052	3,404,143	-	91,847	-	7,605	223,403	14,132,050
Public safety	4,854,763	-	5,350,057	-	-	-	1,756,189	11,961,009
Community development	2,078,322	250,000	-	-	-	-	3,144,912	5,473,234
Public works	2,914,979	-	-	-	-	-	3,641,245	6,556,224
Capital outlay	-	-	29,297	6,411,443	-	78,571	770,248	7,289,559
Debt service:								
Principal retirement	-	-	-	-	-	-	470,000	470,000
Interest and fiscal charges	-	-	-	-	-	-	466,445	466,445
Total expenditures	20,253,116	3,654,143	5,379,354	6,503,290	-	86,176	10,472,442	46,348,521
Excess (Deficiency) of Revenues over (under) Expenditures	8,065,048	(3,106,590)	403,292	(2,024,176)	662,416	(42,507)	(736,358)	3,221,125
Other Financing Sources (Uses)								
Transfers in	-	517,445	-	6,093,037	162,500	31,083	3,088,262	9,892,327
Transfers out	(3,425,053)	(806,269)	(146,616)	-	-	-	(5,616,973)	(9,994,911)
Total other financing sources (uses)	(3,425,053)	(288,824)	(146,616)	6,093,037	162,500	31,083	(2,528,711)	(102,584)
Net Change in Fund Balances	4,639,995	(3,395,414)	256,676	4,068,861	824,916	(11,424)	(3,265,069)	3,118,541
Fund Balances, Beginning of Year	36,648,058	15,429,469	4,472,536	7,854,742	17,237,924	(1,375,313)	23,116,029	103,383,445
Fund Balances, End of Year	$ 41,288,053	$ 12,034,055	$ 4,729,212	$ 11,923,603	$ 18,062,840	$ (1,386,737)	$ 19,850,960	$ 106,501,986

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds		$ 3,118,541
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceed depreciation in the current period.		
Capital outlay	2,722,860	
Depreciation	(2,854,388)	(131,528)
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.		77,825
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.		(1,298,105)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		
Principal repayments		470,000
Amortization of premium		66,356
Accrued interest for long-term liabilities. This is the net change in accrued interest for the current period.		70,446
Revenues previously reported as unavailable revenue in the governmental funds are recognized as revenues in the current year, and recognized as revenues in the statement of activities in the prior year		1,082,729
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.		2,050,551
Change in net position of governmental activities		$ 5,506,815

See Notes to Financial Statements

	Business-Type Activities	Governmental Activities
	Golf Resort Operations	Internal Service Funds
Current Assets		
Cash and investments	$ 653,208	$ 2,129,251
Restricted cash and investments - OPEB	-	10,068,933
Restricted cash and investments - pension	-	984,352
Receivables		
Accounts	316,954	-
Accrued interest	433	8,250
Due from other funds	503,804	-
Prepaid costs	46,117	-
Inventories	546,576	-
Total current assets	2,067,092	13,190,786
Noncurrent Assets		
Net pension asset	31,475	-
Capital assets, not being depreciated	13,910,956	-
Capital assets, net of depreciation	28,797,320	-
Total noncurrent assets	42,739,751	-
Total assets	44,806,843	13,190,786
Deferred Outflows of Resources		
Deferred amounts related to pension	105,410	-
Deferred amounts related to OPEB	-	2,332,129
Total deferred outflows of resources	105,410	2,332,129
Liabilities		
Current Liabilities		
Accounts payable	848,607	-
Accrued liabilities	1,147	-
Deposits payable	335,477	-
Due to other funds	1,094,446	-
Compensated absences	86,368	-
Leases payable	81,732	-
Total current liabilities	2,447,777	-
Noncurrent Liabilities		
Compensated absences, net of current	259,105	-
Lease payable, net of current	108,175	-
Net OPEB liability	-	7,235,393
Total noncurrent liabilities	367,280	7,235,393
Total liabilities	2,815,057	7,235,393
Deferred Inflows of Resources		
Deferred amounts related to pension	37,419	-
Deferred amounts related to OPEB	-	685,312
Total deferred inflows of resources	37,419	685,312
Net Position		
Net investment in capital assets	42,518,369	-
Restricted for Pension	31,475	984,352
Restricted for OPEB	-	2,833,540
Unrestricted	(490,067)	3,784,318
Total Net Position	$ 42,059,777	$ 7,602,210

City of Indian Wells, California

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

Year Ended June 30, 2024

	Business-Type Activities	Governmental Activities
	Golf Resort Operations	Internal Service Funds
Operating Revenues		
Charges for services	$ 22,434,245	$ -
Interdepartmental charges	-	1,224,686
Total operating revenues	22,434,245	1,224,686
Operating Expenses		
Operations	18,904,856	-
General and administration	654,296	-
Depreciation	2,526,595	-
Total operating expenses	22,085,747	-
Operating Income (Loss)	348,498	1,224,686
Nonoperating Revenues (Expenses)		
Investment income (loss)	(9,374)	723,281
Interest expense	(16,134)	-
Loss on disposition of capital assets	(205,872)	-
Total nonoperating revenues (expenses)	(231,380)	723,281
Income before transfers	117,118	1,947,967
Transfers In	-	102,584
Changes in Net Position	117,118	2,050,551
Net Position, Beginning of Year, as Restated	41,942,659	5,551,659
Net Position, End of Year	$ 42,059,777	$ 7,602,210

See Notes to Financial Statements

City of Indian Wells, California
Statement of Cash Flows - Proprietary Funds
Year Ended June 30, 2024

	Business-Type Activities	Governmental Activities
	Golf Resort Operations	Internal Service Funds
Operating Activities		
Cash received from customers	$ 22,164,550	$ -
Cash received from interfund service provided	-	1,224,686
Cash received from OPEB CERBT Trust	-	8,000,000
Cash payments to suppliers for goods and services	(18,829,182)	(829,486)
Cash payments to employees for services	(614,391)	-
Net Cash from (used for) Operating Activities	2,720,977	8,395,200
Non-Capital Financing Activities		
Cash received from other funds	-	102,584
Cash paid to other funds	(3,799,178)	-
Net Cash from (used for) Noncapital Financing Activities	(3,799,178)	102,584
Capital and Related Financing Activities		
Purchase of capital assets	(512,693)	-
Repayment of leases payable	(156,688)	-
Net Cash from (used for) Capital and Related Financing Activities	(669,381)	-
Investing Activities		
Gain (loss) on investments	(4,005)	720,134
Net Change in Cash and Cash Equivalents	(1,751,587)	9,217,918
Cash and Cash Equivalents, Beginning of Year	2,404,795	3,964,618
Cash and Cash Equivalents, End of Year	$ 653,208	$ 13,182,536

See Notes to Financial Statements

	Business-Type Activities	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)	$ 348,498	$ 1,224,686
Adjustments to reconcile operating income (loss) to net cash from (used for) operating activities		
Depreciation	2,526,595	-
Changes in		
Accounts receivable	(269,695)	-
Prepaid costs	19,729	-
Inventory	(29,835)	-
Net OPEB asset and related balances	-	7,980,454
Deferred outflows related to OPEB	-	(525,148)
Net pension asset and related balances	39,905	-
Accounts payable	303,131	(1,492)
Accrued liabilities	(564,829)	-
Compensated absences	345,473	
Deposits payable	2,005	-
Net Cash from (used for) operating activities	$ 2,720,977	$ 8,395,200
Noncash financing, capital and investing activities for the year ended June 30, 2024:		
Loss on disposal of capital assets	$ (205,872)	$ -

See Notes to Financial Statements

City of Indian Wells, California

Statement of Fiduciary Net Position - Fiduciary Funds

June 30, 2024

	Private-Purpose Trust Fund
	Successor Agency of the Former RDA
Assets	
Cash and investments	$ 8,088,306
Restricted cash and investments	590
Receivables	
Accrued interest	32,777
Prepaid costs	91,690
Total assets	8,213,363
Deferred Outflows of Resources	
Deferred loss on refunding	144,860
Liabilities	
Interest payable	729,740
Due to City	11,600,000
Long-term liabilities	
Due in one year	3,595,000
Due in more than one year	51,856,345
Total liabilities	67,781,085
Net Position (Deficit)	
Held in trust for other purposes	$ (59,422,862)

See Notes to Financial Statements

City of Indian Wells, California
Statement of Changes in Fiduciary Net Position - Fiduciary Funds
Year Ended June 30, 2024

	Private-Purpose Trust Fund Successor Agency of the Former RDA
Additions	
Taxes	$ 9,154,376
Investment income	101,535
Total additions	9,255,911
Deductions	
Administrative expenses	240,000
Interest and fiscal charges	1,636,244
Total deductions	1,876,244
Changes in Net Position	7,379,667
Net Position (Deficit), Beginning of the Year	(66,802,529)
Net Position (Deficit), End of the Year	$ (59,422,862)

See Notes to Financial Statements

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. Indian Wells 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.

Per 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 can impose its will or if there is a potential for the organization to provide specific financial burdens to or impose specific financial obligations on the primary government. A primary government may also be financially accountable for government organizations that are fiscally dependent on the primary government. For example, an organization is fiscally dependent if it cannot adopt its budget, levy taxes, set rates or charges, or issue bonded debt without approval from the City. In some instances, 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. Although legally separate entities, blended component units are, in substance, part of the City's operations, 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 in 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. The primary government and the component unit have a financial benefit or burden relationship. Therefore, 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. The primary government and the component unit also have a financial benefit or burden relationship. Therefore, separate financial statements are not prepared for the Housing Authority.

Note 1 - Significant Accounting Policies (continued)

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 City's various functions.

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. The 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 the exchange and exchange-like transactions are recognized when the exchange occurs.

Program revenues include charges for services, special assessments, and payments made by parties outside 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 not adequately included in 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. Long-term debt proceeds are recorded as a liability in the government-wide financial statements rather than as another financing source. Amounts paid to reduce the long-term indebtedness of the reporting government are reported as a reduction of the related liability rather than as expenditure.

Note 1 - Significant Accounting Policies (continued)

Fund Financial Statements:

The underlying accounting system of the City is organized and operated based on separate funds, each of which is considered 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 how 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 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 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 GASB Statement No. 33.

The fund financial statements present governmental funds 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 despite their spending measurement focus. However, special reporting treatments indicate that they should not be considered "available spendable resources" since they do not represent current resources.

Note 1 - Significant Accounting Policies (continued)

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

Amounts to acquire capital assets are recorded as expenditures in the year that resources were expended rather than as fund assets. Long-term debt proceeds are recorded as other financing sources rather than 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 main operating revenues of the enterprise funds and the government's internal service funds are charged to customers for services. Operating expenses for the proprietary funds include the cost of services, administrative fees, 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. Accordingly, 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 accounts for revenue and expenditures traditionally associated with the government but is not legally required or by sound financial management to be accounted for in another fund. The revenues and expenditures are often referred to as discretionary, meaning they can be allocated as directed by the City Council. The fund's primary revenues are transit occupancy, property, and sales tax. Most of the City's administrative and operating costs, such as salaries, benefits, professional consultants, supplies, and charitable contributions, are paid 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 affordable housing units' retention, rehabilitation, and development. The fund's revenue sources include investment income. Revenues are restricted by government code for funding housing units to benefit low- and moderate-income households.

Note 1 - Significant Accounting Policies (continued)

The *Emergency Services Upgrade Fund* is used to accumulate the resources from a special fire tax levied and restricted to enhance fire protection, suppression, fire prevention, fire investigation, fire safety education, and paramedic services.

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

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

The *Park Facilities in Lieu Fund* is used to account for collection of fees to fund the construction of parks.

The City reports the following major enterprise fund:

The *Golf Resort Operations Fund* accounts for the Indian Wells Golf Resort operations. 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* account for employee benefits 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 specific certificates of deposit and investment contracts registered at cost. These investments are not transferable, and they have terms that are not affected by changes in market interest rates. Therefore, investment income includes interest earnings and the net increase (decrease) in the 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.

Note 1 - Significant Accounting Policies (continued)

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 as pooled cash and investments in the accompanying financial statements. 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 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, including property, plant, equipment, infrastructure, and intangible assets, are reported in the government-wide financial statements applicable governmental or business-type activities columns. 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 of over three 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 constructing or acquiring 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 routine maintenance and repairs, which are actual 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:

Note 1 - Significant Accounting Policies (continued)

Building and Improvements	10-50 years
Equipment	3-15 years
Infrastructure	5-60 years
Intangible Assets	Depreciated over contractual life
Right to Use Assets	The estimated life of the lease asset or the contract term whichever is shorter

Intangible assets are amortized over their contractual useful lives using the straight-line method in 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 assets the government that is applicable to a future reporting period. A deferred inflow of resources represents an acquisition of net assets 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 fund's statement of the 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 the property as of January 1. Taxes are levied on July 1, payable in two equal installments due November 1 and February 1, respectively, and 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 "available" to finance the expenditures of the reporting period.

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

The City of Indian Wells is one of thirty-nine cities in the State of California categorized as a No/Low property tax city because the City did not have an established property tax rate before 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.

Note 1 - Significant Accounting Policies (continued)

After applying the formula, 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. Therefore, 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 and Business-Type funds 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 and business-type funds is included as a liability in the long-term liabilities as those amounts are payable from future resources.

The liability for compensated absences is reported in the government-wide financial statements and represents the amount that is due to employees for unused vacation and sick leave that has vested. The liability is calculated using current pay rates and includes employer-paid fringe benefits.

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 according to constraints imposed by formal action of the City's highest authority, the 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 constrained by the City's intent to be used for specific purposes but are neither restricted nor committed. The City Manager and Finance Director are authorized to assign amounts to a particular purpose, established by the governing body in Resolution No. 2011-30.

Note 1 - Significant Accounting Policies (continued)

- **Unassigned** classification is to be used when negative residual resources are in excess of what can be appropriately classified as nonspendable, restricted, committed, or assigned in funds outside 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.

A guiding principle of the City is to maintain an unassigned fund balance in the general fund at fiscal year-end of not less than 25 percent of the operating budget. In addition, the City Council intends to limit the use of fund balances in the General Fund to address unanticipated one-time needs.

The City maintains a contingency reserve of $2,250,000 in the unassigned General 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 restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. 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. The City's policy considers the restricted – net position to have been depleted before the unrestricted – net position is used.

Sometimes the City will fund outlays for a particular purpose from restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). 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. The City's policy is to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of the unrestricted fund balance can be used for the same purpose, the committed fund balance is depleted first, followed by the assigned fund balance. The unassigned fund balance is applied last.

Use of Estimates

Preparing 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. Accordingly, actual results could differ from those estimates.

Leases

At the commencement of the lease, the City initially measures the lease payable at the present value of payments expected to be paid during the lease term. Subsequently, the lease payable is reduced by the principal portion of lease payments made.

Note 1 - Significant Accounting Policies (continued)

Key estimates and judgments include how the City determines the discount rate it uses to discount the expected lease payments to present value.

- The City used the incremental borrowing rate for leases.
- The lease term includes the noncancellable period of the lease.

The City monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease pay certain changes occur that are expected to significantly affect the amount of the lease payable.

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 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 experience) are amortized over the weighted average remaining service life of all participants in the respective pension plan. They are recorded as a component of pension expenses 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 expenses, 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 terms of the benefit. 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.

Note 1 - Significant Accounting Policies (continued)

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 pertain to liability and asset information with specific timeframes. Accordingly, for this report, the following timeframes are used:

Valuation Date	June 30, 2023
Measurement Date	June 30, 2023
Measurement Period	July 1, 2022 to June 30, 2023

New Accounting Pronouncements

Effective in Current Year

- GASB Statement 100 – "Accounting Changes and Error Corrections – an Amendment of GASB Statement No. 62", effective for reporting periods beginning after June 15, 2023;
- GASB Statement 101 – "Compensated Absences", effective for reporting periods beginning after December 15, 2023;

Effective in Future Years

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

- GASB Statement 102 – "Certain Risk Disclosures", effective for reporting periods beginning after June 15, 2024;
- GASB Statement 103 – "Financial Reporting Model Improvements", effective for reporting periods beginning after June 15, 2025.
- GASB Statement 104 – "Disclosure of Certain Capital Assets", effective for fiscal years beginning after June 15, 2025.

Note 2 - Cash and Investments

Cash and investments at June 30, 2024, are classified in the accompanying financial statements as follows:

	Governmental Activities	Business-Type Activities	Fiduciary Activities	Total
Cash and investments	$ 79,669,717	$ 653,208	$ 8,088,306	$ 88,411,231
Restricted assets				
Restricted cash and investments	17,562,943	-	590	17,563,533
	$ 97,232,660	$ 653,208	$ 8,088,896	$ 105,974,764

Cash and investments at June 30, 2024, consisted of the following:

Petty cash	$ 2,000
Demand accounts	8,379,004
Investments	97,593,760
Total cash and investments	$ 105,974,764

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

The table on the next page identifies the investment types 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 manage investments of debt proceeds held by bond trustee that is 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.

Note 2 - Cash and Investments (continued)

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%	N/A
Local Agency Bonds	5 Years*	30%	$ 5,000,000
State of California Obligations	5 Years*	30%	$ 5,000,000
California Local Agency Obligations	5 Years*	30%	$ 5,000,000
Money Market Funds	N/A	20%	10% per Single Issue
Certificate of Deposit and Negotiable Certificates of Deposit	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 five years from the date of the 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 five 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, the 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

Trust investments are governed by 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.

Note 2 - Cash and Investments (continued)

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 an investment's maturity, the greater its fair value sensitivity to changes in market interest rates. Accordingly, 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 agents) to market interest rate fluctuations is provided in the following table that shows the distribution of the City's investments by maturity:

	Remaining Maturity (in Months)			
Type of Investment	12 Months or Less	13 - 36 Months	37 - 60 Months	Total
Federal Agency Securities	$ 5,643,628	$ 9,377,610	$ 1,969,220	$ 16,990,458
Negotiable Certificates of Deposit	2,687,451	1,622,603	3,438,375	7,748,429
Local Agency Investment Fund	5,016,753	-	-	5,016,753
Medium Term Corporate Notes	1,942,070	4,562,070	995,740	7,499,880
Local Agency Bonds	497,975	287,160	-	785,135
U.S. Treasury Obligations	7,212,890	-	23,337,830	30,550,720
Section 115 Trust				
PARS Balanced Index Investment Pool	5,183,382	-	-	5,183,382
Section 115 Trust (Charles Trust)				
Money Market Mutual Funds	1,102,809	-	-	1,102,809
Mutual Funds	1,948,722	-	-	1,948,722
Exchange Traded Funds	2,772,596	-	-	2,772,596
Held by Fiscal Agent				
Money Market Mutual Funds	17,994,876	-	-	17,994,876
Total	$ 52,003,152	$ 15,849,443	$ 29,741,165	$ 97,593,760

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.

