



# CITY COUNCIL AND SUCCESSOR AGENCY

## Revised Meeting Agenda

Thursday, December 7, 2023

1:30 PM

City Hall Council Chamber

44950 Eldorado Drive, Indian Wells, CA 92210

*Welcome to a meeting of the Indian Wells City Council.*

**Public Comments:** *Members of the Public who wish to speak should fill out a blue slip and submit it to the City Clerk, comments are limited to 3 minutes. In accordance with State Law, remarks during public comment are to be limited to subjects within the City's jurisdiction.*

**Notification:** *If you are an individual with a disability and need a reasonable modification or accommodation pursuant to the Americans with Disabilities Act (ADA) please contact the City Clerk at 760-346-2489, 48 hours prior to the meeting.*

*Please turn off all communication devices (phones) or put them on non-audible mode (vibrate) during Council proceedings. All documents for public review are available for public inspection at City Hall reception, 44-950 Eldorado Drive, Indian Wells during normal business hours.*

**A. CONVENE THE CITY COUNCIL AND SUCCESSOR AGENCY JOINT MEETING, PLEDGE OF ALLEGIANCE AND ROLL CALL**

MAYOR/CHAIR DONNA GRIFFITH  
MAYOR PRO TEM/VICE CHAIR GREG SANDERS  
COUNCIL MEMBER/BOARD MEMBER TY PEABODY  
COUNCIL MEMBER/BOARD MEMBER BRUCE WHITMAN  
COUNCIL MEMBER/BOARD MEMBER DANA REED

**B. APPROVAL OF THE FINAL AGENDA**

**C. REORGANIZATION OF CITY COUNCIL**

- C.1 Presentation of Mayor's Plaque to Donna Griffith
- C.2 Mayor and Mayor Pro Tem Oath of Office
- C.3 Remarks and Introduction of Guests

**D. RECESS CITY COUNCIL FOR 15 MINUTES**

**E. RECONVENE REORGANIZED CITY COUNCIL AND ROLL CALL**

**F. PROCLAMATIONS AND PRESENTATIONS**

- F.1 Introduction of New Building Inspector I/Code Enforcement Brian Pelletier and Receptionist Melissa Arreguin

**G. PUBLIC COMMENTS**

Members of the Public who wish to speak on consent items OR items not listed on the agenda may do so at this time. Public Comments are limited to 3 minutes. Speakers will be alerted when their time is up and are then to return to their seats and no further comments will be permitted.

Please note that while the City Council values your comments, the Council cannot respond nor take action on matters not listed on the agenda until the matter may appear on the forthcoming agenda.

**H. CITY MANAGER'S REPORTS**

The City Manager or Department Heads may make brief announcements, informal comments, or brief the Council on items of interest.

**I. CITY ATTORNEY REPORTS AND COMMENTS**



## J. SUCCESSOR AGENCY CONSENT CALENDAR

All matters listed on the Consent Calendar are considered to be routine and will be approved by one motion. There will be no separate discussion of these items unless members of the Council request specific items be removed from the Consent Calendar for separate discussion and action.

### J.1 Resolution Approving the Annual Recognized Obligation Payment Schedule 2024-25 10

#### RECOMMENDED ACTION:

Successor Agency **ADOPTS** Resolution approving the Recognized Obligation Payment Schedule for the period of July 1, 2024, through June 30, 2025

**FINDS** the project to be exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Section 15061(e) (3) of the guidelines.

## K. CITY COUNCIL CONSENT CALENDAR

All matters listed on the Consent Calendar are considered to be routine and will be approved by one motion. Reading of text of Ordinances is waived and Ordinances are adopted as second reading, by title only. There will be no separate discussion of these items unless members of the Council request specific items be removed from the Consent Calendar for separate discussion and action.

### K.1 Fairway Park Deed Restriction 21

#### RECOMMENDED ACTION:

Council **APPROVES** a Deed Restriction for the Fairway Park project as required by the Prop 68 Per Capita Grant funding that was approved by City Council Resolution 2021-42.

K.2	<b>Subsequent 1-Year Agreement Extension with De Novo Planning Group for Comprehensive General Plan Update and CEQA Documentation</b>	25
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RECOMMENDED ACTION:

Council **AUTHORIZES** and **DIRECTS** the City Manager to execute a subsequent one (1) year extension to the Professional Services Agreement with De Novo Planning Group for the preparation and development of the Comprehensive General Plan Update and required environmental documentation.