Note 2 - Cash and Investments (continued)

Investments' fair value measurements are as follows as of June 30, 2024:

Investment	Level 1	Level 2	Level 3	Fair Value
Federal Agency Securities	$ -	$ 16,990,458	$ -	$ 16,990,458
Medium Term Corporate Notes	-	7,499,880	-	7,499,880
Negotiable Certificates of Deposit	-	7,748,429	-	7,748,429
U.S. Treasury Obligations	-	30,550,720	-	30,550,720
Local Agency Bonds	-	785,135	-	785,135
	$ -	$ 63,574,622	$ -	63,574,622
Local Agency Investment Fund				5,016,753
Section 115 Trust				
PARS Balanced Index Investment Pool				5,183,382
Section 115 Trust (Charles Trust)				
Money Market Mutual Funds				1,102,809
Mutual Funds				1,948,722
Exchange Traded Funds				2,772,596
Held by Fiscal Agent				
Money Market Mutual Funds				17,994,876
Total Investment Portfolio				$ 97,593,760

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 a net asset value of $1 dollar per share (amortized cost) and are uncategorized in the fair value hierarchy.

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that the issuer of an investment will not fulfill its obligation to the holder of the investment. The assignment of a rating measures this 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:

Note 2 - Cash and Investments (continued)

Investment Type	Minimum Legal Rating	Total as of June 30, 2024	Not Rated	AAA	AA+ to AA-	A+ to A-
Federal Agency Securities	N/A	$ 16,990,458	$ -	$ 16,990,458	$ -	$ -
Negotiable Certificates of Deposit	N/A	7,748,429	7,748,429	-	-	-
Local Agency Investment Fund	N/A	5,016,753	5,016,753	-	-	-
Medium Term Corporate Notes	A	7,499,880	972,750	-	2,741,720	3,785,410
U.S. Treasury Obligations *	N/A	30,550,720				
Local Agency Bonds	A	785,135	-	-	-	785,135
Section 115 Trust						
PARS Balanced Index Investment Pool	N/A	5,183,382	5,183,382	-	-	-
Section 115 Trust (Charles Trust)						
Money Market Mutual Funds	N/A	1,102,809	1,102,809	-	-	-
Mutual Funds	N/A	1,948,722	1,948,722	-	-	-
Exchange Traded Funds	N/A	2,772,596	2,772,596	-	-	-
Held by Fiscal Agent						
Money Market Mutual Funds	A	17,994,876	-	-	24,269,169	-
Total		$ 97,593,760	$ 24,745,441	$ 16,990,458	$ 27,010,889	$ 4,570,545

N/A - Not applicable

** - U.S. Treasury Obligations are Exempt from rating*

Concentration of Credit Risk

Investments in any one issuer that represent five 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	$ 13,030,578	13%

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.

Note 2 - Cash and Investments (continued)

Investment in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF), which 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, 2024, are composed of the following:

	Other Receivable	Taxes Receivable	Interest	Total
Governmental Activities:				
General Fund	$ 276,567	$ 1,700,269	$ 42,097	$ 2,018,933
Housing Authority Fund	-	-	133,938	133,938
Emergency Services Upgrade Fund	1,073,008	18,296	20,298	1,111,602
Capital Improvements Fund	16,001	-	50,133	66,134
City Streets Capital Reserve Fund	-	-	69,723	69,723
Nonmajor Governmental Funds	67,498	178,805	58,101	304,404
Internal Service Funds	-	-	8,250	8,250
Total Governmental Funds	$ 1,433,074	$ 1,897,370	$ 382,540	$ 3,712,984
Business-type Activities				
Golf Course Operations	$ 316,954	$ -	$ 433	$ 317,387

Note 4 - Notes Receivable

	Outstanding at June 30, 2024
Governmental Activities	
Indian Wells Village Utility Undergrounding	$ 105,675
Club Drive Property Sale	1,022,068
	$ 1,127,743

Note 4 - Notes Receivable (continued)

The notes issued relating to the Indian Wells Village Utility Undergrounding relate 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. The outstanding principal balance bears simple interest at the rate of one percent per annum, and if a 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 the 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. The 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 the principal sum plus a $50,000 premium is allowed within the five years following the date of this note. No penalty or premium is 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, 2024, are as follows:

Due to Other Funds	Due From Other Funds	Amount
Park Facilities in Lieu Fund	General Fund	$ 879,933
Monmajor Governmental Funds	General Fund	929,871
Park Facilities in Lieu Fund	Capital Improvements Fund	506,804
Capital Improvements Fund	Golf Resort Fund	503,804
Golf Resort Fund	General Fund	1,094,446
		$ 3,914,858

The General Fund Receivable from the Park Facilities in Lieu Fund of $879,933 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 18 years based on the development of certain commercial projects along the Highway 111 corridor.

The General Fund Receivable from the Nonmajor Governmental Funds includes $151,692 advanced to the Transportation Facilities Fees Fund to fund contributions for annual debt obligations, $592,852 was advanced to the Recreation Facilities Fees Fund to fund contributions for annual debt obligations, and $185,327 was advanced to the Citywide Public Improvement Fees Fund to fund contributions for annual debt obligations. These advances are estimated to be paid as fees are collected, anticipated with the next fiscal year.

Note 5 - Due to and Due from Other Funds (continued)

The Capital Improvements Fund Receivable from the Park Facilities in Lieu Fund of $506,804 represents monies advanced to the Park Facilities in Lieu Fund for parkland acquisition. As Park-in-Lieu fees are collected, the advance will be paid down. The advance is estimated to be paid off in 18 years.

The Golf Resort Operations Fund Receivable from the Capital Improvements Fund of $503,804 represents monies advanced to the Capital Improvements Fund for certain construction at the Golf Resort. The advance is estimated to be paid as funds become available, anticipated to be within five years.

The General Fund Receivable from the Golf Resort Operations Fund of $1,094,446 represents monies advanced 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 five years.

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

Due to	Due from	Amount
General Fund	Successor Agency	$ 11,600,000

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.

Note 6 - Interfund Transfers

Transfers in and out for the year ended June 30, 2024, are as follows:

Transfer Out of Fund	Transfer In to Fund	Amount
General Fund	Housing Authority Fund	$ 517,445
Housing Authority	Non-major Governmental Funds	806,269
General Fund	City Streets Capital Reserve	162,500
Emergency Services Upgrade Fund	Non-major Governmental Funds	146,616
Non-major Governmental Funds	Non-major Governmental Funds	742,853
General Fund	Capital Improvements Fund	1,250,000
Non-major Governmental Funds	Capital Improvements Fund	4,843,037
General Fund	Non-major Governmental Funds	1,392,524
Non-major Governmental Funds	Park Facilities in Lieu Fund	31,083
General Fund	Compensated Absences Reserve Fund	102,584
		$ 9,994,911

Note 6 - Interfund Transfers (continued)

The General Fund transferred $517,445 to the Housing Authority Fund for the 20% set aside portion of the Redevelopment Property Tax Trust Fund (RPTTF) Loan repayments for the year consistent with Housing Law.

The Housing Authority Fund transferred $806,269 to the Housing Authority's affordable housing communities, Indian Wells Villas and Mountain View Villas, respectively.

The Emergency Services Upgrade Fund transferred $146,616 to the Non-major Governmental Funds for the annual debt service contribution.

The Transportation Facilities Fund, the Recreation Facilities Fund and the Citywide Public Improvement Fund transferred $742,853 to the Non-major Governmental Funds for the annual debt service contribution.

The General Fund transferred $1,250,000 to the Capital Improvements Fund for the annual contribution for future city streets projects.

The Financing Authority Fund transferred $4,843,037 in bond proceeds to the Capital Improvements Fund to reimburse energy efficiency, infrastructure, and roadway capital projects.

The Park Facilities Fund transferred $31,083 to the Park Facilities in Lieu Fund for the Fairway park expansion project.

The General Fund transferred $1,555,024 to the City's Capital Improvement Fund for ongoing capital projects.

The General Fund transferred $102,584 to the Compensated Absences Fund to fully fund the fiscal year 2023-24 liability.

Note 7 - Capital Assets

Capital asset activity for the year ended June 30, 2024, was as follows:

	Balance at July 1, 2023	Additions	Deletions	Transfers	Balance at June 30, 2024
Governmental Activities					
Capital assets, not being depreciated					
Land	$ 33,289,388	$ -	$ -	$ -	$ 33,289,388
Construction in progress	6,612,312	1,311,432	-	(339,376)	7,584,368
Total capital assets, not being depreciated	39,901,700	1,311,432	-	(339,376)	40,873,756
Capital assets, being depreciated					
Intangible	2,500,000	-	-	-	2,500,000
Buildings and improvements	67,286,071	-	(1,001,557)	(601,433)	65,683,081
Equipment	2,033,803	296,757	(689,303)	-	1,641,257
Infrastructure	115,991,782	2,805,531	-	940,809	119,738,122
Total capital assets, not being depreciated	187,811,656	3,102,288	(1,690,860)	339,376	189,562,460
Less accumulated depreciation					
Intangible	(250,000)	(250,000)	-	-	(500,000)
Buildings and improvements	(32,705,925)	(1,621,120)	42,714	43,142	(34,241,189)
Equipment	(1,647,137)	(160,723)	682,870	-	(1,124,990)
Infrastructure	(41,108,163)	(2,116,057)	567,928	(43,142)	(42,699,434)
Total accumulated depreciation	(75,711,225)	(4,147,900)	1,293,512	-	(78,565,613)
Total capital assets being depreciated, net	112,100,431	(1,045,612)	(397,348)	339,376	110,996,847
Governmental activities capital assets, net	$ 152,002,131	$ 265,820	$ (397,348)	$ -	$ 151,870,603

Note 7 - Capital Assets (continued)

	Balance at July 1, 2023	Additions	Deletions	Transfers	Balance at June 30, 2024
Business-type Activities					
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	85,713,772	-	(492,536)	(223,173)	84,998,063
Equipment	4,496,222	512,746	(44,553)	223,173	5,187,588
Infrastructure	433,390	-	-	-	433,390
Right to use asset	555,109	-	-	-	555,109
Total capital assets, not being depreciated	91,198,493	512,746	(537,089)	-	91,174,150
Less accumulated depreciation					
Buildings and improvements	(56,556,844)	(1,841,376)	286,665	-	(58,111,555)
Equipment	(3,261,641)	(539,327)	44,499	-	(3,756,469)
Infrastructure	(122,793)	(7,223)	-	-	(130,016)
Right to use asset	(240,121)	(138,669)	-	-	(378,790)
Total accumulated depreciation	(60,181,399)	(2,526,595)	331,164	-	(62,376,830)
Total capital assets being depreciated, net	31,017,094	(2,013,849)	(205,925)	-	28,797,320
Business-type activities capital assets, net	$ 44,928,050	$ (2,013,849)	$ (205,925)	$ -	$ 42,708,276

Depreciation Expense

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

Governmental Activities	
General government	$ 322,366
Community development	1,365,228
Public safety	169,035
Public works	2,291,271
Total governmental activities	$ 4,147,900
Business-type Activities	
Golf resort operations	$ 2,526,595

Note 8 - Long-Term Liabilities

The changes in long-term liabilities for the year ended June 30, 2024, were as follows:

	Balance at July 1, 2023	Additions	Reductions	Balance at June 30, 2024	Due Within One Year
Governmental activities:					
Compensated absences*	$ 736,891	$ 402,078	$ (416,822)	$ 722,147	$ 168,566
2022 Lease revenue bonds	13,550,000	-	(470,000)	13,080,000	495,000
Premium	1,249,696	-	(66,356)	1,183,340	66,356
	$ 15,536,587	$ 402,078	$ (953,178)	$ 14,985,487	$ 729,922

* Beginning balance restated to reflect the implementation of GASB 101.

	Balance at July 1, 2023	Additions	Reductions	Balance at June 30, 2024	Due Within One Year
Business-type activities:					
Compensated absences*	$ 199,139	194,835	(48,501)	345,473	86,368
Lease payable	330,461	-	(140,554)	189,907	81,732
	$ 529,600	$ 194,835	$ (189,055)	$ 535,380	$ 168,100

* Beginning balance restated to reflect the implementation of GASB 101.

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 Compensated Absences Reserve Fund is to set aside cash reserves in case of changes in staff. On June 30, 2024, the net position of the Compensated Absences Reserve Fund was $758,898.

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 the Memorandum of Understandings (MOUs), personnel contracts, and the Personnel Rules and Regulations.

City Issued Debt

2022 Lease Revenue Refunding Bonds

In February 2022, the Indian Wells Financing Authority issued lease revenue bonds in the amount of $13,930,000 to provide funds to finance public improvements and energy efficiency improvements in the City. The bonds dated February 10, 2022, were issued at a premium of $1,338,171 are payable semiannually on April 1 and October 1 of each year, commencing October 1, 2022, and mature in 2042. The bonds are payable from base rental payments to be made by the City for the right to the use of certain real property and improvements of the City pursuant to a Lease Agreement dated February 1, 2022. The balance at June 30, 2024, including the unamortized bond premium of $1,183,340 amounted to $14,263,340. The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2024, including interest, are as follows:

Note 8 - Long-Term Liabilities (continued)

Year Ending June 30,	Principal	Interest	Total
2025	$ 495,000	$ 471,550	$ 966,550
2026	515,000	446,800	961,800
2027	545,000	421,050	966,050
2028	570,000	393,800	963,800
2029	600,000	365,300	965,300
2030-2034	3,455,000	1,367,100	4,822,100
2035-2039	4,145,000	672,700	4,817,700
2040-2043	2,755,000	138,875	2,893,875
	13,080,000	4,277,175	17,357,175
Bond Premium	1,183,340	-	1,183,340
	$ 14,263,340	$ 4,277,175	$ 18,540,515

The outstanding bonds contain a provision that if any event of default should occur, the Trustee, as assignee of the Authority under the Lease Agreement, may terminate the Lease Agreement and recover certain damages from the City or may retain the Lease Agreement and hold the City liable for all base rental payments thereunder on an annual basis.

Lease Payable

The Golf Fund has maintenance equipment, office equipment, and GPS Units as a lease payable with lease terms ranging from 36 months to 60 months. The City is required to make monthly payments ranging from $5,124 to $6,160 with discount rates ranging from 5.49% to 7.00%. As of June 30, 2024, the value of the lease payable is $189,907. Future lease payable requirements are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	$ 81,732	$ 9,417	$ 91,149
2026	65,756	4,632	70,388
2027	42,068	957	43,025
2028	351	6	357
	$ 189,907	$ 15,012	$ 204,919

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 six 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 six 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 complete 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 the annual cost of living adjustments for plan members, who must be public employees or beneficiaries. Benefits are based on years of credited service, where 1,720 compensated hours in a fiscal year 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 ten 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, 2024 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	52 and up
Monthly benefits, as a % of eligible compensation	2.0% to 2.7%	1% to 2.5%
Required employee contribution rates	8.00%	8.25%
Required employer contribution rates*	16.87%	8.00%

Note 9 - Defined Benefit Pension Plan (continued)

**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, for illustrative purposes only, the combined normal cost rate and the UAL payment reflected as a percentage of payroll equals as total of 16.87%.

For the PEPRA plan, for illustrative purposes only, the combined normal cost rate and the UAL payment reflected as a percentage of payroll equals as total of 8.00%.

Contribution Description

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contributes rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarial determination rate is the estimated amount necessary to finance costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions.

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, 2024, in the amount of $(1,089,114).

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, 2023, 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, 2022, rolled forward to June 30, 2023 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, 2023 and 2024 measurement dates was as follows:

Proportion - June 30, 2023	(0.01498%)
Proportion - June 30, 2024	(0.02178%)
Change - Increase/(Decrease)	(0.00680%)

Note 9 - Defined Benefit Pension Plan (continued)

For the year ended June 30, 2024, the City recognized pension expense of $2,504,839 for the Miscellaneous Plan. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$ 1,124,057	$ -
Changes of Assumptions	-	65,755
Changes in proportion and difference between City's contributions and proportionate share of contributions	2,541,882	235,199
Net difference between projected and actual earnings on pension plan investments	-	176,337
Difference between expected and actual experience	8,631	55,638
Difference between employer's contributions and proportionate share of contributions	-	746,227
	$ 3,674,570	$ 1,279,156

The amount of $1,124,057 reported as deferred outflows of resources related to contributions after the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2025. In addition, other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Fiscal Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2025	$ 893,310
2026	595,904
2027	(255,569)
2028	(5,060)
	$ 1,228,585

Actuarial Assumptions

The total pension liabilities in the June 30, 2022, actuarial valuation was determined using the following actuarial assumptions.

Valuation Date	June 30, 2022
Measurement Date	June 30, 2023
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Table [1]	Derived using CalPERS Membership Data for All Funds
Post Retirement Benefit Increase	The lesser of contract COLA or 2.30% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.30% thereafter

Note 9 - Defined Benefit Pension Plan (continued)

1 - The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study for the period from 2001 to 2019. Pre-retirement and post-retirement mortality rates include generational mortality improvement using 80% of Scale MP-2020 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 November 2021 that can be found on the CalPERS website.

All other actuarial assumptions used in the June 30, 2022 valuation were based on the results of the 2022 CalPERS Experience Study and Review of Actuarial Assumptions, 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 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the 20 years using a building-block approach. The expected rate of return was then adjusted to account for assumed administrative expenses of 10 Basis points. The expected real rates of return by asset class are summarized in the table on the following page:

Note 9 - Defined Benefit Pension Plan (continued)

Asset Class [1]	Assumed Asset Allocation	Real Return [1,2]
Global Equity - Cap weighted	30%	4.54%
Global Equity - Non-Cap weighted	12%	3.84%
Private Equity	13%	7.28%
Treasury	5%	0.27%
Mortgage-backed Securities	5%	0.50%
Investment Grade Corporates	10%	1.56%
High Yield	5%	2.27%
Emerging Market Debt	5%	2.48%
Private Debt	5%	3.57%
Real Assets	15%	3.21%
Leverage	-5%	-0.59%

[1] An expected inflation of 2.30% used for this period

[2] Figures are based on the 2021-22 Asset Liability Management study.

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 6.90 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 (5.90 percent), or 1-percentage point higher (7.90 percent), than the current rate:

	1% Decrease in Discount Rate (5.90%)	Discount Rate (6.90%)	1% Increase in Discount Rate (7.90%)
City's Proportionate Share of the Plan's Net Pension Liability/(Asset)	$ 4,072,930	$ (1,089,114)	$ (5,337,919)

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 reportable payroll for the employees covered by the plan is $3,960,614 compared with a total payroll of $4,204,001 for the fiscal year ended June 30, 2024. 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 $117,365. Contributions are established and amended by State Law and City Resolution.

Note 11 - Defined Compensation Payable

The City has adopted a deferred compensation plan in accordance with Internal Revenue Code Section 457(b) 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 include death, disability, retirement, or an unforeseeable emergency. Employees may contribute to the deferred compensation plan up to $23,000 in 2024. Employees aged fifty or older may contribute up to an additional $7,500 in 2024 for a total of $30,500. These amounts are adjusted annually by the Internal Revenue Service (IRS) for cost-of-living increases. 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 another 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 an agent multiple employer Section 115 governmental trust.