K.3	<b>Planning Commission Resolution Recommending Approval of Variance No. 2023-0002 for 45891 Club Drive and Finding the Project Exempt from CEQA</b>	29
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RECOMMENDED ACTION:

Council **RECEIVES** and **FILES** Resolution No. PC 2023-09, in concurrence with the Planning Commission Recommendation to approve Variance No. 2023-02 to allow encroachment into the front yard setback for a new 314 square foot garage extension to an existing residence located at 45891 Club Drive (APN 633-260-046); and

**FINDS** the project to be exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Section 15303(e), New Construction or Conversion of Small Structures.

K.4	<b>2024 City Council Meeting Schedule</b>	49
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RECOMMENDED ACTION:

Council **ADOPTS** the 2024 City Council meeting schedule as presented.

K.5	<b>2024 City Council Assignments to Various Internal and External Committees</b>	52
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RECOMMENDED ACTION:

Council **APPROVES** the 2024 City Council Committee Assignments.

*K.5.a	<b>Revised City Council Assignments</b>	58
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**K.6 City Council Members Attendance at 2024 Events 62**

RECOMMENDED ACTION:

Council **APPROVES** the attendance of Council Member/s at 2024 events identified in the staff report; and

**AUTHORIZES** any normal and reasonable reimbursement of expenses incurred by any Council Member for the events identified in the staff report.

**\*K.6.a Revised City Council Member Attendance at Events 65**

**K.7 Council Ad Hoc Governance Committee Representative 68**

RECOMMENDED ACTION:

Council **APPROVES** the change of the Ad Hoc Committee Representative from Councilmember Reed to Mayor Sanders.

**K.8 Annual Developer Impact Fee Report 70**

RECOMMENDED ACTION:

Council **APPROVES** the Annual Developer Impact Fee Report submitted for the Fiscal Year 2022-23.

**K.9 Annual Financial Report for the Fiscal Year Ending June 30, 2023 81**

RECOMMENDED ACTION:

Council **RECEIVES** and **FILES** the City's Annual Financial Report for the fiscal year ending June 30, 2023.

**K.10 City Treasurer's Report for September 2023 281**

RECOMMENDED ACTION:

Council **RECEIVES** and **FILES** the City Treasurer's Report for September 2023.

RECOMMENDED ACTION:

Council **RECEIVES** and **FILES** the City Treasurer's Report for October 2023.

L. PUBLIC HEARINGS

For each of the items listed under PUBLIC HEARING ITEMS, the public will be provided an opportunity to speak. After a staff report is provided, the Mayor will open the public hearing. At that time the applicant will be allowed five (5) minutes to make a presentation on the case. Members of the public will then be allowed three (3) minutes each to speak, unless there are a number of person's wishing to speak and then the Mayor will allow only two (2) minutes, to accommodate for more persons. The City Council may ask the speakers questions relative to the case. After all persons have spoken, the applicant will be allowed three minutes to summarize or rebut any public testimony. The Mayor will then close the public hearing portion of the hearing and deliberate the matter.

L.1 Ordinance Amending City's Zoning Code Relating to City Landscape Requirements and Finds the Action Exempt from CEQA

RECOMMENDED ACTION:

Council **OPENS** the Public Hearing, takes any public testimony, **CLOSES** the Public Hearing; and

**FINDS** that the proposed ordinance is exempt from the California Environmental Quality Act ("CEQA") pursuant to Section 15304, where the proposed amendment consists of minor public or private alterations to the condition of land, water or vegetation as there is no possibility the activity in question will have a significant effect on the environment; and

**INTRODUCES** Ordinance to be read by title only and further reading waived, amending Sections 21.60.020, 21.60.080, 21.90.030 and adding Section 21.60.085 to the Zoning Code relating to the City's landscape regulations.

## M. GENERAL BUSINESS

After staff presentation, the Mayor will call upon the members of the public to address the Council regarding the agenda item being considered. After the public has provided comment, the item is closed to further comment and brought to the Council for discussion and action.

### M.1 Living Desert Funding Opportunity 367

#### RECOMMENDED ACTION:

Council **DISCUSSES** and provides **DIRECTION** on the funding request for The Living Desert Zoo and Gardens; and

**FINDS** the project to be exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Section 15060.

### M.2 Sponsorship for Desert International Horse Park 428

#### RECOMMENDED ACTION:

Council **APPROVES** Finance Committee Recommended Sponsorship for Desert International Horse Park.

## N. COUNCIL MEMBER'S REPORTS AND COMMENTS

On their own initiative, Council Members may make a brief announcement or a brief report on their own activities. Council Members may ask a question for clarification, make a referral to staff, or take action to have staff place a matter of business on a future agenda. The Council may take action on items listed on the Agenda.