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

Net OPEB Liability	$	7,235,393
Deferred Outflows related to OPEB		2,332,129
Deferred Inflows related to OPEB		(685,312)
OPEB Expense		491,028

Note 12 - Other Post Employment Benefit Plan (OPEB) (continued)

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 2024 is $157 per month. If an Annuitant is eligible for a more significant 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:
  - The allowance for Annuitants hired before February 1, 2009 ("Tier A") is equal to up to 100% of the premium of any CalPERS health insurance plan in which the Tier A Annuitant, and eligible family members, enroll.
- 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 five 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 five 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.

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.

Note 12 - Other Post Employment Benefit Plan (OPEB) (continued)

Employees Covered by Benefit Terms

At June 30, 2024, the most recent measurement date, the following current and former employees were covered by the benefit terms of the plan:

Active employees	31
Inactive employees or beneficiaries currently receiving benefits	37
	68

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 are typically paid by the Employee Benefits Fund.

The municipal administration employs a prioritized funding mechanism to finance the Employee Benefits Fund. The foremost priority pertains to the accrued interest income within the fund, with the secondary priority being contingent on the allocation of payroll resources. The allocated payroll encompasses contributions from the Solid Waste Fund, the Emergency Services Fund, the Housing Authority, the Golf Resort, Recycling, and the General Fund. It is noteworthy that the General Fund assumes a prominent role as the primary source of funding for the Employee Benefits Fund due to its utilization of administrative services.

As described further in footnote 13, the City also contributes to the PARS and Shuster Advisory Group Section 115 Trusts with total assets at June 30, 2024 of $10,068,933 irrevocably restricted for the payment of OPEB benefits.

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 calculated as of June 30, 2024, using an annual actuarial valuation as of June 30, 2023. A summary of principal assumptions and methods used to determine the net OPEB liability is shown below.

Note 12 - Other Post Employment Benefit Plan (OPEB) (continued)

Actuarial Assumptions

The total OPEB liability in the June 30, 2023, 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	5.75%
Inflation	2.50%
Investment Rate of Return	5.75%
Mortality	CalPERS 2000-2019 experience study
Healthcare Trend Rate	Non-Medicare - 8.50% for 2025, decreasing to an ultimate rate of 3.45% in 2076 and later years Medicare (Non-Kaiser) - 7.50% for 2025, decreasing to an ultimate rate of 3.45% in 2076 and later years Medicare (Kaiser) - 6.25% for 2025, decreasing to an ultimate rate of 3.45% in 2076 and later years

Mortality rates were based on the CalPERS 2000-2019 Experience Study, which assumed future mortality improvements using Society of Actuaries (SOA) Scale MP-2021. The Experience Study report can be obtained on the CalPERS website under Forms and Publications.

The actuarial assumptions used in the June 30, 2023, valuation was 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.

- Updated medical trend rates and PEMHCA minimum increase
- The City opened and has funded an additional OPEB trust with Shuster Advisory Group

Discount Rate

The discount rate used to measure the total OPEB liability was 5.75 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.

Note 12 - Other Post Employment Benefit Plan (OPEB) (continued)

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 weighing 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	34.00%	4.56%
Fixed Income	41.00%	1.56%
TIPS	5.00%	(0.08%)
Commodities	3.00%	1.22%
REITs	17.00%	4.06%
	100.00%	

Changes in Net OPEB Liability (Asset)

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability (Asset)
Balance at June 30, 2023	$ 9,051,127	$ 9,796,188	$ (745,061)
Changes in the year:			
Service cost	275,595	-	275,595
Interest on the total OPEB liability	523,241	-	523,241
Actual vs. expected experience	170,452	-	170,452
Assumption changes	641,067	-	641,067
Contributions - employer	-	459,025	(459,025)
Net investment income	-	348,850	(348,850)
Benefit payments	(453,761)	(453,761)	-
Administrative expenses	-	(8,071)	8,071
Distribution of fiduciary assets	-	(7,169,903)	7,169,903
Net changes	1,156,594	(6,823,860)	7,980,454
Balance at June 30, 2024	$ 10,207,721	$ 2,972,328	$ 7,235,393

Note 12 - Other Post Employment Benefit Plan (OPEB) (continued)

Changes in the Discount Rate

The following presents the net OPEB asset of the City, as well as what the City's net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (4.75 percent) or 1-percentage-point higher (6.75 percent) than the current discount rate:

	1% Decrease in Discount Rate (4.75%)	Discount Rate (5.75%)	1% Increase in Discount Rate (6.75%)
Net OPEB Liability (Asset)	$ 8,613,330	$ 7,235,393	$ 6,102,005

Net OPEB Liability (Asset) to Changes in the Healthcare Cost Trend Rates

The following presents the net OPEB liability (asset) of the City, as well as what the City's net OPEB liability (asset) 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:

	1% Decrease	Trend Rate	1% Increase
Net OPEB Liability (Asset)	$ 5,994,043	$ 7,235,393	$ 8,767,469

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, 2024, the City recognized OPEB expense of $491,028. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Employer contributions made subsequent to measurement date	$ 488,925	$ -
Changes in assumptions	802,933	175,812
Net difference between projected and actual earnings on plan investments	900,810	-
Difference between expected and actual experience	139,461	509,500
	$ 2,332,129	$ 685,312

Note 12 - Other Post Employment Benefit Plan (OPEB) (continued)

The $488,925 reported as deferred outflows of resources related to contributions subsequent to the measurement date and $7,169,903 reported as deferred inflows of resources related to distribution of trust assets made subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the fiscal year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2025	$ 201,807
2026	189,540
2027	523,037
2028	169,734
2029	73,774
	$ 1,157,892

Note 13 - PARS and Shuster Advisory Group Section 115 Trusts

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 provide benefits to plan members, and the assets are protected from creditors of the City.

The Section 115 Trusts were created to address the City's pension and OPEB obligations by accumulating assets to reduce the net pension and OPEB liability. However, in accordance with generally accepted accounting principles, the assets in the Section 115 Trusts are not considered to have present service capacity as plan assets and are therefore regarded as restricted assets of the City rather than pension and OPEB plan assets. Accordingly, the Section 115 Trusts' assets are recorded as restricted for pension and OPEB benefits in the City's Employee Benefits Internal Service Fund rather than assets of the pension and OPEB plan during the measurement of the net pension and OPEB liability. The assets held in Trust will be considered pension and OPEB plan assets at the time they are transferred out of the Trust into the pension or OPEB plan.

The balance in the PARS Trust's pension assets for the fiscal year ended June 30, 2024, was $984,352. During the fiscal year, the Trust earned $105,056 in interest income, and plan costs totaled $5,336.

The balance in the PARS Trust's OPEB assets for the fiscal year ended June 30, 2024, was $4,199,030. During the fiscal year, the Trust earned $500,907 in interest income, plan costs totaled $16,588 and had plan contributions of $3,500,000.

Note 13 - PARS and Shuster Advisory Group Section 115 Trusts (continued)

In December 2023, the City Council approved the creation of a Section 115 Trust Agreement with Shuster Advisory Group and Charles Schwab, Trust Administrator. The Section 115 Trust was established as a means to set aside monies to fund the City's OPEB obligations. Contributions to the Section 115 are irrevocable, the assets provide benefits to plan members, and the assets are protected from creditors of the City. Similar to the PARS Trust, the assets are regarded as restricted assets of the City rather than OPEB plan assets.

The balance in the Shuster Trust's OPEB assets for the fiscal year ended June 30, 2024, was $5,869,903. During the fiscal year, the Trust earned $265,003 in interest income, plan costs totaled $4,900 and had plan contributions of $5,600,000.

The restricted trust assets are as follows at June 30, 2024:

PARS – Pension	$ 984,352
PARS – OPEB	4,199,030
Shuster – OPEB	5,869,903
Total restricted assets	$11,053,285

Note 14 - Risk Management

Description of Self-Insurance Pool Pursuant to Joint Powers Agreement

The City of Indian Wells is a California Joint Powers Insurance Authority (Authority) member. The Authority comprises 126 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, purchase excess insurance or reinsurance, and 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 primary 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.

The overall coverage limit for each member, including all layers of coverage, is $50 million per occurrence. Subsidence losses also have a $50 million per occurrence limit. The coverage structure is composed of a combination of pooled self-insurance, reinsurance, and excess insurance. Additional information concerning the coverage structure is available on the Authority's website: https://cjpia.org/coverage/risk-sharing-pools/.

Note 14 - Risk Management (continued)

Primary Workers' Compensation Program

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 costs incurred up to $100,000 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 costs incurred from $100,000 to $500,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from $500,000 to $50 million are distributed based on the outcome of cost allocation within the first and second loss layers.

For 2023-24, the Authority's pooled retention is $1 million per occurrence, with reinsurance to statutory limits under California Workers' Compensation Law. Employer's Liability losses are pooled among members to $1 million. Coverage from $1 million to $5 million is purchased through reinsurance policies, 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 $126,608,574. 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. 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 $120,891,607. 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 2023-24.

Note 15 - Other Required Disclosures

Deficit Fund Balance and Net Position

The following funds reported a deficit fund balance at June 30, 2024:

Park Facilities in Lieu Capital Projects Fund	$ 1,386,737
Transportation Facilities Fee Fund	151,692
Recreation Facilities Fees Fund	592,852
Citywide Public Improvement Fund	185,327
Successor Agency of the Former Redevelopment Agency Private Purpose Trust Fund	59,422,862

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 Transportation Facilities Fee Fund will be eliminated through the collection of fees from developers. This deficit balance is temporary and is anticipated to be dissolved within the next fiscal year.

The deficit in the Recreation Facilities Fees Fund will be eliminated through the collection of fees from developers. This deficit balance is temporary and is anticipated to be dissolved within the next fiscal year.

The deficit in the Citywide Public Improvement Fund will be eliminated through the collection of fees from developers. This deficit balance is temporary and is anticipated to be dissolved within the next fiscal year.

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.

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).

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

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 essential 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	$ 8,088,306
Cash and investments with fiscal agent	590
	$ 8,088,896

Due to City

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

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.	$ 11,600,000

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

Long-Term Debt

The following debt is recorded in the Successor Agency:

Project Area 1	Balance at July 1, 2023	Additions	Repayments	Balance at June 30, 2024	Due Within One Year
2015 Refunding Tax Allocation Bonds	$ 11,065,000	$ -	$ 2,000,000	$ 9,065,000	$ 2,105,000
2016 A Tax Allocation Bonds	36,435,000	-	960,000	35,475,000	1,010,000
2020 A Tax Allocation Bonds	6,315,000	-	465,000	5,850,000	480,000
	$ 53,815,000	$ -	$ 3,425,000	$ 50,390,000	$ 3,595,000
Adjustments:					
Unamortized net original issue (discount) or Premium				5,061,345	5,061,345
Net Long-term Debt				$ 55,451,345	

A description of long-term debt outstanding of the Successor Agency as of June 30, 2024, follows:

2015 A Tax Allocation Refunding Bonds

On September 1, 2015, the Successor 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, 2024 were $9,065,000.

Future debt service requirements on these bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	$ 2,105,000	$ 400,625	$ 2,505,625
2026	2,205,000	292,875	2,497,875
2027	2,320,000	179,750	2,499,750
2028	2,435,000	60,875	2,495,875
	9,065,000	934,125	9,999,125
Bond Premium	776,711	-	776,711
	$ 9,841,711	$ 934,125	$ 10,775,836

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

2016 A Tax Allocation Refunding Bonds

On September 1, 2016, the Successor 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, 2024 were $35,475,000.

Future debt service requirements on these bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	$ 1,010,000	$ 1,615,100	$ 2,625,100
2026	1,055,000	1,563,475	2,618,475
2027	1,110,000	1,509,350	2,619,350
2028	1,165,000	1,452,475	2,617,475
2029	3,880,000	1,326,350	5,206,350
2030-2034	22,205,000	3,792,125	25,997,125
2035	5,050,000	126,250	5,176,250
	35,475,000	11,385,125	46,860,125
Bond Premium	4,284,634	-	4,284,634
	$ 39,759,634	$ 11,385,125	$ 51,144,759

2020 A Tax Allocation Refunding Bonds

On June 12, 2020, the Successor 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, 2024 were $5,850,000.

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

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

Future debt service requirements on these bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	$ 480,000	$ 120,615	$ 600,615
2026	490,000	110,188	600,188
2027	500,000	99,545	599,545
2028	505,000	88,741	593,741
2029	515,000	77,776	592,776
2030-2034	2,770,000	214,678	2,984,678
2035	590,000	6,343	596,343
	$ 5,850,000	$ 717,886	$ 6,567,886

Insurance

The Successor Agency of the former redevelopment agency is covered under the insurance policy of the City of Indian Wells at June 30, 2024.

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.

Note 19 - Prior Period Adjustment

The City implemented GASB 101: *Compensated Absences* during the fiscal year. This adjustment recognized vacation and sick leave (and applicable payroll taxes) that has not been used but is more likely than not to be used or settled in the future.

	Governmental Activities	Business-type Activities
Beginning net position, as previously reported	$ 249,998,065	$ 42,064,327
Additional compensated absences liability	(165,665)	(121,668)
Beginning net position, as restated	$ 249,832,400	$ 41,942,659

Note 19 - Prior Period Adjustment (continued)

The City implemented GASB 100: Accounting Changes and Error Corrections – an Amendment of GASB Statement No. 62 which requires the City to report any changes in the presentation of the reporting of major funds. The City no longer reports the Indian Wells Financing Authority Debt Service fund as a major fund as it no longer meets the requirements of a major fund.

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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.

Measurement period	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14
Plan's proportion of the net pension liability	0.0017%	0.0017%	0.0017%	-0.0072%	-0.0119%	0.0008%	0.0154%	0.0480%	0.0695%	0.1456%
Plan's proportionate share of the net pension liability (asset)	$ (1,089,114)	$ (700,736)	$ (6,449,180)	$ (781,863)	$ (1,218,808)	$ 73,946	$ 1,526,915	$ 4,152,019	$ 4,769,476	$ 3,597,324
Plan's covered payroll	$ 3,529,517	$ 3,241,802	$ 3,207,039	$ 3,038,144	$ 2,889,192	$ 2,943,396	$ 2,812,372	$ 2,902,571	$ 2,814,500	$ 2,673,595
Plan's proportionate share of the net pension liability (asset) as a percentage of covered payroll	-30.86%	-21.62%	-201.09%	-25.73%	-42.19%	2.51%	54.29%	143.05%	169.46%	134.55%
Plan's fiduciary net position as a percentage of the total pension liability	77.97%	78.19%	90.49%	77.71%	75.30%	75.30%	73.31%	74.06%	78.40%	79.82%

Notes to Schedule:

Benefit changes

There were no changes to benefit terms that applied to all members of the Public Agency Pool. However, individual employers in the Plan may have provided a benefit improvement to their employees such as Golden Handshakes, service purchases, and other prior service costs. Employers that have done so may need to report this information as a separate liability in their financial statement as CalPERS considers such amounts to be separately financed employer-specific liabilities. These employers should consult with their auditors. Additionally, the figures above do not include any liability impact that occurred after the June 30, 2022 valuation date, unless the liability impact is deemed to be material to the Public Agency Pool.

In 2022, SB 1168 increased the standard retiree lump sum death benefit from $500 to $2,000 for any death occurring on or after July 1, 2023. For pooled plans this is a Class 3 benefit and there is no normal cost surcharge. The impact on the unfunded liability is included in the pool's differences between expected and actual experience.

Changes in assumptions

There were no assumption changes in 2023. Effective with the June 30, 2021 valuation date (June 30, 2022 measurement date), the accounting discount rate was reduced from 7.15% to 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flow. In addition, demographic assumptions and the price inflation assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. The accounting discount rate was 7.15% for measurement dates June 30, 2017 through June 30, 2021, 7.65% for measurement dates June 30, 2015 through June 30, 2016, and 7.50% for measurement date June 30, 2014.

Fiscal Year	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
Actuarially determined contributions	$ 502,145	$ 452,975	$ 408,794	$ 455,250	$ 475,302	$ 430,310	$ 974,198	$ 544,107	$ 566,489	$ -
Contributions in relation to the actuarially determined contributions	(1,124,057)	(1,390,856)	(1,300,007)	(428,319)	(428,319)	(358,582)	(1,334,875)	(3,731,723)	(2,566,489)	(455,850)
Contribution deficiency (excess)	$ (621,912)	$ (937,881)	$ (891,213)	$ 26,931	$ 46,983	$ 71,728	$ (360,677)	$ (3,187,616)	$ (2,000,000)	$ (455,850)
Covered payroll	$ 3,694,552	$ 3,529,517	$ 3,241,802	$ 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	30.42%	39.41%	40.10%	13.36%	14.10%	12.41%	45.35%	132.69%	88.42%	16.20%

Notes to Schedule

Fiscal Year: June 30, 2024
Valuation Date: June 30, 2021

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Actuarial Cost Method
Amortization method/period	Varies by date established and source. May be level dollar or level percent of pay and may include direct rate smoothing.
Asset valuation method	Market Value of Assets
Inflation	2.30%
Projected salary increases	Varies by category, entry age and duration of service.
Discount rate	6.90% (net of investment and administrative expenses)

Measurement Period	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17
Total OPEB liability							
Service cost	$ 275,595	$ 282,966	$ 259,910	$ 252,340	$ 323,517	$ 314,094	$ 305,000
Interest on the total OPEB liability	523,241	498,483	576,779	554,551	513,612	485,756	459,000
Changes of benefit terms	-	-	(15,495)	-	-	-	-
Differences between expected and actual experience	170,452	-	(1,204,273)	-	239,406	-	-
Changes of assumptions	641,067	(279,230)	658,095	-	71,328	-	-
Benefit payments, including refunds of member contributions	(453,761)	(462,932)	(463,466)	(454,170)	(389,144)	(338,000)	(331,000)
Net change in total OPEB liability	1,156,594	39,287	(188,450)	352,721	758,719	461,850	433,000
Total OPEB liability - beginning	9,051,127	9,011,840	9,200,290	8,847,569	8,088,850	7,627,000	7,194,000
Total OPEB liability - ending (a)	$ 10,207,721	$ 9,051,127	$ 9,011,840	$ 9,200,290	$ 8,847,569	$ 8,088,850	$ 7,627,000
OPEB fiduciary net position							
Contributions - employer	$ 459,025	$ 466,353	$ 677,553	$ 1,190,919	$ 389,962	$ 607,000	$ 614,000
Net investment income	348,850	(1,409,406)	1,830,412	448,019	524,434	423,619	459,000
Benefit payments, including refunds of member contributions	(453,761)	(462,932)	(463,466)	(454,170)	(389,144)	(338,000)	(331,000)
Administrative expense	(8,071)	(6,254)	(5,590)	(5,115)	(2,424)	(13,582)	(4,000)
Distribution of fiduciary assets[1]	(7,169,903)	-	-	-	-	-	-
Net change in plan fiduciary net position	(6,823,860)	(1,412,239)	2,038,909	1,179,653	522,828	679,037	738,000
Plan fiduciary net position - beginning	9,796,188	11,208,427	9,169,518	7,989,865	7,467,037	6,788,000	6,050,000
Plan fiduciary net position - ending (b)	2,972,328	9,796,188	11,208,427	9,169,518	7,989,865	7,467,037	6,788,000
Plan net OPEB liability (asset) - ending (a) - (b)	$ 7,235,393	$ (745,061)	$ (2,196,587)	$ 30,772	$ 857,704	$ 621,813	$ 839,000
Plan fiduciary net position as a percentage of the total OPEB Liability	29.12%	108.23%	124.37%	99.67%	90.31%	92.31%	89.00%
Covered-employee payroll	$ 4,310,233	$ 3,707,177	$ 3,666,820	$ 3,451,419	$ 3,263,961	$ 3,407,217	$ 3,237,969
Plan net OPEB liability (asset) as a percentage of covered-employee payroll	167.87%	-20.10%	-59.90%	0.89%	26.28%	18.25%	25.91%

* Fiscal Year 2017-18 was the first year of implementation; therefore, only seven years of information are shown.