### N.1 DONNA GRIFFITH

CVAG Executive Committee  
CVAG Conservation Commission  
CVAG Energy & Sustainability Committee  
CVAG Homelessness Committee  
Indian Wells Community Activities Committee  
Indian Wells Golf Resort Advisory Committee  
Indian Wells Grants In Aid Committee  
Indian Wells Finance/Legal Services Oversight Committee  
Indian Wells Personnel Committee  
Indian Wells Tee Committee

**N.2 DANA REED**

California Joint Powers Insurance Authority  
Riverside County Transportation Commission  
CVAG Public Safety Committee  
CVAG Transportation Committee  
Southern California Association of Governments

**N.3 TY PEABODY**

Cove Communities Services Commission  
Coachella Valley Animal Campus  
Indian Wells Golf Resort Advisory Committee  
Indian Wells Marketing Committee  
Sunline Transit Agency

**N.4 BRUCE WHITMAN**

Coachella Valley Economic Partnership  
Coachella Valley Mountains Conservancy  
Desert Sands Unified School District  
Indian Wells Marketing Committee  
Indian Wells Public Safety

**N.5 GREG SANDERS**

Cove Communities Services Commission  
Desert Sand Unified School District  
Indian Wells Finance & Legal Services Oversight Committee  
Indian Wells Personnel Committee  
Indian Wells Public Safety Committee  
Indian Wells Tee Committee  
Visit Greater Palm Springs

**O. ADJOURNMENT**

To a regularly scheduled meeting of the City Council to be held at 1:30 p.m. on January 18, 2024, in the City Hall Council Chamber.

Affidavit of Posting,

I, Angelica Avila, certify that on December 1 2023 I caused to be posted a notice of a City Council Meeting to be held on December 7 2023 at 1:30 p.m. in the City Hall Council Chamber.

Notices were posted at Indian Wells Civic Center and City's Website  
[[www.cityofindianwells.org](http://www.cityofindianwells.org)]

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Angelica Avila, City Clerk

# INDIAN WELLS SUCCESSOR AGENCY

## December 7, 2023



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**To:** Indian Wells Successor Agency  
**From:** Finance Department  
**Prepared by:** Kevin McCarthy, City Finance Director  
**Subject:** **Resolution Approving the Annual Recognized Obligation Payment Schedule 2024-25**

### RECOMMENDED ACTIONS:

Successor Agency **ADOPTS** Resolution approving the Recognized Obligation Payment Schedule for the period of July 1, 2024, through June 30, 2025

**FINDS** the project to be exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Section 15061(e) (3) of the guidelines.

### BACKGROUND:

The Successor Agency is mandated to prepare the "Recognized Obligation Payment Schedule" (ROPS), which enumerates the Agency's outstanding obligations for the upcoming year. After the completion of the ROPS, it is submitted to the Riverside County Oversight Board (Oversight Board) for their approval. Following the Oversight Board's approval, the ROPS undergoes a comprehensive inspection and final review by the State Department of Finance. It is essential to note that the State Department of Finance necessitates the submission of the annual ROPS for the reporting year no later than February 1.

In accordance with Assembly Bill No. 1X 26 and the California Supreme Court's ruling in the Matosantos case, which challenged the constitutionality of AB 26, all redevelopment agencies in the state were dissolved as of February 1, 2012. This dissolution included the Redevelopment Agency of the City of Indian Wells (the "Redevelopment Agency"). Subsequently, successor agencies were designated to oversee the gradual conclusion of the former redevelopment agencies' operations.

The legislation stipulated that upon the dissolution of a redevelopment agency, either the City or another local government entity would step forward to serve as the "successor agency." Their role is to safeguard the assets of the dissolved agency until they are appropriately distributed to various state and local government units. On January 12,



2012, the City Council decided to assume the role of the Successor Agency for the former redevelopment agency, as specified in City Resolution Number 2012-03.

AB 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 awarded to the former Agency under the Community Redevelopment Law (Health & Safety Code, § 33000 et seq.), with certain exceptions. This successor agency is responsible for the wind-down of the Agency's affairs. The City elected to be the Agency's successor agency by Resolution Bill No. 2012-03 on January 12, 2012.

### Recognized Obligation Payment Schedule ("ROPS")

The staff of the Successor Agency has prepared the proposed Recognized Obligation Payment Schedule for the period spanning from July 1, 2024, through June 30, 2025 (referred to as "ROPS FY 2024-25"), in a format substantially mirroring the presentation found in Attachment "2," which is appended herewith and incorporated by reference.