[1] Fiduciary assets were transferred to the PARS and Shuster Section 115 trusts that are irrevocably restricted for payment of OPEB benefits

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

Fiscal Year	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18
Actuarially determined contribution (ADC)	$ -	$ -	$ 422,001	$ 411,874	$ 354,000	$ 607,000	$ 614,000
Contributions in relation to the ADC	(488,925)	(459,025)	(386,181)	(677,553)	(1,190,919)	(389,962)	(573,377)
Contribution deficiency (excess)	$ (488,925)	$ (459,025)	$ 35,820	$ (265,679)	$ (836,919)	$ 217,038	$ 40,623
Covered employee payroll**	$ 4,310,233	$ 4,176,150	$ 3,707,177	$ 3,666,820	$ 3,451,419	$ 3,263,961	$ 3,407,217
Contributions as a percentage of covered employee payroll	11.34%	10.99%	10.42%	18.48%	34.51%	11.95%	16.83%

Notes to Schedule

Actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2023-24 were from the June 30, 2023 actuarial valuation report.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal Cost Method
Amortization method	Level percent of payroll
Asset valuation method	Investment gains and losses spread over 5-year rolling period
Inflation	2.5% annually
Healthcare cost trend rates	Non-Medicare - 8.5% for 2025, decreasing to an ultimate 3.45% in 2076 and later years
Investment rate of return	5.75%
Retirement age	55
Mortality	CalPERS 2000-2019 experience study

* Fiscal Year 2017-18 was the first year of implementation; therefore, only seven years of information are shown.
** Contributions are made on an ad hoc basis.

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues				
Taxes	$ 20,523,851	$ 20,523,851	$ 24,526,087	$ 4,002,236
Licenses and permits	911,170	911,170	683,169	(228,001)
Intergovernmental	806,030	806,030	942,282	136,252
Charges for services	677,978	677,978	666,372	(11,606)
Investment income (loss)	470,000	470,000	1,404,591	934,591
Fines and forfeitures	48,429	48,429	64,546	16,117
Other income	200,160	200,160	31,117	(169,043)
Total revenues	23,637,618	23,637,618	28,318,164	4,680,546
Expenditures				
Current				
General government	9,364,142	11,005,486	10,405,052	600,434
Public safety	5,865,594	5,270,094	4,854,763	415,331
Community development	2,205,760	2,197,260	2,078,322	118,938
Public works	3,364,947	3,182,747	2,914,979	267,768
Total expenditures	20,800,443	21,655,587	20,253,116	1,402,471
Other financing sources (uses)				
Transfers out	(4,322,464)	(4,322,464)	(3,425,053)	897,411
Total other financing sources (uses)	(4,322,464)	(4,322,464)	(3,425,053)	897,411
Net change in fund balance	(1,485,289)	(2,340,433)	4,639,995	6,980,428
Fund balance, beginning	36,648,058	36,648,058	36,648,058	-
Fund balance, ending	$ 35,162,769	$ 34,307,625	$ 41,288,053	$ 6,980,428

See Notes to Required Supplementary Information

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues				
Intergovernmental	$ -	$ -	$ 113,172	$ 113,172
Investment income (loss)	144,000	144,000	434,381	290,381
Total revenues	144,000	144,000	547,553	403,553
Expenditures				
Current				
General government	3,888,360	7,808,574	3,404,143	4,404,431
Community development	250,000	250,000	250,000	-
Total expenditures	4,138,360	8,058,574	3,654,143	4,404,431
Other financing sources (uses)				
Transfers in	517,440	517,440	517,445	5
Transfers out	(86,855)	(86,855)	(806,269)	(719,414)
Total other financing sources (uses)	430,585	430,585	(288,824)	(719,409)
Net change in fund balance	(3,563,775)	(7,483,989)	(3,395,414)	4,088,575
Fund balance, beginning	15,429,469	15,429,469	15,429,469	-
Fund balance, ending	$ 11,865,694	$ 7,945,480	$ 12,034,055	$ 4,088,575

See Notes to Required Supplementary Information

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues				
Taxes	$ 4,474,565	$ 4,474,565	$ 4,206,481	$ (268,084)
Charges for services	650,000	650,000	737,398	87,398
Investment income (loss)	115,000	115,000	207,355	92,355
Assessments	646,000	646,000	610,241	(35,759)
Other income	9,000	9,000	21,171	12,171
Total revenues	5,894,565	5,894,565	5,782,646	(111,919)
Expenditures				
Current				
Public safety	4,943,718	4,971,418	5,350,057	(378,639)
Capital outlay	475,000	1,175,000	29,297	1,145,703
Total expenditures	5,418,718	6,146,418	5,379,354	767,064
Other financing sources (uses)				
Transfers out	(144,758)	(144,758)	(146,616)	(1,858)
Total other financing sources (uses)	(144,758)	(144,758)	(146,616)	(1,858)
Net change in fund balance	331,089	(396,611)	256,676	655,145
Fund balance, beginning	4,472,536	4,472,536	4,472,536	-
Fund balance, ending	$ 4,803,625	$ 4,075,925	$ 4,729,212	$ 655,145

See Notes to Required Supplementary Information

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, 2024, 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.

Note 1 - Budgets and Budgetary Accounting (continued)

The following funds had expenditures in excess of appropriations for the year ended June 30, 2024:

	Final Budget	Actual	Excess Over Appropriation
Measure "A" Transportation Fund	$ 295,000	336,736	(41,736)
Citizens Option for Public Safety Program Fund	$ 182,000	198,063	(16,063)
Gas Tax Fund	$ 255,175	358,389	(103,214)
Solid Waste Fund	$ 1,227,633	1,560,601	(332,968)
Affordable Housing Operations Fund	$ 2,850,000	3,144,912	(294,912)

The Indian Wells Financing Authority Debt Service Fund and the Storm Drain Facilities Fees Fund were not included in the appropriated budget prepared for fiscal year ended June 30, 2024. Therefore, no budgetary to actual comparison schedule for these funds is presented.

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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.

Debt Service Funds

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

Indian Wells Financing Authority Fund – This fund was created in 2022 to account for the issuance and debt service payments for the 2022 Solar and Infrastructure Lease Revenue Bonds.

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.

Park Facilities Fees – This fund accounts for the accumulated fees collected to fund the park facilities needed to serve new development. It is a fee-in-lieu of land dedication charged under the Quimby Act to new residential development occurring in a subdivision.

Transportation Facilities Fees – This fund accounts for the accumulation of fees collected to fund transportation facilities needed to serve new development to fund capacity-expanding transportation projects. This fee replaces the Highway 111 Circulation Improvement Fee.

Storm Drain Facilities Fees – This fund accounts for the accumulated fees collected to fund storm drain facilities needed to serve new development.

Recreation Facilities Fees – This fee accounts for the accumulation of fees collected to fund recreation facilities needed to serve new development. As new development occurs, the City will need to make additional, capacity-expanding improvements to the golf course as demand for use of the facility increases.

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.

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.

Disaster Recovery Reserve – This reserve sets aside funds for the initial stages of disaster recovery prior to the inclusion of County, State, and Federal funding. Reserve funds allow for immediate response and recovery under a range of domestic emergencies like floods or earthquakes. The funds are earmarked, remain unspent if not used for disaster recovery, and cannot be used for any other purpose.

City of Indian Wells, California
Combining Balance Sheet - Nonmajor Governmental Funds
June 30, 2024

	Debt Service Funds	Special Revenue Funds									
	Indian Wells Financing Authority	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
Assets										
Cash and investments	$ 1	$ 11,893	$ 6,976	$ -	$ 1,269,095	$ 17,889	$ -	$ 1,511	$ 250,469	$ 93,563
Restricted cash and investments	6,275,928	-	-	-	-	-	-	-	-	-
Receivables										
Accounts	-	3,039	2,861	58,900	41,670	1,606	-	21,615	8,096	59,516
Accrued interest	-	46	27	-	4,918	69	-	6	-	1,333
Prepaid costs	-	-	-	-	537	-	-	-	-	-
Total assets	$ 6,275,929	$ 14,978	$ 9,864	$ 58,900	$ 1,316,220	$ 19,564	$ -	$ 23,132	$ 258,565	$ 154,412
Liabilities and Fund Balances										
Liabilities										
Accounts payable	$ -	$ -	$ -	$ -	$ 190,822	$ 1,244	$ -	$ -	$ 536	$ 35,111
Accrued liabilities	-	-	-	-	-	-	-	-	1,645	1,650
Deposits payable	-	-	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-	-	-
Total liabilities	-	-	-	-	190,822	1,244	-	-	2,181	36,761
Deferred Inflow of Resources										
Unavailable revenue	-	-	-	-	-	-	-	-	-	24,405
Fund Balances										
Nonspendable										
Prepaid costs	-	-	-	-	537	-	-	-	-	-
Restricted for										
Community development	-	-	-	-	-	-	-	-	-	-
Public safety	-	-	9,864	-	1,124,861	-	-	-	-	-
Public works	-	14,978	-	58,900	-	18,320	-	23,132	256,384	93,246
Debt service	6,275,929	-	-	-	-	-	-	-	-	-
Committed to										
Capital projects	-	-	-	-	-	-	-	-	-	-
Assigned										
Capital projects	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-
Total fund balances	6,275,929	14,978	9,864	58,900	1,125,398	18,320	-	23,132	256,384	93,246
Total Liabilities and Fund Balances	$ 6,275,929	$ 14,978	$ 9,864	$ 58,900	$ 1,316,220	$ 19,564	$ -	$ 23,132	$ 258,565	$ 130,007

City of Indian Wells, California
Combining Balance Sheet - Nonmajor Governmental Funds
.June 30, 2024

	Special Revenue Funds			Capital Projects Funds					
	Consolidated LLMD	Street Lighting District 2001-1	Affordable Housing Operations	Hwy 111 Circulation Improvement	Park Facilities Fees	Transportation Facilities Fees	Recreation Facilities Fees	Citywide Public Improvement	Art in Public Places
Assets									
Cash and investments	$ 2,290,881	$ 19,533	$ 1,103,319	$ 38,568	$ -	$ -	$ -	$ -	$ 798,508
Restricted cash and investments	-	-	233,730	-	-	-	-	-	-
Receivables									
Accounts	49,000	-	-	-	-	-	-	-	-
Accrued interest	8,876	76	4,275	149	-	-	-	-	3,094
Prepaid costs	-	-	-	-	-	-	-	-	-
Total assets	$ 2,348,757	$ 19,609	$ 1,341,324	$ 38,717	$ -	$ -	$ -	$ -	$ 801,602
Liabilities and Fund Balances									
Liabilities									
Accounts payable	$ 377,441	$ -	$ 264,420	$ -	$ -	$ -	$ -	$ -	$ -
Accrued liabilities	-	-	-	-	-	-	-	-	-
Deposits payable	-	-	131,105	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	151,692	592,852	185,327	-
Total liabilities	377,441	-	395,525	-	-	151,692	592,852	185,327	-
Deferred Inflow of Resources									
Unavailable revenue	-	-	-	-	-	-	-	-	-
Fund Balances									
Nonspendable									
Prepaid costs	-	-	-	-	-	-	-	-	-
Restricted for									
Community development	-	-	945,799	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-
Public works	1,971,316	19,609	-	38,717	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Committed to									
Capital projects	-	-	-	-	-	-	-	-	801,602
Assigned									
Capital projects	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	(151,692)	(592,852)	(185,327)	-
Total fund balances	1,971,316	19,609	945,799	38,717	-	(151,692)	(592,852)	(185,327)	801,602
Total Liabilities and Fund Balances	$ 2,348,757	$ 19,609	$ 1,341,324	$ 38,717	$ -	$ -	$ -	$ -	$ 801,602

City of Indian Wells, California
Combining Balance Sheet - Nonmajor Governmental Funds
.June 30, 2024

	Capital Projects Funds								
	Bridges Capital Reserve	Buildings Capital Reserve	Medians & Parkways Capital Reserve	Storm Drains Capital Reserve	Traffic Signals Capital Reserve	Technology Capital Reserve	City Vehicles Capital Reserve	Disaster Recovery Reserve	Total Nonmajor Governmental Funds
Assets									
Cash and investments	$ 2,026,876	$ 2,235,115	$ 1,647,852	$ 915,844	$ 782,113	$ 728,873	$ 297,056	$ 458,676	$ 14,994,611
Restricted cash and investments	-	-	-	-	-	-	-	-	6,509,658
Receivables									
Accounts	-	-	-	-	-	-	-	-	246,303
Accrued interest	7,854	8,661	6,385	3,549	2,545	2,824	1,637	1,777	58,101
Prepaid costs	-	-	-	-	-	-	-	-	537
Total assets	$ 2,034,730	$ 2,243,776	$ 1,654,237	$ 919,393	$ 784,658	$ 731,697	$ 298,693	$ 460,453	$ 21,809,210
Liabilities and Fund Balances									
Liabilities									
Accounts payable	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 869,574
Accrued liabilities	-	-	-	-	-	-	-	-	3,295
Deposits payable	-	-	-	-	-	-	-	-	131,105
Due to other funds	-	-	-	-	-	-	-	-	929,871
Total liabilities	-	-	-	-	-	-	-	-	1,933,845
Deferred Inflow of Resources									
Unavailable revenue	-	-	-	-	-	-	-	-	24,405
Fund Balances									
Nonspendable									
Prepaid costs	-	-	-	-	-	-	-	-	537
Restricted for									
Community development	-	-	-	-	-	-	-	-	945,799
Public safety	-	-	-	-	-	-	-	-	1,134,725
Public works	-	-	-	-	-	-	-	-	2,494,602
Debt service	-	-	-	-	-	-	-	-	6,275,929
Committed to									
Capital projects	-	-	-	-	-	-	-	-	801,602
Assigned									
Capital projects	2,034,730	2,243,776	1,654,237	919,393	784,658	731,697	298,693	460,453	9,127,637
Unassigned	-	-	-	-	-	-	-	-	(929,871)
Total fund balances	2,034,730	2,243,776	1,654,237	919,393	784,658	731,697	298,693	460,453	19,850,960
Total Liabilities and Fund Balances	$ 2,034,730	$ 2,243,776	$ 1,654,237	$ 919,393	$ 784,658	$ 731,697	$ 298,693	$ 460,453	$ 21,784,805

City of Indian Wells, California

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

Year Ended June 30, 2024

	Debt Service Funds	Special Revenue Funds								
	Indian Wells Financing Authority	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
Revenues										
Taxes	$ -	$ -	$ -	$ -	$ 427,657	$ -	$ -	$ -	$ -	$ -
Intergovernmental	-	-	37,007	328,216	17,315	6,422	186,159	256,469	-	-
Investment income (loss)	356,346	531	282	378	64,429	651	454	(3,493)	-	17,286
Fines and forfeitures	-	21,809	-	-	-	-	-	-	-	-
Rental income	-	-	-	-	-	-	-	-	-	-
Assessments	-	-	-	-	1,213,819	-	-	-	138,366	1,495,893
Developer fees	-	-	-	-	-	-	-	-	-	-
Other income	-	-	-	-	2,820	-	-	-	-	-
Total revenues	356,346	22,340	37,289	328,594	1,726,040	7,073	186,613	252,976	138,366	1,513,179
Expenditures										
Current										
General government	-	-	-	-	-	-	-	223,403	-	-
Public safety	-	-	35,750	-	1,522,376	-	198,063	-	-	-
Community development	-	-	-	-	-	-	-	-	-	-
Public works	-	17,500	-	336,737	-	2,335	-	134,986	199,358	1,560,602
Capital outlay	-	-	-	-	770,248	-	-	-	-	-
Debt service										
Principal retirement	470,000	-	-	-	-	-	-	-	-	-
Interest and fiscal charges	466,445	-	-	-	-	-	-	-	-	-
Total expenditures	936,445	17,500	35,750	336,737	2,292,624	2,335	198,063	358,389	199,358	1,560,602
Excess (Deficiency) of Revenues over (under) Expenditures	(580,099)	4,840	1,539	(8,143)	(566,584)	4,738	(11,450)	(105,413)	(60,992)	(47,423)
Other Financing Sources (Uses)										
Transfers in	977,439	-	-	-	-	-	-	-	-	-
Transfers out	(4,843,037)	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(3,865,598)	-	-	-	-	-	-	-	-	-
Net Change in Fund Balances	(4,445,697)	4,840	1,539	(8,143)	(566,584)	4,738	(11,450)	(105,413)	(60,992)	(47,423)
Fund Balances, Beginning of Year	10,721,626	10,138	8,325	67,043	1,691,982	13,582	11,450	128,545	317,376	140,669
Fund Balances, End of Year	$ 6,275,929	$ 14,978	$ 9,864	$ 58,900	$ 1,125,398	$ 18,320	$ -	$ 23,132	$ 256,384	$ 93,246

City of Indian Wells, California

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

Year Ended June 30, 2024

	Special Revenue Funds			Capital Projects Funds					
	Consolidated LLMD	Street Lighting District 2001-1	Affordable Housing Operations	Hwy 111 Circulation Improvement	Park Facilities Fees	Transportation Facilities Fees	Recreation Facilities Fees	Citywide Public Improvement	Art in Public Places
Revenues									
Taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Intergovernmental	-	-	-	-	-	-	-	-	-
Investment income (loss)	99,846	767	58,149	1,418	(84)	-	-	-	30,294
Fines and forfeitures	-	-	-	-	-	-	-	-	-
Rental income	-	-	2,609,379	-	-	-	-	-	-
Assessments	1,542,190	2,234	-	-	-	-	-	-	-
Developer fees	-	-	-	-	10,264	63,862	107,966	24,363	277,153
Other income	-	-	-	-	-	-	-	-	-
Total revenues	1,642,036	3,001	2,667,528	1,418	10,180	63,862	107,966	24,363	307,447
Expenditures									
Current									
General government	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-
Community development	-	-	3,144,912	-	-	-	-	-	-
Public works	1,389,541	186	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-
Debt service									
Principal retirement	-	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-	-
Total expenditures	1,389,541	186	3,144,912	-	-	-	-	-	-
Excess (Deficiency) of Revenues over (under) Expenditures	252,495	2,815	(477,384)	1,418	10,180	63,862	107,966	24,363	307,447
Other Financing Sources (Uses)									
Transfers in	105,024	-	718,299	-	-	-	-	-	-
Transfers out	-	-	-	-	(31,083)	(151,926)	(439,002)	(151,925)	-
Total other financing sources (uses)	105,024	-	718,299	-	(31,083)	(151,926)	(439,002)	(151,925)	-
Net Change in Fund Balances	357,519	2,815	240,915	1,418	(20,903)	(88,064)	(331,036)	(127,562)	307,447
Fund Balances, Beginning of Year	1,613,797	16,794	704,884	37,299	20,903	(63,628)	(261,816)	(57,765)	494,155
Fund Balances, End of Year	$ 1,971,316	$ 19,609	$ 945,799	$ 38,717	$ -	$ (151,692)	$ (592,852)	$ (185,327)	$ 801,602