The Successor Agency is authorized to receive an administrative cost allowance, denoted as the "Administrative Cost Allowance," in accordance with the provisions of Health and Safety Code Sections 34171(b) and 34183(a)(3). For the 2024-25 fiscal year, this allowance is anticipated to be approximately \$240,000, with disbursements of approximately \$240,000 scheduled for July 1, 2024, and approximately \$0 for January 2, 2025.

The activities of the City, acting as the successor agency, are subject to oversight by an Oversight Board until all the Agency's outstanding debts are settled, all Agency assets are liquidated, and all property taxes formerly remitted to the Agency are redirected to local taxing agencies.

Following approval by the Oversight Board, the Successor Agency proceeds to submit the ROPS to the State Department of Finance for approval and disbursement. It is imperative to note that the State Department of Finance mandates the submission of the new annual ROPS before the commencement of the reporting year no later than February 1.

### **FISCAL IMPACT:**

There is no fiscal impact on the City. Consistent with State Law, funding requests are submitted to the Riverside County Oversight Board. The Successor Agency requests \$9,143,306 during the upcoming ROPS cycle as follows:

1. Debt service payments of \$5,803,306
2. Loan repayments of \$3,100,000 paid to the City (General Fund)

### 3. Successor Agency Administrative Costs of \$240,000

#### Administrative Fees

During the next ROPS cycle, the City (General Fund) will collect \$240,000 to administer the Successor Agency. Administrative fees include administrative oversight, legal review and compliance, successor agency audits, bond and trustee costs, arbitrage and continuing disclosure, technology services, and office supplies.

#### Outstanding Agency Debt

As of June 30, 2023, the Agency debt was \$74.5 million, as described below. The debt service listed below matures in different years and is scheduled to be repaid entirely by 2035. Annual principal retirements range between \$10.0 million and \$10.8 million.

Description	Balance at 6/30/2022	Additions	Deletions	Balance at 6/30/2023
<b>Bonds Payable:</b>				
2014 A-T Tax Allocation Bonds	4,275,000	-	(4,275,000)	-
2015 A Tax Allocation Bonds	12,760,000	-	(1,695,000)	11,065,000
2016 A Tax Allocation Bonds	36,550,000	-	(115,000)	36,435,000
2020 A Tax Allocation Bonds	6,770,000	-	(455,000)	6,315,000
<b>Subtotal</b>	<b>60,355,000</b>	<b>-</b>	<b>(6,540,000)</b>	<b>53,815,000</b>
<b>Add (less) deferred amounts:</b>				
2015 A Premium	1,267,263		(245,276)	1,021,987
2016 A Premium	5,127,514	-	(421,440)	4,706,074
<b>Subtotal</b>	<b>6,394,777</b>	<b>-</b>	<b>(666,716)</b>	<b>5,728,061</b>
<b>Total bonds payable</b>	<b>66,749,777</b>	<b>-</b>	<b>(7,206,716)</b>	<b>59,543,061</b>
<b>Other liabilities:</b>				
Accrued Interest	874,626	781,690	(874,626)	781,690
Consolidated Loan Payable	16,400,000	-	(2,212,774)	14,187,226
<b>Subtotal</b>	<b>17,274,626</b>	<b>781,690</b>	<b>(3,087,400)</b>	<b>14,968,916</b>
<b>Total long-term liabilities</b>	<b>84,024,403</b>	<b>781,690</b>	<b>(10,294,116)</b>	<b>74,511,977</b>

### **CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA):**

This action has been reviewed per the authority and criteria contained in the California Environmental Quality Act (CEQA), the State and local CEQA Guidelines, and the City's environmental regulations. The City, acting as the Lead Agency, determined that the

ordinance is not subject to CEQA pursuant to Sections 15060(c)(2), 15060(c)(3), and 15061(b)(3) of the State CEQA Guidelines, because it will not result in a direct or reasonably foreseeable indirect physical change to the environment as there is no possibility that the action would result in a significant environmental impact, and because it does not constitute a "project" as defined in Section 15378 of the State CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3.

## **ATTACHMENTS:**

1. Resolution

**RESOLUTION SA NO. 2023- \_\_\_\_**

**A RESOLUTION OF THE SUCCESSOR AGENCY TO THE DISSOLVED REDEVELOPMENT AGENCY OF THE CITY OF INDIAN WELLS, CALIFORNIA, APPROVING AND ADOPTING A DRAFT OF THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(I)**

**WHEREAS**, pursuant to Health and Safety Code section 34173(d), the City of Indian Wells ("Successor Agency") elected to become the successor agency to the Indian Wells Redevelopment Agency by City Council Resolution No. 2012-03 on January 12, 2012; and

**WHEREAS**, Health and Safety Code section 34177(l)(2) requires the Successor Agency to prepare a draft of the recognized obligation payment schedule ("ROPS") covering the period from July 1, 2024, to June 30, 2025; and

**WHEREAS**, Health and Safety Code section 34177(l)(2) requires the Successor Agency to submit a copy of the ROPS to the county administrative office, the county auditor-controller, and the Department of Finance at the same time that the Successor Agency submits the ROPS to the oversight board for its approval; and

**WHEREAS**, upon approval by the Oversight Board, the Successor Agency is required to submit a copy of the approved ROPS ("Approved ROPS") to the Riverside County Auditor-Controller, the California State Controller, and the State of California Department of Finance, and post the Approved ROPS on the Successor Agency's website; and

**WHEREAS**, all other legal prerequisites to the adoption of this Resolution have occurred.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF INDIAN WELLS, SERVING AS THE SUCCESSOR AGENCY TO THE DISSOLVED INDIAN WELLS REDEVELOPMENT AGENCY, RESOLVES AS FOLLOWS:**

**SECTION 1.** The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

**SECTION 2.** The approval of the draft of the ROPS through this Resolution does not commit the Successor Agency to any action that may have a significant effect on the environment. As a result, such action does not constitute a project subject to the requirements of the California Environmental Quality Act. The City Clerk, acting on behalf of the Successor Agency, is authorized and directed to file a Notice of Exemption with the appropriate official of the County of Riverside, California, within five (5) days following the date of adoption of this Resolution.

**SECTION 3.** The Successor Agency **APPROVES** and **ADOPTS** the draft of the ROPS, in substantially the form attached to this Resolution as Exhibit "A," as required by Health and Safety Code Section 34177.

**SECTION 4.** The City Manager, acting on behalf of the Successor Agency, is hereby authorized and directed to take any action necessary to carry out the purposes of this Resolution and comply with applicable law regarding the draft of the ROPS, including submitting the draft of the ROPS to the Riverside County Auditor-Controller, or its designee, the County Administrative

Officer for Riverside County, the Department of Finance, and the Successor Agency's oversight board, and following approval of the ROPS by the oversight board, submitting the Approved ROPS to the Riverside County Auditor-Controller, the California State Controller, and the State of California Department of Finance, and posting the Approved ROPS on the Successor Agency's website.

**SECTION 5.** This Resolution shall take effect immediately upon its adoption.

**PASSED, APPROVED, AND ADOPTED** by the Successor Agency to the Redevelopment Agency of the City of Indian Wells, California, at a joint regular meeting held on the 7<sup>th</sup> day of December 2023.

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**GREG SANDERS**  
**MAYOR**

**CERTIFICATION FOR RESOLUTION NO. \_\_\_\_**

I, Angelica Avila, City Clerk of the City of Indian Wells, California, **DO HEREBY CERTIFY** that the whole number of the members of the Successor Agency to the Redevelopment Agency of the City of Indian Wells is five (5); that the above and foregoing Resolution was duly and regularly passed and adopted at a joint regular meeting of the Successor Agency to the Redevelopment Agency of the City of Indian Wells on the 7<sup>th</sup> day of December 2023, by the following vote:

AYES:

NOES:

**ATTEST:**

**APPROVED AS TO FORM:**

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**ANGELICA AVILA**  
**CITY CLERK**

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**TODD LEISHMAN**  
**CITY ATTORNEY**

**EXHIBIT "A"**

**Recognized Obligation Payment Schedule (ROPS 24-25) - Summary  
Filed for the July 1, 2024 through June 30, 2025 Period**

Successor Agency: Indian Wells

County: Riverside

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	24-25A Total (July - December)	24-25B Total (January - June)	ROPS 24-25 Total
<b>A Enforceable Obligations Funded as Follows (B+C+D)</b>	<b>\$ 4,704,688</b>	<b>\$ -</b>	<b>\$ 4,704,688</b>
B Bond Proceeds	-	-	-
C Reserve Balance	4,704,688	-	4,704,688
D Other Funds	-	-	-
<b>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)</b>	<b>\$ 3,340,000</b>	<b>\$ 5,803,306</b>	<b>\$ 9,143,306</b>
F RPTTF	3,100,000	5,803,306	8,903,306
G Administrative RPTTF	240,000	-	240,000
<b>H Current Period Enforceable Obligations (A+E)</b>	<b>\$ 8,044,688</b>	<b>\$ 5,803,306</b>	<b>\$ 13,847,994</b>

**Certification of Oversight Board Chairman:**

Pursuant to Section 34177 (o) of the Health and Safety code, I hereby certify that the above is a true and accurate Recognized Obligation Payment Schedule for the above named successor agency.