City of Indian Wells, California

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

Year Ended June 30, 2024

	Capital Projects Funds								
	Storm Drains Capital Reserve	Bridges Capital Reserve	Buildings Capital Reserve	Medians & Parkways Capital Reserve	Traffic Signals Capital Reserve	Technology Capital Reserve	City Vehicles Capital Reserve	Disaster Recovery Reserve	Total Nonmajor Governmental Funds
Revenues									
Taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 427,657
Intergovernmental	-	-	-	-	-	-	-	-	831,588
Investment income (loss)	34,321	75,185	82,842	61,247	28,918	27,445	12,052	17,457	966,721
Fines and forfeitures	-	-	-	-	-	-	-	-	21,809
Rental income	-	-	-	-	-	-	-	-	2,609,379
Assessments	-	-	-	-	-	-	-	-	4,392,502
Developer fees	-	-	-	-	-	-	-	-	483,608
Other income	-	-	-	-	-	-	-	-	2,820
Total revenues	34,321	75,185	82,842	61,247	28,918	27,445	12,052	17,457	9,736,084
Expenditures									
Current									
General government	-	-	-	-	-	-	-	-	223,403
Public safety	-	-	-	-	-	-	-	-	1,756,189
Community development	-	-	-	-	-	-	-	-	3,144,912
Public works	-	-	-	-	-	-	-	-	3,641,245
Capital outlay	-	-	-	-	-	-	-	-	770,248
Debt service									
Principal retirement	-	-	-	-	-	-	-	-	470,000
Interest and fiscal charges	-	-	-	-	-	-	-	-	466,445
Total expenditures	-	-	-	-	-	-	-	-	10,472,442
Excess (Deficiency) of Revenues over (under) Expenditures	34,321	75,185	82,842	61,247	28,918	27,445	12,052	17,457	(736,358)
Other Financing Sources (Uses)									
Transfers in	162,500	162,500	162,500	162,500	162,500	162,500	162,500	150,000	3,088,262
Transfers out	-	-	-	-	-	-	-	-	(5,616,973)
Total other financing sources (uses)	162,500	162,500	162,500	162,500	162,500	162,500	162,500	150,000	(2,528,711)
Net Change in Fund Balances	196,821	237,685	245,342	223,747	191,418	189,945	174,552	167,457	(3,265,069)
Fund Balances, Beginning of Year	722,572	1,797,045	1,998,434	1,430,490	593,240	541,752	124,141	292,996	23,116,029
Fund Balances, End of Year	$ 919,393	$ 2,034,730	$ 2,243,776	$ 1,654,237	$ 784,658	$ 731,697	$ 298,693	$ 460,453	$ 19,850,960

City of Indian Wells, California
Budgetary Comparison Schedule - IWFA Debt Service Fund
Year Ended June 30, 2024

	Budgeted Amounts	Actual	Variance with Budget Positive (Negative)
Revenues			
Investment income	$ 175,000	$ 356,346	$ 181,346
Total revenues	175,000	356,346	181,346
Expenditures			
Debt service			
Principal retirement	-	470,000	(470,000)
Interest and fiscal charges	500,550	466,445	34,105
Total expenditures	500,550	936,445	(435,895)
Other financing sources (uses)			
Transfers in	965,050	977,439	12,389
Transfers out	(7,375,782)	(4,843,037)	2,532,745
Total other financing sources (uses)	(6,410,732)	(3,865,598)	2,545,134
Net change in fund balance	(6,736,282)	(4,445,697)	2,290,585
Fund balance, beginning	10,721,626	10,721,626	-
Fund balance, ending	$ 3,985,344	$ 6,275,929	$ 2,290,585

City of Indian Wells, California
Budgetary Comparison Schedule - Traffic Safety
Year Ended June 30, 2024

	Budgeted Amounts	Actual	Variance with Budget Positive (Negative)
Revenues			
Investment income (loss)	$ 10	$ 531	$ 521
Fines and forfeitures	17,500	21,809	4,309
Total revenues	17,510	22,340	4,830
Expenditures			
Current			
Public works	17,500	17,500	-
Total expenditures	17,500	17,500	-
Net change in fund balance	10	4,840	4,830
Fund balance, beginning	10,138	10,138	-
Fund balance, ending	$ 10,148	$ 14,978	$ 4,830

City of Indian Wells, California
Budgetary Comparison Schedule - Public Safety 1/2% Tax
Year Ended June 30, 2024

	Budgeted Amounts	Actual	Variance with Budget Positive (Negative)
Revenues			
Intergovernmental	$ 35,000	$ 37,007	$ 2,007
Investment income (loss)	490	282	(208)
Total revenues	35,490	37,289	1,799
Expenditures			
Current			
Public safety	35,750	35,750	-
Total expenditures	35,750	35,750	-
Net change in fund balance	(260)	1,539	1,799
Fund balance, beginning	8,325	8,325	-
Fund balance, ending	$ 8,065	$ 9,864	$ 1,799

City of Indian Wells, California
Budgetary Comparison Schedule - Measure "A" Transportation
Year Ended June 30, 2024

	Budgeted Amounts	Actual	Variance with Budget Positive (Negative)
Revenues			
Intergovernmental	$ 290,000	$ 328,216	$ 38,216
Investment income	550	378	(172)
Total revenues	290,550	328,594	38,044
Expenditures			
Current			
Public works	295,000	336,737	(41,737)
Total expenditures	295,000	336,737	(41,737)
Net change in fund balance	(4,450)	(8,143)	(3,693)
Fund balance, beginning	67,043	67,043	-
Fund balance, ending	$ 62,593	$ 58,900	$ (3,693)

City of Indian Wells, California
Budgetary Comparison Schedule - Fire Access Maintenance District No. 1
Year Ended June 30, 2024

	Budgeted Amounts	Actual	Variance with Budget Positive (Negative)
Revenues			
Taxes	$ 337,070	$ 427,657	$ 90,587
Licenses and permits	1,080	-	(1,080)
Intergovernmental	1,830	17,315	15,485
Investment income (loss)	48,000	64,429	16,429
Assessments	1,194,000	1,213,819	19,819
Other income	3,450	2,820	(630)
Total revenues	1,585,430	1,726,040	140,610
Expenditures			
Current			
Public safety	1,612,971	1,522,376	90,595
Capital outlay	839,565	770,248	69,317
Total expenditures	2,452,536	2,292,624	159,912
Net change in fund balance	(867,106)	(566,584)	300,522
Fund balance, beginning	1,691,982	1,691,982	-
Fund balance, ending	$ 824,876	$ 1,125,398	$ 300,522

City of Indian Wells, California
Budgetary Comparison Schedule - South Coast AQMD Vehicle Registration
Year Ended June 30, 2024

	Budgeted Amounts	Actual	Variance with Budget Positive (Negative)
Revenues			
Intergovernmental	$ 6,800	$ 6,422	$ (378)
Investment income (loss)	170	651	481
Total revenues	6,970	7,073	103
Expenditures			
Current			
Public works	7,250	2,335	4,915
Total expenditures	7,250	2,335	4,915
Net change in fund balance	(280)	4,738	5,018
Fund balance, beginning	13,582	13,582	-
Fund balance, ending	$ 13,302	$ 18,320	$ 5,018

City of Indian Wells, California

Budgetary Comparison Schedule - Citizens Option for Public Safety Program

Year Ended June 30, 2024

	Budgeted Amounts	Actual	Variance with Budget Positive (Negative)
Revenues			
Intergovernmental	$ 180,000	$ 186,159	$ 6,159
Investment income (loss)	2,000	454	(1,546)
Total revenues	182,000	186,613	4,613
Expenditures			
Current			
Public safety	182,000	198,063	(16,063)
Total expenditures	182,000	198,063	(16,063)
Net change in fund balance	-	(11,450)	(11,450)
Fund balance, beginning	11,450	11,450	-
Fund balance, ending	$ 11,450	$ -	$ (11,450)

City of Indian Wells, California
Budgetary Comparison Schedule - Gas Tax
Year Ended June 30, 2024

	Budgeted Amounts	Actual	Variance with Budget Positive (Negative)
Revenues			
Intergovernmental	$ 253,500	$ 256,469	$ 2,969
Investment income	1,675	(3,493)	(5,168)
Total revenues	255,175	252,976	(2,199)
Expenditures			
Current			
General government	113,550	223,403	(109,853)
Public works	141,625	134,986	6,639
Total expenditures	255,175	358,389	(103,214)
Net change in fund balance	-	(105,413)	(105,413)
Fund balance, beginning	128,545	128,545	-
Fund balance, ending	$ 128,545	$ 23,132	$ (105,413)

City of Indian Wells, California
Budgetary Comparison Schedule - AB 939 Recycling
Year Ended June 30, 2024

	Budgeted Amounts	Actual	Variance with Budget Positive (Negative)
Revenues			
Assessments	$ 120,000	$ 138,366	$ 18,366
Total revenues	120,000	138,366	18,366
Expenditures			
Current			
Public works	249,037	199,358	49,679
Total expenditures	249,037	199,358	49,679
Net change in fund balance	(129,037)	(60,992)	68,045
Fund balance, beginning	317,376	317,376	-
Fund balance, ending	$ 188,339	$ 256,384	$ 68,045

City of Indian Wells, California
Budgetary Comparison Schedule - Solid Waste
Year Ended June 30, 2024

	Budgeted Amounts	Actual	Variance with Budget Positive (Negative)
Revenues			
Investment income (loss)	$ 20,000	$ 17,286	$ (2,714)
Assessments	1,160,000	1,495,893	335,893
Other income	2,500	-	(2,500)
Total revenues	1,182,500	1,513,179	330,679
Expenditures			
Current			
Public works	1,227,633	1,560,602	(332,969)
Total expenditures	1,227,633	1,560,602	(332,969)
Net change in fund balance	(45,133)	(47,423)	(2,290)
Fund balance, beginning	140,669	140,669	-
Fund balance, ending	$ 95,536	$ 93,246	$ (2,290)

City of Indian Wells, California
Budgetary Comparison Schedule - Consolidating LLMD
Year Ended June 30, 2024

	Budgeted Amounts	Actual	Variance with Budget Positive (Negative)
Revenues			
Investment income (loss)	$ 31,195	$ 99,846	$ 68,651
Assessments	1,533,134	1,542,190	9,056
Total revenues	1,564,329	1,642,036	77,707
Expenditures			
Current			
Public works	1,781,818	1,389,541	392,277
Total expenditures	1,781,818	1,389,541	392,277
Other financing sources (uses)			
Transfers in	106,028	105,024	(1,004)
Total other financing sources (uses)	106,028	105,024	(1,004)
Net change in fund balance	(111,461)	357,519	468,980
Fund balance, beginning	1,613,797	1,613,797	-
Fund balance, ending	$ 1,502,336	$ 1,971,316	$ 468,980

City of Indian Wells, California
Budgetary Comparison Schedule - Street Lighting District 2001-1
Year Ended June 30, 2024

	Budgeted Amounts	Actual	Variance with Budget Positive (Negative)
Revenues			
Investment income (loss)	$ 350	$ 767	$ 417
Assessments	1,370	2,234	864
Total revenues	1,720	3,001	1,281
Expenditures			
Current			
Public works	1,480	186	1,294
Total expenditures	1,480	186	1,294
Net change in fund balance	240	2,815	2,575
Fund balance, beginning	16,794	16,794	-
Fund balance, ending	$ 17,034	$ 19,609	$ 2,575

City of Indian Wells, California
Budgetary Comparison Schedule - Affordable Housing Operations
Year Ended June 30, 2024

	Budgeted Amounts	Actual	Variance with Budget Positive (Negative)
Revenues			
Investment income (loss)	$ 123,000	$ 58,149	$ (64,851)
Rental income	2,535,000	2,609,379	74,379
Total revenues	2,658,000	2,667,528	9,528
Expenditures			
Current			
General government	-	-	-
Community development	2,850,000	3,144,912	(294,912)
Total expenditures	2,850,000	3,144,912	(294,912)
Other financing sources (uses):			
Transfers in	-	718,299	718,299
Total other financing sources (uses)	-	718,299	718,299
Net change in fund balance	(192,000)	240,915	432,915
Fund balance, beginning	704,884	704,884	-
Fund balance, ending	$ 512,884	$ 945,799	$ 432,915

City of Indian Wells, California
Budgetary Comparison Schedule - Capital Improvements
Year Ended June 30, 2024

	Budgeted Amounts	Actual	Variance with Budget Positive (Negative)
Revenues			
Intergovernmental	$ 500,000	$ 3,911,420	$ 3,411,420
Investment income (loss)	185,000	566,598	381,598
Other income	1,000	1,096	96
Total revenues	686,000	4,479,114	3,793,114
Expenditures			
Current			
General government	212,979	91,847	121,132
Capital outlay	17,961,886	6,411,443	11,550,443
Total expenditures	18,174,865	6,503,290	11,671,575
Other financing sources (uses)			
Transfers in	8,625,782	6,093,037	(2,532,745)
Total other financing sources (uses)	8,625,782	6,093,037	(2,532,745)
Net change in fund balance	(8,863,083)	4,068,861	12,931,944
Fund balance, beginning	7,854,742	7,854,742	-
Fund balance, ending	$ (1,008,341)	$ 11,923,603	$ 12,931,944

City of Indian Wells, California
Budgetary Comparison Schedule - City Streets Capital Reserve
Year Ended June 30, 2024

	Budgeted Amounts	Actual	Variance with Budget Positive (Negative)
Revenues			
Investment income (loss)	$ 565,000	$ 662,416	$ 97,416
Total revenues	565,000	662,416	97,416
Other financing sources (uses)			
Transfers in	162,500	162,500	-
Total other financing sources (uses)	162,500	162,500	-
Net change in fund balance	727,500	824,916	97,416
Fund balance, beginning	17,237,924	17,237,924	-
Fund balance, ending	$ 17,965,424	$ 18,062,840	$ 97,416

City of Indian Wells, California
Budgetary Comparison Schedule - Highway 111 Circulation Improvements
Year Ended June 30, 2024

	Budgeted Amounts	Actual	Variance with Budget Positive (Negative)
Revenues			
Investment income (loss)	$ 2,000	$ 1,418	$ (582)
Developer fees	50,000	-	(50,000)
Total revenues	52,000	1,418	(50,582)
Net change in fund balance	52,000	1,418	(50,582)
Fund balance, beginning	37,299	37,299	-
Fund balance, ending	$ 89,299	$ 38,717	$ (50,582)

City of Indian Wells, California
Budgetary Comparison Schedule - Park Facilities Fees
Year Ended June 30, 2024

	Budgeted Amounts	Actual	Variance with Budget Positive (Negative)
Revenues			
Investment income (loss)	$ -	$ (84)	$ (84)
Developer fees	-	10,264	10,264
Total revenues	-	10,180	10,180
Other financing sources (uses):			
Transfers out	-	(31,083)	(31,083)
Total other financing sources (uses)	-	(31,083)	(31,083)
Net change in fund balance	-	(20,903)	(20,903)
Fund balance, beginning	20,903	20,903	-
Fund balance, ending	$ 20,903	$ -	$ (20,903)

City of Indian Wells, California
Budgetary Comparison Schedule - Transportation Facilities Fees
Year Ended June 30, 2024

	Budgeted Amounts	Actual	Variance with Budget Positive (Negative)
Revenues			
Investment income (loss)	$ 1,575	$ -	$ (1,575)
Developer fees	150,000	63,862	(86,138)
Total revenues	151,575	63,862	(87,713)
Other financing sources (uses)			
Transfers out	(150,000)	(151,926)	(1,926)
Total other financing sources (uses)	(150,000)	(151,926)	(1,926)
Net change in fund balance	1,575	(88,064)	(89,639)
Fund balance, beginning	(63,628)	(63,628)	-
Fund balance, ending	$ (62,053)	$ (151,692)	$ (89,639)

City of Indian Wells, California
Budgetary Comparison Schedule - Recreation Facilities Fees
Year Ended June 30, 2024

	Budgeted Amounts	Actual	Variance with Budget Positive (Negative)
Revenues			
Investment income (loss)	$ 3,000	$ -	$ (3,000)
Developer fees	435,000	107,966	(327,034)
Total revenues	438,000	107,966	(330,034)
Other financing sources (uses)			
Transfers out	(433,438)	(439,002)	5,564
Total other financing sources (uses)	(433,438)	(439,002)	5,564
Net change in fund balance	4,562	(331,036)	(324,470)
Fund balance, beginning	(261,816)	(261,816)	-
Fund balance, ending	$ (257,254)	$ (592,852)	$ (324,470)

City of Indian Wells, California
Budgetary Comparison Schedule - City Wide Public Improvements
Year Ended June 30, 2024

	Budgeted Amounts	Actual	Variance with Budget Positive (Negative)
Revenues			
Investment income (loss)	$ 100	$ -	$ (100)
Developer fees	150,000	24,363	(125,637)
Total revenues	150,100	24,363	(125,737)
Other financing sources (uses)			
Transfers out	(150,000)	(151,925)	(1,925)
Total other financing sources (uses)	(150,000)	(151,925)	(1,925)
Net change in fund balance	100	(127,562)	(127,662)
Fund balance, beginning	(57,765)	(57,765)	-
Fund balance, ending	$ (57,665)	$ (185,327)	$ (127,662)

City of Indian Wells, California
Budgetary Comparison Schedule - Art in Public Places
Year Ended June 30, 2024

	Budgeted Amounts	Actual	Variance with Budget Positive (Negative)
Revenues			
Investment income (loss)	$ 10,000	$ 30,294	$ 20,294
Developer fees	15,000	277,153	262,153
Total revenues	25,000	307,447	282,447
Net change in fund balance	25,000	307,447	282,447
Fund balance, beginning	494,155	494,155	-
Fund balance, ending	$ 519,155	$ 801,602	$ 282,447

City of Indian Wells, California
Budgetary Comparison Schedule - Bridges Capital Reserve
Year Ended June 30, 2024