\_\_\_\_\_  
Name Title

/s/ \_\_\_\_\_  
Signature Date

**Indian Wells  
Recognized Obligation Payment Schedule (ROPS 24-25) - ROPS Detail  
July 1, 2024 through June 30, 2025**

Item #	Project Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 24-25 Total	ROPS 24-25A (Jul - Dec)			ROPS 24-25B (Jan - Jun)			W
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	Bond Proceeds	
7	Administrative Costs	Admin Costs	02/01/2012	09/01/2034	Successor Agency	Administrative Costs	Whitewater	\$82,875,954	N	\$13,847,984	\$-	\$4,704,688	\$-	\$-	\$-	\$-	\$-
13	\$16.4 Million Consolidated Advance	City/County Loan (Prior 06/28/11), Cash exchange	02/17/2011	07/01/2030	City of Indian Wells	Consolidated promissory note (A)	Whitewater	11,600,000	N	\$3,100,000	-	3,100,000	-	-	-	-	\$-
20	2015 A Refunding Tax Allocation Bonds	Bonds Issued After 12/31/10	05/28/2014	08/11/2015	Union Bank of California	The 2015 Series Bonds fully re-funded the 2005 Series Bonds	Whitewater	9,999,125	N	\$2,505,625	-	2,331,625	-	-	-	174,000	\$174,000
21	2015 A Refunding Tax Allocation Bonds	Reserves	05/28/2014	08/11/2015	Union Bank of California	Bond Payment Reserve for September 2025 Payment	Whitewater	2,379,000	N	\$2,379,000	-	-	-	-	-	2,379,000	\$2,379,000
22	2016 A Refunding Tax Allocation Bonds	Bonds Issued After 12/31/10	07/21/2016	07/21/2016	Union Bank of California	The 2016 Series Bonds fully re-funded the remaining 2009 Series Bonds	Whitewater	46,860,125	N	\$2,625,100	-	1,830,175	-	-	-	794,925	\$794,925
23	2016 A Refunding Tax Allocation Bonds	Reserves	07/21/2016	07/21/2016	Union Bank of California	Bond Payment Reserve for September 2025 Payment	Whitewater	1,849,925	N	\$1,849,925	-	-	-	-	-	1,849,925	\$1,849,925
24	2020 A Refunding Bonds	Revenue Bonds Issued After 12/31/10	06/18/2020	09/01/2034	Union Bank of California	Series 2020 A Bonds refunded the remaining Series 2010 A TABS	2020 A Refunding Bonds	6,645,499	N	\$600,616	-	542,868	-	-	-	57,728	\$57,728
25	2020 A Refunding Bonds	Reserves	06/18/2020	09/01/2034	Union Bank of	Bond Payment	Whitewater	547,728	N	\$547,728	-	-	-	-	-	547,728	\$547,728

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W
Item #	Project Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 24-25 Total	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	24-25A Total	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	24-25B Total
	Bonds				California	Reserve for September 2025 Payment																



**Indian Wells  
Recognized Obligation Payment Schedule (ROPS 24-25) - Report of Cash Balances  
July 1, 2021 through June 30, 2022  
(Report Amounts in Whole Dollars)**

A	B	C				D			E		F	G	H
		C		D		E		F	G				
		Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Bond Proceeds	Reserve Balance	Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Other Funds	RPTTF	Comments				
1	ROPS 21-22 Cash Balances (07/01/21 - 06/30/22)												
2	Beginning Available Cash Balance (Actual 07/01/21) RPTTF amount should exclude "A" period distribution amount.							5,514,513		(403,890)			
3	Revenue/Income (Actual 06/30/22) RPTTF amount should tie to the ROPS 21-22 total distribution from the County Auditor-Controller									-		14,582,914	
4	Expenditures for ROPS 21-22 Enforceable Obligations (Actual 06/30/22)							5,514,513				6,712,900	
5	Retention of Available Cash Balance (Actual 06/30/22) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)											7,870,014	
6	ROPS 21-22 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 21-22 PPA form submitted to the CAC									No entry required			
7	Ending Actual Available Cash Balance (06/30/22) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)												

<b>Indian Wells Recognized Obligation Payment Schedule (ROPS 24-25) - Notes July 1, 2024 through June 30, 2025</b>	
<b>Item #</b>	<b>Notes/Comments</b>
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# INDIAN WELLS CITY COUNCIL

## December 7, 2023



**To:** City Council  
**From:** City Manager's Department  
**Prepared by:** Peter Castro, Assistant City Manager  
**Subject:** Fairway Park Deed Restriction

### RECOMMENDED ACTIONS:

Council **APPROVES** a Deed Restriction for the Fairway Park project as required by the Prop 68 Per Capita Grant funding that was approved by City Council Resolution 2021-42.

### BACKGROUND:

The City Council Approved Resolution 2021-42 approving the application for Per Capita Grant Funding for the Fairway Park project. The next step in the grant funding process is to file a Deed Restriction on the property that restricts the title to the property, safeguarding the property consistent with the Grant for the duration of the contract performance period. The Deed Restriction will be filed with the Riverside County Recorder's Office and shall remain in place through June 30, 2048. The Deed Restriction is a requirement for receiving grant funding for the project.

### OPTIONS:

1. Staff recommends the City Council **APPROVES** a Deed Restriction for the Fairway Park project as required by the Prop 68 Per Capita Grant funding that was approved by City Council Resolution 2021-42.
2. Alternative direction

### FISCAL IMPACT:

There is no fiscal impact for approving the Deed Restriction. Should the Council not approve the Deed Restriction, the City will not be eligible to receive the Prop 68 Per Capita Grant funding of approximately \$180,000.

### ATTACHMENTS:

1. Deed Restriction

RECORDING REQUESTED BY:  
California Department of Parks and Recreation  
Office of Grants and Local Services

WHEN RECORDED MAIL TO:  
Office of Grants and Local Services  
PO Box 942896  
Sacramento, CA 94296-0001  
Attn: Sara Schlusser

SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE

**DEED RESTRICTION**

I. WHEREAS, the City of Indian Wells, California (“Owner”) is the recorded owner of the real property described in Exhibit A, attached and incorporated herein by reference (the “Property”); and

II. WHEREAS, the California Department of Parks and Recreation (“DPR”) is a public agency created and existing under the authority of section 5001 of the California Public Resources Code; and

III. WHEREAS, Owner applied to DPR for grant funds available under the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All of the 2018 Parks Bond Act, 2018 Parks Bond Act Per Capita Program to create a new neighborhood park including landscaping and minor elements "Fairway Park" on the Property; and

IV. WHEREAS, on July 1, 2020, DPR’s Office of Grants and Local Services conditionally approved Grant 18-33-052 (the “Grant”) to create a new neighborhood park including landscaping and minor elements, now called the “Fairway Park,” on the Property, subject to, among other conditions, recordation of this Deed Restriction on the Property; and

V. WHEREAS, but for the imposition of the deed-restriction condition of the Grant, the Grant would not be consistent with the public purposes of the 2018 Parks Bond Act, 2018 Parks Bond Act Per Capita Program, and the funds that are the subject of the Grant could therefore not have been granted; and

VI. WHEREAS, Owner has elected to comply with the deed-restriction condition of the Grant, to enable Owner to receive the Grant funds and perform the work described in the Grant.

NOW, THEREFORE, in consideration of the issuance of the Grant funds by DPR, the undersigned Owner for itself and for its heirs, assigns, and successors-in-interest, hereby irrevocably covenants with DPR that the conditions of the grant (set forth in paragraphs 1 through 5 and in Exhibit B hereto) shall at all times on and after the date on which this Deed Restriction is recorded constitute for all purposes covenants, conditions and restrictions on the use and enjoyment of the Property that are hereby attached to the deed to the Property as fully effective components thereof.

1. DURATION. (a) This Deed Restriction shall remain in full force and effect and shall bind Owner and all its assigns or successors-in-interest for the period running from July 1, 2018, through June 30, 2048.

2. TAXES AND ASSESSMENTS. It is intended that this Deed Restriction is irrevocable and shall constitute an enforceable restriction within the meaning of (a) Article XIII, section 8, of the California Constitution; and (b) section 402.1 of the California Revenue and Taxation Code or successor statute. Furthermore, this Deed Restriction shall be deemed to constitute a servitude upon and burden to the Property within the meaning of section 3712(d) of the California Revenue and Taxation Code, or successor statute, which survives a sale of tax-deeded property.

3. RIGHT OF ENTRY. DPR or its agent or employees may enter onto the Property at times reasonably acceptable to Owner to ascertain whether the use restrictions set forth above are being observed.

4. REMEDIES. Any act, conveyance, contract, or authorization by Owner, whether written or oral, that uses the Property or would cause the Property to be used or would permit a use of the Property contrary to the terms of this Deed Restriction will be deemed a violation and a breach hereof. DPR may pursue any and all available legal and equitable remedies to enforce the terms and conditions of this Deed Restriction. In the event of a breach, any forbearance on the part of DPR to enforce the terms

and provisions hereof shall not be deemed a waiver of enforcement rights regarding any subsequent breach.