	Budgeted Amounts	Actual	Variance with Budget Positive (Negative)
Revenues			
Investment income (loss)	$ 36,000	$ 75,185	$ 39,185
Total revenues	36,000	75,185	39,185
Other financing sources (uses)			
Transfers in	162,500	162,500	-
Total other financing sources (uses)	162,500	162,500	-
Net change in fund balance	198,500	237,685	39,185
Fund balance, beginning	1,797,045	1,797,045	-
Fund balance, ending	$ 1,995,545	$ 2,034,730	$ 39,185

City of Indian Wells, California
Budgetary Comparison Schedule - Buildings Capital Reserve
Year Ended June 30, 2024

	Budgeted Amounts	Actual	Variance with Budget Positive (Negative)
Revenues			
Investment income (loss)	$ 46,000	$ 82,842	$ 36,842
Total revenues	46,000	82,842	36,842
Other financing sources (uses)			
Transfers in	162,500	162,500	-
Total other financing sources (uses)	162,500	162,500	-
Net change in fund balance	208,500	245,342	36,842
Fund balance, beginning	1,998,434	1,998,434	-
Fund balance, ending	$ 2,206,934	$ 2,243,776	$ 36,842

City of Indian Wells, California
Budgetary Comparison Schedule - Medians & Parkways Capital Reserve
Year Ended June 30, 2024

	Budgeted Amounts	Actual	Variance with Budget Positive (Negative)
Revenues			
Investment income (loss)	$ 36,000	$ 61,247	$ 25,247
Total revenues	36,000	61,247	25,247
Other financing sources (uses)			
Transfers in	162,500	162,500	-
Total other financing sources (uses)	162,500	162,500	-
Net change in fund balance	198,500	223,747	25,247
Fund balance, beginning	1,430,490	1,430,490	-
Fund balance, ending	$ 1,628,990	$ 1,654,237	$ 25,247

City of Indian Wells, California
Budgetary Comparison Schedule - Storm Drains Capital Reserve
Year Ended June 30, 2024

	Budgeted Amounts	Actual	Variance with Budget Positive (Negative)
Revenues			
Investment income (loss)	$ 24,750	$ 34,321	$ 9,571
Total revenues	24,750	34,321	9,571
Other financing sources (uses)			
Transfers in	162,500	162,500	-
Total other financing sources (uses)	162,500	162,500	-
Net change in fund balance	187,250	196,821	9,571
Fund balance, beginning	722,572	722,572	-
Fund balance, ending	$ 909,822	$ 919,393	$ 9,571

	Budgeted Amounts	Actual	Variance with Budget Positive (Negative)
Revenues			
Investment income (loss)	$ 20,500	$ 28,918	$ 8,418
Total revenues	20,500	28,918	8,418
Other financing sources (uses)			
Transfers in	162,500	162,500	-
Total other financing sources (uses)	162,500	162,500	-
Net change in fund balance	183,000	191,418	8,418
Fund balance, beginning	593,240	593,240	-
Fund balance, ending	$ 776,240	$ 784,658	$ 8,418

City of Indian Wells, California
Budgetary Comparison Schedule - Technology Capital Reserve
Year Ended June 30, 2024

	Budgeted Amounts	Actual	Variance with Budget Positive (Negative)
Revenues			
Investment income (loss)	$ 15,450	$ 27,445	$ 11,995
Total revenues	15,450	27,445	11,995
Other financing sources (uses)			
Transfers in	162,500	162,500	-
Total other financing sources (uses)	162,500	162,500	-
Net change in fund balance	177,950	189,945	11,995
Fund balance, beginning	541,752	541,752	-
Fund balance, ending	$ 719,702	$ 731,697	$ 11,995

City of Indian Wells, California
Budgetary Comparison Schedule - City Vehicles Capital Reserve
Year Ended June 30, 2024

	Budgeted Amounts	Actual	Variance with Budget Positive (Negative)
Revenues			
Investment income (loss)	$ 3,600	$ 12,052	$ 8,452
Total revenues	3,600	12,052	8,452
Other financing sources (uses)			
Transfers in	162,500	162,500	-
Total other financing sources (uses)	162,500	162,500	-
Net change in fund balance	166,100	174,552	8,452
Fund balance, beginning	124,141	124,141	-
Fund balance, ending	$ 290,241	$ 298,693	$ 8,452

City of Indian Wells, California
Budgetary Comparison Schedule - Disaster Recovery Reserve
Year Ended June 30, 2024

	Budgeted Amounts	Actual	Variance with Budget Positive (Negative)
Revenues			
Investment income (loss)	$ 3,000	$ 17,457	$ 14,457
Total revenues	3,000	17,457	14,457
Other financing sources (uses)			
Transfers in	150,000	150,000	-
Total other financing sources (uses)	150,000	150,000	-
Net change in fund balance	153,000	167,457	14,457
Fund balance, beginning	292,996	292,996	-
Fund balance, ending	$ 445,996	$ 460,453	$ 14,457

City of Indian Wells, California
Budgetary Comparison Schedule - Park Facilities in Lieu Capital Projects Fund
Year Ended June 30, 2024

	Budgeted Amounts	Actual	Variance with Budget Positive (Negative)
Revenues			
Intergovernmental	$ 463,137	$ 3,328	$ (459,809)
Developer fees	170,000	40,341	129,659
Total revenues	633,137	43,669	(330,150)
Expenditures			
Current			
General government	-	7,605	(7,605)
Capital outlay	461,726	78,571	383,155
Total expenditures	461,726	86,176	375,550
Other financing sources (uses):			
Transfers in	-	31,083	31,083
Total other financing sources (uses)	-	31,083	31,083
Net change in fund balance	171,411	(11,424)	76,483
Fund balance, beginning	(1,375,313)	(1,375,313)	-
Fund balance, ending	$ (1,203,902)	$ (1,386,737)	$ 76,483

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	Governmental Activities - Internal Service Funds		
	Employee Benefits	Compensated Absences	Totals
Assets			
Current Assets			
Cash and investments	$ 1,373,282	$ 755,969	$ 2,129,251
Restricted Section 115 Trust cash and investments	11,053,285	-	11,053,285
Receivables			
Accrued interest	5,321	2,929	8,250
Total current assets	12,431,888	758,898	13,190,786
Total assets	12,431,888	758,898	13,190,786
Deferred Outflows of Resources			
Deferred amounts related to OPEB	2,332,129	-	2,332,129
Liabilities			
Current Liabilities			
Net OPEB liability	7,235,393	-	7,235,393
Total liabilities	7,235,393	-	7,235,393
Deferred Inflows of Resources			
Deferred amounts related to OPEB	685,312	-	685,312
Net Position			
Restricted for OPEB	2,833,540	-	2,833,540
Restricted for Pension	984,352	-	984,352
Unrestricted	3,025,420	758,898	3,784,318
Total net position	$ 6,843,312	$ 758,898	$ 7,602,210

City of Indian Wells, California

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

Year Ended June 30, 2024

	Governmental Activities - Internal Service Funds		
	Employee Benefits	Compensated Absences	Totals
Operating Revenues			
Interdepartmental charges	$ 1,224,686	$ -	$ 1,224,686
Total operating revenues	1,224,686	-	1,224,686
Operating Income (Loss)	1,224,686	-	1,224,686
Nonoperating Revenue (Expenses)			
Investment income	694,035	29,246	723,281
Total nonoperating revenues (expenses)	694,035	29,246	723,281
Transfers In	-	102,584	102,584
Changes in Net Position	1,918,721	131,830	2,050,551
Net Position, Beginning of Year	4,924,591	627,068	5,551,659
Net Position, End of Year	$ 6,843,312	$ 758,898	$ 7,602,210

City of Indian Wells, California

Combining Statement of Cash Flows - Internal Service Funds

Year Ended June 30, 2024

	Governmental Activities - Internal Service Funds		
	Employee Benefits	Compensated Absences	Totals
Operating Activities			
Cash received from interfund services provided	$ 1,224,686	$ -	$ 1,224,686
Cash received from OPEB CERBT Trust	8,000,000	-	8,000,000
Cash paid to suppliers for goods and services	(829,486)	-	(829,486)
Net Cash from (used for) Operating Activities	8,395,200	-	8,395,200
Non-Capital Financing Activities			
Cash received from other funds	-	102,584	102,584
Net Cash from (used for) Non-Capital Financing Activities	-	102,584	102,584
Investing Activities			
Investment income	691,536	28,598	720,134
Net Cash from (used for) Investing Activities	691,536	28,598	720,134
Net Change in Cash and Cash Equivalents	9,086,736	131,182	9,217,918
Cash, Restricted Cash, and Cash Equivalents, Beginning of Year	3,339,831	624,787	3,964,618
Cash, Restricted Cash, and Cash Equivalents, End of Year	$ 12,426,567	$ 755,969	$ 13,182,536
Reconciliation of Operating Income to Net Cash from (used for) Operating Activities			
Operating income (loss)	$ 1,224,686	$ -	$ 1,224,686
Changes in:			
Net OPEB asset/liability	7,980,454	-	7,980,454
Deferred outflows related to OPEB	(525,148)	-	(525,148)
Accounts payable	(1,492)	-	(1,492)
Deferred inflows related to OPEB	(283,300)	-	(283,300)
Net Cash from (used for) Operating Activities	$ 8,395,200	$ -	$ 8,395,200

This part of the City of Indian Wells' annual comprehensive 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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2. Operating Indicators by Function 159
3. Capital Assets Statistics by Function 160

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

City of Indian Wells

Net Position by Component

Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2024	**2023**	**2022**	**2021****	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
Governmental activities:										
Net investment in capital assets	$ 142,190,278	$ 147,924,061	$ 145,969,138	$ 148,375,228	$ 163,856,985	$ 167,002,186	$ 172,007,625	$ 172,494,796	$ 175,639,386	$ 241,607,740
Restricted for:										
Community development	945,799	725,787	4,718,908	4,439,261	3,801,007	3,108,085	2,661,415	2,401,909	2,294,829	2,175,822
Housing	12,034,055	15,429,469	13,016,874	15,486,485	12,961,532	13,870,180	14,632,707	12,842,189	13,352,710	13,639,334
Public safety	5,863,937	6,183,630	7,054,610	6,548,304	6,728,419	5,737,133	5,308,643	6,034,523	9,535,112	5,680,112
Public works	2,494,602	2,345,243	2,317,493	2,793,046	2,657,863	2,412,413	2,223,810	2,135,793	2,201,769	2,138,313
Debt service	-	-	-	-	-	-	-	-	-	-
Section 115 Trust	-	-	-	937,402	-	-	-	-	-	-
Pension obligations	2,041,991	5,567,799	11,369,223	-	-	-	-	-	-	-
OPEB obligations	2,833,540	1,798,141	2,301,464	-	-	-	-	-	-	-
Unrestricted	86,935,013	70,023,935	69,606,313	65,899,752	69,738,721	71,786,558	61,884,894	65,150,651	50,054,925	52,294,420
Total governmental activities net position	255,339,215	249,998,065	256,354,023	244,479,478	259,744,527	263,916,555	258,719,094	261,059,861	253,078,731	317,535,741
Business-type activites:										
Net investment in capital assets**	42,518,369	44,597,589	46,751,387	47,197,377	49,122,479	49,821,298	51,198,409	52,758,255	57,498,601	-
Restricted for:										
Pension Obligations	31,475	139,371	338,347	-	-	-	-	-	-	-
Unrestricted	(490,067)	(2,915,969)	(4,547,545)	(5,609,097)	(5,258,314)	(1,809,374)	1,024,501	1,657,668	1,798,085	-
Total business-type activities net position	42,059,777	41,820,991	42,542,189	41,588,280	43,864,165	48,011,924	52,222,910	54,415,923	59,296,686	-
Primary government:										
Net investment in capital assets	184,708,647	192,521,650	192,720,525	195,572,605	212,979,464	216,823,484	223,206,034	225,253,051	233,137,987	241,607,740
Restricted	21,369,868	24,823,500	27,446,232	29,267,096	26,148,821	25,127,811	24,826,575	23,414,414	27,384,420	23,633,581
Unrestricted	86,444,946	67,107,966	65,058,768	60,290,655	64,480,407	69,977,184	62,909,395	66,808,319	51,853,010	52,294,420
Total primary government net position	$ 297,398,992	$ 291,819,056	$ 298,896,212	$ 286,067,758	$ 303,608,692	$ 311,928,479	$ 310,942,004	$ 315,475,784	$ 312,375,417	$ 317,535,741

*As of 7/1/15, two business-type activities were created, Indian Wells Golf Resort and Club Drive Property
**As of 7/1/21, GASB 87 was implemented

City of Indian Wells

Changes in Net Position

Last Ten Fiscal Years

(accrual basis of accounting)

	Fiscal Year									
	2024	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
Expenses:										
Governmental activities:										
General government	$ 14,392,102	$ 15,297,837	$ 2,804,408	$ 16,765,605	$ 8,368,804	$ 5,701,156	$ 8,102,188	$ 7,501,991	$ 7,151,865	$ 9,338,294
Public safety	13,334,797	13,309,494	9,003,835	9,448,083	9,192,146	9,115,680	9,918,617	7,830,608	7,853,892	7,988,613
Community development	5,638,377	6,782,254	5,479,125	4,918,929	4,586,068	6,117,322	2,867,417	4,331,134	4,502,450	4,058,871
Public works	12,071,338	11,245,752	4,719,058	7,956,690	7,786,633	9,598,922	6,685,611	6,624,416	6,521,569	11,102,625
Golf resort	-	-	-	-	-	-	-	-	-	13,564,356
Interest on long-term debt	329,643	457,880	463,970	-	-	-	-	-	-	-
Total governmental activities expenses	45,766,257	47,093,217	22,470,396	39,089,307	29,933,651	30,533,080	27,573,833	26,288,149	26,029,776	46,052,759
Business-type activities:										
Golf resort	22,307,753	21,970,857	18,815,101	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	22,307,753	21,970,857	18,815,101	13,451,868	15,504,561	17,322,778	16,418,280	20,072,072	21,071,535	-
Total primary government expenses	68,074,010	69,064,074	41,285,497	52,541,175	45,438,212	47,855,858	43,992,113	46,360,221	47,101,311	46,052,759
Program revenues:										
Governmental activities:										
Charges for services:										
General government	64,546	107,012	47,687	41,412	58,587	43,100	39,584	35,873	48,263	35,971
Public safety	737,398	604,356	603,773	485,403	525,383	600,091	199,095	134	4,522	8,599
Community development	3,958,920	1,483,981	1,568,875	817,102	969,257	990,040	1,038,569	1,121,873	968,377	1,003,232
Public works	21,809	23,469	17,203	14,463	9,288	12,124	21,064	22,884	27,412	22,723
Golf resort	-	-	-	-	-	-	-	-	-	13,179,508
Operating grants and contributions:										
General government	4,512,952	745,918	759,541	523,214	485,587	478,269	444,372	430,718	456,491	524,526
Public safety	7,345,702	6,770,475	7,516,568	5,642,553	5,308,307	5,143,462	4,864,606	4,768,453	4,637,918	4,514,697
Community development	123,436	21,032	-	-	-	-	-	52,738	-	60,559
Public works	4,243,176	3,719,376	3,158,915	2,890,710	2,760,299	2,705,844	2,505,914	2,643,506	2,364,247	2,319,406
Capital grants and contributions:										
General government	-	-	-	-	-	-	-	-	-	1,050,000
Community development	-	-	-	-	-	-	-	-	-	-
Public works	68,032	202,766	954,966	119,842	487,500	236,175	215,870	143,993	104,869	775,943
Total governmental activities program revenue	21,075,971	13,678,385	14,627,528	10,534,699	10,604,208	10,209,105	9,329,074	9,220,172	8,612,099	23,495,164
Business-type activities:										
Charges for services:										
Golf resort	22,331,661	21,188,761	16,202,430	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	22,331,661	21,188,761	16,202,430	11,178,205	11,340,304	15,108,397	13,820,320	12,949,634	13,026,606	-
Total primary government program revenue	43,407,632	34,867,146	30,829,958	21,712,904	21,944,512	25,317,502	23,149,394	22,169,806	21,638,705	23,495,164
Net revenues (expenses):										
Governmental activities	(24,690,286)	(33,414,832)	(7,842,868)	(28,554,608)	(19,329,443)	(20,323,975)	(18,244,759)	(17,067,977)	(17,417,677)	(22,557,595)
Business-type activities	23,908	(782,096)	(2,612,671)	(2,273,663)	(4,164,257)	(2,214,381)	(2,597,960)	(7,122,438)	(8,044,929)	-
Total net revenues (expenses)	(24,666,378)	(34,196,928)	(10,455,539)	(30,828,271)	(23,493,700)	(22,538,356)	(20,842,719)	(24,190,415)	(25,462,606)	(22,557,595)
General revenues and other changes in net position:										
Governmental activities:										
Taxes:										
Property taxes	4,362,305	3,945,967	3,721,408	3,554,123	3,303,647	3,398,657	3,255,668	3,115,910	3,039,371	2,915,229
Transient occupancy taxes	12,159,497	12,450,662	10,987,345	4,622,778	4,944,773	8,835,433	7,943,017	7,826,154	7,000,096	6,742,840
Sales taxes	1,824,421	1,766,438	1,539,776	656,060	821,533	1,493,254	1,111,159	1,347,804	1,217,570	1,121,191
Franchise taxes	1,398,516	1,231,605	1,108,065	993,257	995,921	992,865	929,551	941,938	922,074	924,869
Other taxes	5,293,399	4,090,392	4,988,299	122,955	131,115	3,674,785	3,474,244	3,227,361	2,968,981	2,887,538
Investment income	4,965,343	3,137,278	(1,192,487)	2,479,381	4,275,362	4,336,032	1,861,285	1,791,037	2,392,300	2,212,672
Gain on sale of asset	-	-	404,376.00	-	-	-	-	-	-	-
Extraordinary gain/(loss) on dissolution of RDA	-	-	-	-	-	-	-	-	-	-
Other	296,204	481,138	550,703	861,005	685,064	785,799	909,895	659,280	908,638	1,082,274
Transfers	-	-	-	-	-	-	-	6,139,623	(831,713)	-
Total governmental activities	30,299,685	27,103,480	22,107,485	13,289,559	15,157,415	23,516,825	19,484,819	25,049,107	17,617,317	17,886,613
Business-type activities:										
Investment income	(9,374)	(9,708)	(70,543)	(2,222)	16,498	8,006	-	1,809	3,095	-
Other		26,000	1,247,051	-	-	-	404,947	8,379,489	1,850,156	-
Transfers	-	-	-	-	-	-	-	(6,139,623)	831,713	-
Total business-type activities	(9,374)	16,292	1,176,508	(2,222)	16,498	8,006	404,947	2,241,675	2,684,964	-
Total primary government	30,290,311	27,119,772	23,283,993	13,287,337	15,173,913	23,524,831	19,889,766	27,290,782	20,302,281	17,886,613
Changes in net position:										
Governmental activities	5,609,399	(6,311,352)	14,264,617	(15,265,049)	(4,172,028)	3,192,850	1,240,060	7,981,130	199,640	(4,670,982)
Business-type activities	14,534	(765,804)	(1,436,163)	(2,275,885)	(4,147,759)	(2,206,375)	(2,193,013)	(4,880,763)	(5,359,965)	-
Total primary government	$ 5,623,933	$ (7,077,156)	$ 12,828,454	$ (17,540,934)	$ (8,319,787)	$ 986,475	$ (952,953)	$ 3,100,367	$ (5,160,325)	$ (4,670,982)

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

City of Indian Wells
Fund Balances of Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

	Fiscal Year									
	2024	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
General fund:										
Nonspendable:										
Prepaid items	$ 63,162	$ 111,390	$ 41,691	$ 15,086	$ 2,865	$ 7,738	$ 1,911	$ 24,666	$ 5,740	$ 950
Notes and loans	12,622,068	15,256,105	17,497,027	29,336,845	18,917,870	18,945,867	17,739,192	17,739,192	17,889,192	17,889,192
Committed to:										
Emergency reserve	-	-	-	-	-	-	-	-	-	2,500,000
Unassigned	28,602,823	21,280,563	17,725,585	3,324,042	10,443,842	16,039,794	19,397,674	18,859,826	10,727,499	7,442,635
Total general fund	$ 41,288,053	$ 36,648,058	$ 35,264,303	$ 32,675,973	$ 29,364,577	$ 34,993,399	$ 37,138,777	$ 36,623,684	$ 28,622,431	$ 27,832,777
All other governmental funds										
Nonspendable										
Inventory	-	-	-	-	-	-	-	-	-	728,323
Prepaid items	537	663	-	-	48,795		-	-	-	230,059
Notes			650,462	-	-	-	-	-	-	-
Advances to other funds	-	-	-	-	-	-	-	-	-	-
Restricted for:										
Community development	12,979,854	16,155,256	17,735,782	19,925,746	16,762,539	16,978,265	17,294,122	15,244,098	15,647,539	15,815,156
Public safety	5,863,937	6,183,630	7,054,610	6,548,304	6,728,419	5,737,133	5,308,643	6,034,523	6,065,849	5,680,112
Parks and recreation	-	-	-	-	-	-	-	-	-	-
Public works	2,494,602	2,345,243	2,317,493	2,793,046	2,732,362	2,412,413	2,223,810	2,135,793	2,201,769	2,138,313
Debt service	6,275,929	10,721,626	12,094,086	-	-	-	-	-	-	-
Committed to:										
Emergency Reserve	-	-	-	-	-	-	-	-	-	-
Capital projects	801,602	494,155	311,735	5,664,949	5,648,955	5,659,190	144,213	676,363	354,335	22,913,539
Golf Resort	-	-	-	-	-	-	-	-	-	1,347,155
Assigned to:										
Capital projects	39,114,080	32,593,336	34,196,650	28,414,872	34,045,927	30,525,572	23,325,122	23,643,770	23,199,044	-
Unassigned	(2,316,608)	(1,758,522)	(1,483,512)	(1,131,775)	(1,171,973)	(1,254,477)	(1,306,134)	(1,345,970)	(1,387,826)	(1,420,514)
Total all other governmental funds	$ 65,213,933	$ 66,735,387	$ 72,877,306	$ 62,215,142	$ 64,795,024	$ 60,058,096	$ 46,989,776	$ 46,388,577	$ 74,703,141	$ 47,432,143

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

City of Indian Wells

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

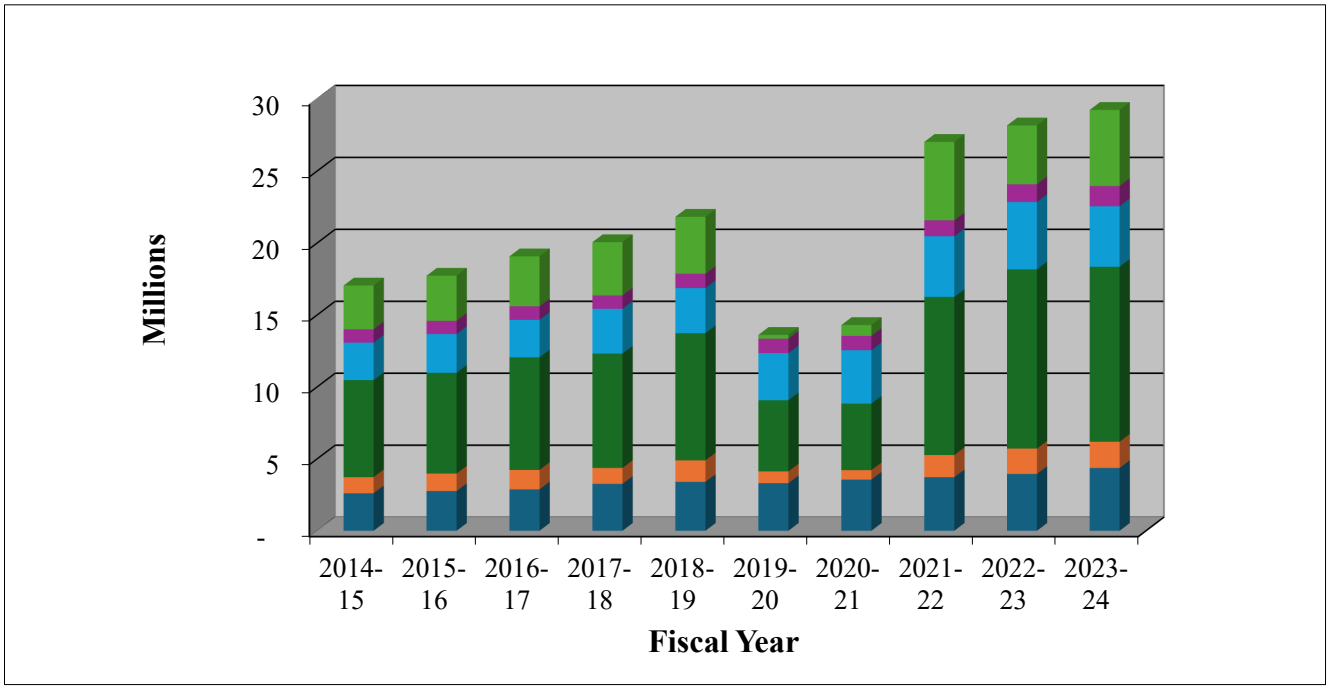
	Fiscal Year									
	2024	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
Revenues:										
Taxes	$ 29,160,225	$ 28,165,831	$ 26,562,600	$ 13,780,199	$ 13,474,030	$ 21,534,317	$ 19,825,390	$ 19,067,088	$ 17,840,371	$ 17,196,257
Licenses and permits	683,169	925,135	918,431	499,929	542,715	504,876	465,327	642,162	466,550	479,296
Intergovernmental	5,801,790	1,864,339	3,673,650	1,224,015	1,467,346	1,246,106	1,098,333	1,024,757	959,741	1,765,403
Contribution from property owners	-	-	-	-	-	-	-	-	-	1,050,000
Charges for services	1,403,770	1,163,202	1,254,217	802,576	951,925	1,085,255	772,337	480,245	503,429	13,705,848
Investment income	4,242,062	748,799	(3,200,198)	314,893	2,316,373	2,492,431	212,021	225,978	727,908	527,212
Fines and forfeitures	86,355	130,481	64,890	55,875	67,875	55,224	60,648	58,359	78,595	64,889
Rental income	2,609,379	2,310,605	2,137,105	1,978,311	1,892,369	1,766,444	1,639,641	1,561,169	1,629,432	1,660,396
Assessments	5,002,743	4,531,983	4,228,752	4,102,421	4,036,690	4,009,522	3,866,031	3,763,303	3,782,451	3,685,524
Development fees	523,949	682,477	608,782	135,471	260,616	168,798	149,631	448,419	129,054	139,614
Other	56,204	181,139	211,802	744,391	685,064	785,799	909,895	659,280	908,638	1,082,274
Total revenues	49,569,646	40,703,991	36,460,031	23,638,081	25,695,003	33,648,772	28,999,254	27,930,760	27,026,169	41,356,713
Expenditures										
Current:										
General government	14,132,050	12,241,965	12,024,340	7,783,032	7,884,804	8,993,847	8,136,619	7,836,296	8,008,297	9,424,603
Public safety	11,961,009	12,793,673	9,822,666	9,256,346	9,108,526	8,780,570	8,488,123	8,047,904	8,151,039	8,036,589
Community development	5,473,234	4,669,205	6,082,975	3,068,540	2,916,391	3,010,110	2,890,706	2,861,354	3,084,249	2,807,307
Parks and recreation			-	-	-	-	-	-	-	-
Public works	6,556,224	6,369,744	6,052,130	5,169,930	5,326,339	4,811,267	4,456,328	4,546,968	4,423,715	4,080,034
Golf resort			-	-	-	-	-	-	-	13,564,356
Pass-through			-	-	-	-	-	-	-	-
Bond Issuance Costs			235,117	-	-	-	-	-	-	-
Capital outlay	7,289,559	8,376,088	4,785,480	1,270,541	1,350,837	3,484,885	3,911,186	1,305,125	559,912	861,263
Debt service:										
Principal retirement	470,000	380,000							-	-
Interest and fiscal charges	466,445	586,874							-	-
Total expenditures	46,348,521	45,417,549	39,002,708	26,548,389	26,586,897	29,080,679	27,882,962	24,597,647	24,227,212	38,774,152
Excess (deficiency) of revenues over (under) expenditures	3,221,125	(4,713,558)	(2,542,677)	(2,910,308)	(891,894)	4,568,093	1,116,292	3,333,113	2,798,957	2,582,561
Other financing sources (uses):										
Transfers in	9,892,327	10,802,457	8,909,273	154,080	15,530,608	25,325,206	4,206,586	7,932,137	1,429,989	2,462,520
Transfers out	(9,994,911)	(10,847,063)	(8,909,273)	(154,080)	(15,530,608)	(23,320,595)	(4,206,586)	(2,956,130)	(2,261,702)	(2,462,520)
Contributions to other governments	-	-	-	-	-	-	-	-	-	-
Issuance of bonds		-	13,930,000	-	-	-	-	-	-	-
Premium (discount) on bonds		-	1,338,171	-	-	-	-	-	-	-
Payment to bond escrow agent	-	-	-	-	-	-	-	-	-	-
Extraordinary gain/(loss) on dissolution of RDA	-	-	-	-	-	-	-	-	-	-
Sale of property	-	-	525,000	3,641,822	-	4,351,849	-	-	-	-
Total other financing sources (uses)	(102,584)	(44,606)	15,793,171	3,641,822	-	6,356,460	-	4,976,007	(831,713)	-
Net change in fund balances	$ 3,118,541	$ (4,758,164)	$ 13,250,494	$ 731,514	$ (891,894)	$ 10,924,553	$ 1,116,292	$ 8,309,120	$ 1,967,244	$ 2,582,561
Debt service as a percentage of noncapital expenditures	2.2%	2.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Capital outlay (Recon of Rev & Exp)	2,722,860	4,161,011	4,734,914	(11,576,784)	868,327	(1,681,711)	3,456,064	588,717	(102,981)	695,864
Total governmental expenditures	46,348,521	45,417,549	39,002,708	26,548,389	26,586,897	29,080,679	27,882,962	24,597,647	24,227,212	38,774,152
Less: Principal	(470,000)	(380,000)	-	-	-	-	-	-	-	-
Less: Interest	(466,445)	(586,874)	-	-	-	-	-	-	-	-
	45,412,076	44,450,675	39,002,708	26,548,389	26,586,897	29,080,679	27,882,962	24,597,647	24,227,212	38,774,152
Less: Capital Asset Additions	(2,722,860)	(4,161,011)	(4,734,914)	11,576,784	(868,327)	1,681,711	(3,456,064)	(588,717)	102,981	(695,864)
Non Capital Expenditures	42,689,216	40,289,664	34,267,794	38,125,173	25,718,570	30,762,390	24,426,898	24,008,930	24,330,193	38,078,288
Total Debt Service Payments	936,445	966,874	-	-	-	-	-	-	-	-
Debt Service as % of Non Capital Exp.	2.2%	2.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

City of Indian Wells

Tax Revenues by Source - Governmental Funds

Last Ten Fiscal Years
(modified accrual basis of accounting)

Fiscal Year End	Property Tax	Sales	Transient Occupancy	Emergency Services	Franchise	Other	Total
2014-15	2,602,881	1,121,191	6,742,840	2,604,590	924,868	3,045,175	17,041,545
2015-16	2,757,592	1,217,570	7,000,096	2,692,279	922,074	3,131,820	17,721,430
2016-17	2,876,532	1,347,804	7,826,154	2,607,921	941,937	3,470,131	19,070,480
2017-18	3,255,668	1,111,159	7,942,995	3,111,773	929,551	3,704,319	20,055,464
2018-19	3,398,657	1,493,254	8,835,433	3,139,323	992,866	3,959,902	21,819,434
2019-20	3,303,647	821,533	4,944,773	3,277,041	995,921	268,326	13,611,241
2020-21	3,554,123	656,060	4,622,778	3,714,412	993,258	754,545	14,295,176
2021-22	3,721,408	1,539,776	10,987,345	4,217,707	1,108,065	5,448,912	27,023,212
2022-23	3,945,967	1,766,438	12,450,662	4,680,767	1,231,605	4,090,393	28,165,832
2023-24	4,362,305	1,824,421	12,159,497	4,206,481	1,398,516	5,293,399	29,244,619
Percentage change:							
2015-2024	67.6%	62.7%	80.3%	61.5%	51.2%	73.8%	71.6%



City of Indian Wells

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

Fiscal Year Ended June 30	City (Excl. RDA) Secured	City (Excl. RDA) Unsecured	City (Excl. RDA) Taxable Assessed Value	Redevelopment Agency Secured	Redevelopment Agency Unsecured	Redevelopment Agency Taxable Assessed Value	City's Direct Tax Rate
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
2021-22	1,597,949,272	13,725,307	1,611,674,579	5,017,783,630	17,954,729	5,035,738,359	1.22450
2022-23	1,735,214,095	13,447,558	1,748,661,653	5,390,822,776	16,237,638	5,407,060,414	1.22450
2023-24	1,838,789,619	13,174,858	1,851,964,477	5,697,960,224	18,611,514	5,716,571,738	1.22450

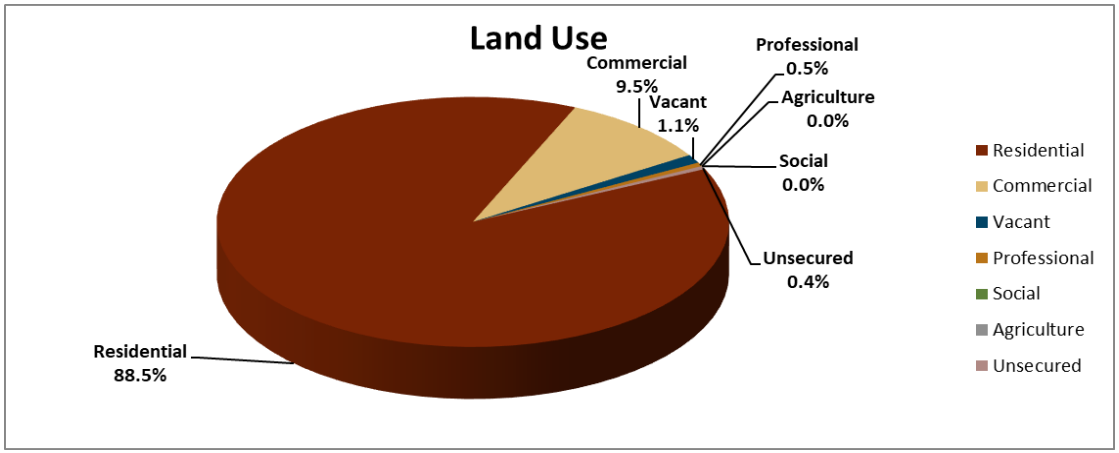
Source: Riverside County Assessor Data, Avenu Insights & Analytics

(1) Total Direct Tax Rate is represented by TRA 016-000

City of Indian Wells

Assessed Value of Property by Use Code, Citywide
Last Ten Fiscal Years

Category	2014-15*	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-2023	2023-24
Residential	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	5,737,097,740	6,182,418,185	6,697,256,233
Commercial	482,959,313	536,436,321	501,610,126	559,511,479	661,957,523	646,454,076	623,499,659	629,520,507	684,902,466	717,785,574
Vacant	160,186,689	165,131,203	184,811,047	172,148,781	166,625,355	224,972,607	175,159,873	165,270,882	168,952,930	83,707,123
Professional	0	0	0	0	0	0	35,928,381	26,455,998	31,596,435	37,605,136
Social	0	0	0	0	0	0	0	0	386,666	0
Agriculture	0	0	0	0	0	0	0	9,650	9,732	1,377
Institutional	0	0	0	0	0	0	375,198	379,085	0	394,400
Unknown	0	0	0	0	0	0	0	0	0	0
Net Secured Value	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	6,558,733,862	7,068,266,414	7,536,749,843
Unsecured	34,681,136	28,889,109	29,796,240	25,666,311	30,977,949	41,477,418	35,017,026	31,680,036	29,685,196	31,786,372
Net Taxable Value	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	6,590,413,898	7,097,951,610	7,568,536,215



Source: Avenu Insights & Analytics
Use code categories are based on Riverside County Assessor's data
Land Use description data updated from previous year(s)

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

	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
City Direct Rates:										
City Basic Rate	0.00649751	0.00649751	0.00649751	0.00649751	0.00649751	0.00649751	0.00779246	0.00779246	0.00779246	0.00649751
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	0.00649751	0.00649751	0.00649751	0.00649751	0.00649751	0.00649751	0.00779246	0.00779246	0.00779246	0.00649751
Overlapping Rates:										
General	0.15716188	0.15716188	0.15716188	0.15716188	0.15716188	0.15716348	0.31458170	0.31458170	0.31458170	0.15716349
Riverside County General & Fire	0.06556884	0.06556884	0.06556884	0.06556884	0.06556884	0.06556119	0.06556922	0.06556922	0.06556922	0.06556119
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	0.02312834	0.02312834	0.02312834	0.01321243
CV Mosquito & Vector Control District	0.01091312	0.01091312	0.01091312	0.01091312	0.01091312	0.01091312	0.01529179	0.01529179	0.01529179	0.01091312
Riverside County Regional Park & Open Space	0.00387930	0.00387930	0.00387930	0.00387930	0.00387930	0.00387930	0.00475859	0.00475859	0.00475859	0.00387930
Coachella Valley Public Cemetery	0.00256659	0.00256659	0.00256659	0.00256659	0.00256659	0.00256659	0.00379506	0.00379506	0.00379506	0.00256659
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	0.17512353	0.00000000	0.00000000	0.00000000	0.17512353
TOTAL	1.00000000	1.00000000	1.00000000	1.00000000	1.00000000	1.00000000	1.00000000	1.00000000	1.00000000	1.00000000
Override Assessments										
Coachella Valley Water District	0.10000000	0.10000000	0.10000000	0.10000000	0.10000000	0.10000000	0.10000000	0.11000000	0.11000000	0.11000000
Desert Community College	0.02325000	0.02087000	0.02036000	0.04030000	0.03978000	0.03983000	0.03978000	0.03950000	0.03950000	0.03950000
Desert Sands Unified School District	0.10984000	0.10915000	0.08599000	0.07251000	0.07418000	0.07381000	0.07418000	0.07500000	0.07500000	0.07500000
TOTAL	0.23309000	0.23002000	0.20635000	0.21281000	0.21396000	0.21364000	0.21396000	0.22450000	0.22450000	0.22450000
TOTAL TAX RATE	1.23309000	1.23002000	1.20635000	1.21281000	1.21396000	1.21364000	1.21396000	1.22450000	1.22450000	1.22450000

Source: Riverside County Auditor data, Avenu Insights & Analytics
(1.) Total Direct Tax Rate is represented by TRA 016-000

City of Indian Wells

Principal Property Tax Payers
Last Fiscal Year and Nine Years Ago

	2023-24		2014-15	
Taxpayer	**Taxable Value ($)**	**Percent of Total City Taxable Value (%)**	**Taxable Value ($)**	**Percent of Total City Taxable Value (%)**
Garden of Champions	293,608,996	3.88%	172,052,458	3.44%
Indian Wells Hotel Owner	147,638,384	1.95%		
BBC Esmeralda	78,930,305	1.04%		
Vintage Club	74,490,636	0.98%	26,906,487	0.54%
Village Shopping Center at Ind	25,149,405	0.33%	15,133,864	0.30%
Indian Wells Prop	21,129,895	0.28%		
Brinson Gary P Trust Dtd 10 29	20,561,608	0.27%	10,004,000	0.20%
IW Golf Club	19,904,312	0.26%		
Eldorado Country Club	19,585,000	0.26%	24,591,761	0.49%
Toscana Dev Inc.	17,370,720	0.23%		
Toscana Country Club Inc.	16,991,960	0.22%		
Cook Leo W	15,258,312	0.20%	12,949,871	0.26%
Carletti Christopher M	14,872,000	0.20%		
47355 Las Cascadas	14,485,041	0.19%		
Schmid Inv	14,324,910	0.19%	13,245,166	0.26%
Indian Wells Village II	14,080,906	0.19%	11,950,592	0.24%
Jonagold Holdings	13,808,659	0.18%		
DRW Desert Holdings	13,531,217	0.18%		
Summit Dev	13,000,000	0.17%		
Lennar Homes of Calif Inc.	12,738,054	0.17%		
Blondie Trust Est 09 29 21	11,550,000	0.15%		
PCG RGG General Partnership	11,159,452	0.15%		
Targoff Michael B	11,081,541	0.15%		
PRG Sands 2	10,976,932	0.15%		
Modern Dev	10,822,816	0.14%		
Grand Champions LLC			56,757,850	1.13%
Felcor Esmeralda			47,365,000	0.95%
Toscana Land			47,253,077	0.94%
LH Indian Wells Holding			16,972,802	0.34%
IWCC Acquisition Corp			13,805,346	0.28%
Marion Anne W			12,533,000	0.25%
Standard Pacific Corp			12,462,442	0.25%
Kayne Richard A			12,305,615	0.25%
Reserve Club			12,162,170	0.24%
Ryan Oil Co			11,088,606	0.22%
Smith Orin C			10,396,989	0.21%
Neptune			9,767,000	0.20%
Argyros George L			9,603,195	0.19%
Gilliland Gloria J			9,461,092	0.19%
Gilleland Richard A			9,383,000	0.19%
Macmillan Donna J			8,830,883	0.18%
Soret Ltd.			8,804,311	0.18%
Total Top 25 Taxpayers	917,051,061	12.12%	595,786,577	11.90%
Total Taxable Value	7,568,536,215	100.00%	5,007,789,707	100.00%

Source: County Assessor data, Avenu Insights & Analytics

City of Indian Wells

Principal Sales Tax Producers
Last Fiscal Year and Nine Years Ago

2023-24		2014-15	
Taxpayer	**Business Type**	**Taxpayer**	**Business Type**
Audio Visual Services Group	Light Industry	American Audio Visual Center	Miscellaneous Retail
CVS Pharmacy	Drug Stores	Cafe Italia	Restaurants
Desert Horizons Country Club	Miscellaneous Retail	Creative Pipe	Misc. Vehicle Sales
Don Diego Restaurante	Restaurants	CVS Pharmacy	Drug Stores
Eldorado Country Club	Miscellaneous Retail	Desert Horizons Country Club	Restaurants
Eureka! Burger	Restaurants	Don Diego Restaurante	Restaurants
Hyatt Regency Indian Wells	Restaurants	Donna Diamond Designer	Miscellaneous Retail
Indian Wells Country Club & Hotel	Miscellaneous Retail	Eldorado Country Club	Restaurants
Indian Wells Golf Resort	Miscellaneous Retail	Eureka!	Restaurants
Indian Wells Tennis Garden	Miscellaneous Retail	Hotel Indian Wells	Restaurants
IW Coffee	Food Markets	Hyatt Grand Champions Resort	Restaurants
Karen Harlow For The Home	Miscellaneous Retail	Indian Wells Country Club	Restaurants
Living Desert Zoo Gift Shop	Miscellaneous Retail	Indian Wells Golf Resort	Restaurants
Miramonte Resort & Spa	Restaurants	Indian Wells Tennis Garden	Recreation Products
Nobu Indian Wells	Restaurants	Karen Harlow for The Home	Furniture/Appliance
Renaissance Esmeralda Resort & Spa	Restaurants	Miramonte Resort & Spa	Restaurants
Reserve Club	Miscellaneous Retail	Ralph's Grocery Company	Food Markets
SGA Production Services	Heavy Industry	Renaissance Esmeralda Resort	Restaurants
Sodexo Live!	Restaurants	Reserve Club	Restaurants
Sprouts Farmers Market	Food Markets	Tennis Warehouse	Recreation Products
The Nest Restaurant & Piano Bar	Restaurants	Terry Beardsley Golf Shop	Recreation Products
The Sands Hotel & Spa	Restaurants	The Nest	Restaurants
The Vintage Club	Miscellaneous Retail	Toscana Country Club	Restaurants
Toscana Country Club	Miscellaneous Retail	Vicky's of Santa Fe	Restaurants
Vue Grille & Bar	Restaurants	Vintage Club	Restaurants

Source: Avenu Insights & Analytics

City of Indian Wells

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
2015	2,602,881	2,511,277	96.48%	91,604	2,602,881	100.00%
2016	2,757,592	2,688,168	97.48%	69,424	2,757,592	100.00%
2017	2,876,532	2,805,557	97.53%	70,974	2,876,531	100.00%
2018	3,255,668	3,181,192	97.71%	60,334	3,241,526	99.57%
2019	3,398,657	3,346,263	98.46%	9,525	3,355,788	98.74%
2020	3,303,647	3,290,360	99.60%	13,287	3,303,647	100.00%
2021	3,554,123	3,544,966	99.74%	-	3,544,966	99.74%
2022	3,721,408	3,678,179	98.84%	43,229	3,721,408	100.00%
2023	3,945,967	3,906,789	99.01%	39,177	3,945,966	100.00%
2024	4,362,305	4,307,625	98.75%	54,679	4,362,305	100.00%

NOTE:
The amounts presented include City property taxes.
The City of Indian Wells participates in the Teeter Program, ensuring the collection of 100% of its property taxes. In years where full tax levies were not collected, the discrepancy is due to penalties and interest, which are excluded from this report.

City of Indian Wells

Transient Occupancy Tax Collections
Last Ten Fiscal Years

	2014-15*	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Resort Hotels	6,625,288	6,719,057	7,626,203	7,716,357	8,635,851	4,811,599	4,451,687	10,699,937	12,165,268	11,716,364
Short-term Rentals	117,552	281,039	229,213	226,660	199,582	133,174	171,091	287,408	285,394	443,133
Total	6,742,840	7,000,096	7,855,416	7,943,017	8,835,433	4,944,773	4,622,778	10,987,345	12,450,662	12,159,497
Transient Occupany Tax Rate in effect	11.25%	11.25%	11.25%	11.25%	12.25%	12.25%	12.25%	12.25%	12.25%	12.25%

Source: Published ACFR 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

Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

Fiscal Year End	Governmental Activities			Business Type Activities	Total	Percentage of Personal Income	Per Capita
	Tax Allocation Bonds	Notes Payable	Lease Revenue Bonds	Leases Payable			
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%	-
2022	- [1]	-	15,246,052.00	-	15,246,052	0.00257%	125,401
2023	- [1]	-	14,799,696.00	330,461.00	15,130,157	0.00217%	146,267
2024	- [1]		14,263,340.00	189,907.00	14,453,247	0.00184%	163,639

(1) Notes: Details regarding the city's outstanding debt can be found in the notes to the financial statements. Please see note 8 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

Ratio of General Bonded Debt Outstanding and Legal Debt Margin

Last Ten Fiscal Years
(In Thousands, except Per Capita)

Fiscal Year End	Outstanding Tax Allocation Bonds	% of Assessed Value [1]	Per Capita	Less: Amounts Set Aside To Repay Debt	Total Net Debt Applicable To Debt Limit	Legal Debt Limit	Legal Debt Margin	Legal Debt Margin as a % of Limit
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%
2022	-	0.0%	-	-	-	989,800	989,800	100.0%
2023	-	0.0%	-	-	-	1,062,939	1,062,939	100.0%
2024	-	0.0%	-	-	-	1,135,618	1,135,618	100.0%

Legal Debt Margin Calculation for Fiscal Year 2024:

	FY 2023/24
Assessed Value (From Assessor's net 02-2441)	$ 7,570,784,959
Legal Debt limit (15% of total assessed value)	1,135,617,744

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

Direct and Overlapping Debt

June 30, 2024

2023-24 Assessed Valuation: $7,576,070,715

	Total Debt 6/30/2024	% Applicable (1)	City Share of Debt 6/30/24
DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:			
Desert Community College District	$ 664,990,000	6.864%	$ 45,644,914
Desert Sands Unified School District	349,520,000	14.48	50,610,496
Desert Sands Unified School District Community Facilities District No. 1	305,000	11.088	33,818
City of Indian Wells	**-**	**100**	-
California Statewide Communities Development Authority Assessment Bonds	347,000	100	347,000
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT			$ 96,636,228
DIRECT AND OVERLAPPING GENERAL FUND DEBT:			
Riverside County General Fund Obligations	$ 1,169,217,035	1.909% 1	$ 22,320,353
Riverside County Pension Obligation Bonds	670,785,000	1.909	12,805,286
Desert Sands Unified School District Certificates of Participation	7,775,000	14.48	1,125,820
City of Indian Wells Lease Revenue Bonds	**14,263,340**	**100.000**	14,263,340
Desert Recreation District General Fund Obligations	1,194,811	11.187	133,664
TOTAL GROSS OVERLAPPING GENERAL FUND DEBT			50,648,463
OVERLAPPING TAX INCREMENT DEBT (Successor Agencies):	175,320,000	0.188-100$	$ 50,624,868
TOTAL DIRECT DEBT			**$ 14,263,340**
TOTAL OVERLAPPING DEBT			$ 183,646,219
COMBINED TOTAL DEBT			$ 197,909,559 (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 2023-24 Assessed Valuation:

Direct Debt ($13,080,000)	**0.17%**
Total Direct and Overlapping Tax and Assessment Debt	1.28%
Combined Total Debt	2.60%

Ratios to Redevelopment Successor Agencies Incremental Valuation ($5,332,557,946):

Total Overlapping Tax Increment Debt	0.95%

City of Indian Wells

Pledged-Revenue Coverage

Last Ten Fiscal Years

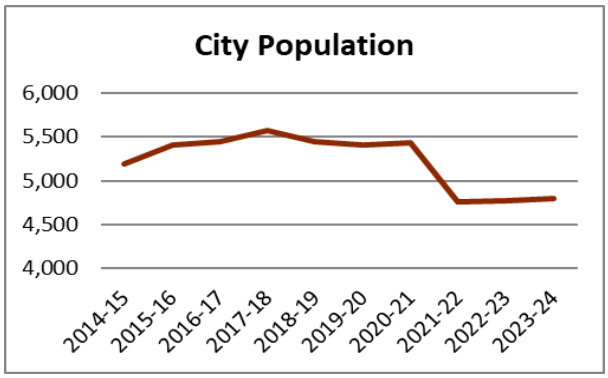
Fiscal Year Ended June 30	Tax Allocation Bonds			
	Tax Increment	Debt Service		Coverage
		Principal	Interest	
2015	-	-	-	-
2016	-	-	-	-
2017	-	-	-	-
2018	-	-	-	-
2019	-	-	-	-
2020	-	-	-	-
2021	-	-	-	-
2022	-	-	-	-
2023	-	-	-	-
2024	-	-	-	-

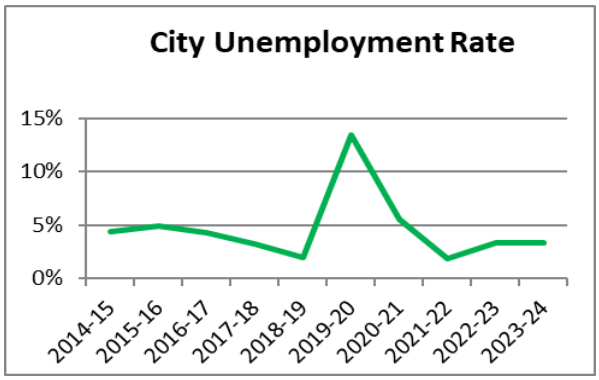
Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

City of Indian Wells

Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population (1)	Personal Income	Per Capita Personal Income (2)	Median Age	Public School Enrollment (3)	City Unemployment Rate (%) (4)
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%
2021-22	4,762	597,158,324	125,401	67.2	26,698	1.8%
2022-23	4,774	698,280,138	146,267	67.4	26,379	3.3%
2023-24	4,797	784,977,051	163,639	68.3	25,898	3.3%





Source: Avenu Insights & Analytics

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

2.) Income Data is provided by the U.S. Census Bureau.

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

Principal Employers
Last Fiscal Year and Nine Years ago

	2023-24		2014-15	
Business Name	**Number of Employees**	**Percent of Total Employment (%)**	**Number of Employees**	**Percent of Total Employment (%)**
Hyatt Regency Resort & Spa	445	24.72%	425	25.00%
Renaissance Esmeralda Resort	442	24.56%	480	28.24%
Toscana Country Club	346	19.22%	200	11.76%
Indian Wells Golf Resort (1)	175	9.72%	231	13.59%
Miramonte Resort and Spa	230	12.78%	178	10.47%
El Dorado Country Club (1)	132	7.33%	215	12.65%
Desert Horizons Country Club (1)	115	6.39%	82	4.82%
Indian Wells Country Club	77	4.28%	85	5.00%
Indian Wells Resort Hotel	64	3.56%	71	4.18%
Gerald Ford Elementary School	61	3.39%		0.00%
Ralphs			63	3.71%
Total Top Employers	2,087	115.94%	2,030	119.41%
Total City Employment (2)	1,800		1,700	

Source: Avenu Insights & Analytics

Source: FY2015, City's ACFR Publication Report

(1) Includes Seasonal Employees.

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

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

City of Indian Wells

Full-time Equivalent City Government Employees
by Function

Last Ten Fiscal Years

Function	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
City Manager/Clerk	4.52	4.48	4.48	5.05	5.05	5.75	5.85	4.30	4.25	4.50
Economic Development	-	-	-	-	-	-	-	-	0.35	0.15
Advertising/Marketing	1.97	1.97	1.97	-	-	-	0.95	0.95	1.05	0.90
Community Services	-	-	-	1.95	1.95	1.40	0.55	0.55	0.35	0.35
Risk Management	0.150	0.150	0.15	0.30	0.30	0.30	0.30	0.30	0.30	0.40
Personnel	0.450	0.450	0.45	0.55	0.55	0.45	0.45	0.40	0.35	0.15
City Attorney	0.05	0.09	0.09	0.20	0.20	0.20	0.10	0.10	0.25	0.25
Community Development	6.27	6.27	6.77	5.45	5.45	6.35	5.45	6.35	7.35	7.65
Finance Department	5.47	5.33	5.33	4.41	4.41	3.42	3.19	2.94	4.45	5.20
Public Safety	1.60	1.60	1.10	1.10	1.10	1.15	1.50	1.50	1.10	0.50
Public Works	7.53	7.44	7.44	7.44	7.51	8.47	8.63	9.61	10.15	10.30
Housing Authority	0.99	0.99	0.99	1.64	1.64	1.72	2.24	3.49	2.65	1.30
Golf Resort	-	0.18	0.18	0.84	0.84	0.79	0.79	0.51	0.40	0.35
Club Drive	-	0.05	0.05	0.07	-	-	-	-	-	-
Total	29.00	29.00	29.00	29.00	29.00	30.00	30.00	31.00	33.00	32.00

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

City of Indian Wells

Operating Indicators
by Functions

Last Ten Fiscal Years

	Fiscal Year									
	2015	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**
Function										
Police										
Violent Crime	3	6	6	2	8	8	14	8	8	10
Thefts	87	91	96	89	101	101	67	108	90	69
Burglaries	29	45	39	34	49	49	19	35	29	19
Traffic Collisions	136	104	116	98	101	102	108	118	129	151
Traffic Citations	971	1,101	1,248	1,231	853	393	949	1,011	1,417	1,551
Fire										
Medical Aid Calls	751	794	818	934	951	1,135	766	918	980	979
Public Service Assists	102	76	79	69	59	65	56	69	93	96
Structure Fires	4	3	1	5	2	2	-	2	1	6
Vegetation Fires	-	-	2	2	-	-	-	3	-	1
Building Activity										
Permits Issued	845	887	774	764	758	722	751	682	1,167	900
Inspections Performed	5,438	4,607	3,319	3,686	3,841	4,209	3,576	4,751	6,044	5,327
New Dwelling Units	37	32	33	39	46	61	38	85	45	35
Public Works										
Lot Line Adjustments	4	2	4	-	2	6	8	3	1	7
Parcel Mergers	5	4	1	3	2	1	1	1	1	1
Encroachment Permits	59	70	82	71	86	82	56	66	86	78
Tract Maps	1	-	-	-	2	-	-	2	4	-
Grading Permits										28
Transportation Permits										14
Golf Resort										
Golf rounds played	78,829	77,613	74,358	74,828	74,589	56,402	64,968	76,500	78,522	80,629
Administration										
City Council Meetings	18	15	8	10	9	21	20	27	33	26
Public Hearings	18	14	15	11	9	18	17	16	33	15
Adopted Resolutions	49	42	49	41	39	50	43	39	12	49

City of Indian Wells

Capital Asset Statistics
by Function

Last Ten Fiscal Years

Function	Units of Measure	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
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	2.00	2.00
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	9.00	9.00	10.00	10.00	10.00	10.00	10.00	11.00	10.00	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
City Owned Police Motorcycles	Each	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	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