5. SEVERABILITY. If any provision of these restrictions is held to be invalid, or for any reason becomes unenforceable, no other provision shall be affected or impaired.

Dated: \_\_\_\_\_, 2023

**Owner Name: City of Indian Wells, California**

By:  
Signed: \_\_\_\_\_  
Chris Freeland, City Manager

**Attest:**

By:  
Signed: \_\_\_\_\_  
Angelica Avila, City Clerk

Approved as to form:

By:  
Signed: \_\_\_\_\_  
Todd Leishman, for Best Best & Krieger LLP,  
City Attorney

# INDIAN WELLS CITY COUNCIL

## December 7, 2023



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**To:** City Council  
**From:** Community Development Department  
**Prepared by:** Jon Berg, Community Development Director  
**Subject:** **Subsequent 1-Year Agreement Extension with De Novo Planning Group for Comprehensive General Plan Update and CEQA Documentation**

### RECOMMENDED ACTIONS:

Council **AUTHORIZES** and **DIRECTS** the City Manager to execute a subsequent one (1) year extension to the Professional Services Agreement with De Novo Planning Group for the preparation and development of the Comprehensive General Plan Update and required environmental documentation.

### BACKGROUND:

On May 21, 2020, the City Council entered into a Professional Services Agreement ("PSA") with De Novo Planning Group ("De Novo") as a consultant, to prepare the Comprehensive General Plan Update and associated California Environmental Quality Act ("CEQA") Documentation. This agreement was previously extended for 1-year and is scheduled to expire on December 31, 2023. The request before Council is to grant a subsequent 1-year extension of the PSA to expire on December 31, 2024.

### DISCUSSION:

De Novo has completed, and staff has reviewed drafts of all General Plan Elements except for Land Use, which is currently being held in limbo until the City's 6<sup>th</sup> Cycle Housing Element is accepted by the State Housing of Community Development ("HCD"). The City cannot complete the Land Use Element and move forward with the CEQA environmental documentation and rezoning program, until HCD provides a pre-certification letter for the City's Housing Element. Working with our consultant, De Novo, City Staff resubmitted a revised draft of the City's Housing Element to HCD on November 15, 2023 addressing HCD's 3<sup>rd</sup> comment letter. Statutorily, HCD has 60-days to review the revised draft before providing additional comments or a pre-certification letter back to the City. If HCD provides a pre-certification letter within the next 60-days, a general timeline for completing the Land Use Element, rezoning programs and circulating the associated

CEQA document for public review would be the Summer 2024. Formal adoption of GP/PEIR and Zone Change Amendments would then be expected to follow in the Fall of 2024. Consequently, staff is recommending a subsequent 1-year extension to Abode's PSA.

**City Council Strategic Goal:**

The extension of time will ensure a City Council strategic goal and directive for completing a comprehensive update to the City's General Plan and certifying the City's 6<sup>th</sup> Cycle Housing Element.

**OPTIONS:**

Staff is recommending that the City Council issue a subsequent one-year extension to the PSA though December 31, 2024 (Attachment 1). This will allow adequate time for staff to continue working with De Novo and HCD regarding the Housing Element, and ultimately complete the scope of work for the Comprehensive General Plan Update and associated CEQA documentation. The following options are available for Council's consideration:

1. Approve staff's recommendation for a subsequent 1-year extension to terminate December 31, 2024; or
2. Deny the request for extension and direct staff to investigate options for completing the Comprehensive General Plan Update and related CEQA process; or
3. Provide staff with alternative direction.

**FISCAL IMPACT:**

No fiscal impact.

**ATTACHMENTS:**

1. Agreement Extension





December 7, 2023

Ben Ritchie  
DeNovo Planning Group  
1020 Suncastr Lane, Suite 106  
El Dorado Hills, CA 95762

**Re: Extension of Professional Services Agreement Between the City of Indian Wells and DeNovo Planning Group**

Dear Mr. Ritchie,

The Professional Services Agreement between the City of Indian Wells (“City”) and DeNovo Planning Group (“Denovo”) dated May 21, 2020 (“Agreement”) was previously extended on November 28, 2022 for 1-year and is due to expire on December 31, 2023. This letter will memorialize and confirm the extension of the Agreement for a subsequent one (1) year term to expire on December 31, 2024.

Pursuant to Section 5 of the Agreement, the City and De Novo may mutually agree to extend the Agreement. By mutually agreeing to this subsequent 1-year extension, the new expiration date of the Agreement will be December 31, 2024. All provisions of the Agreement and previous Amendments shall remain in full force and effect.

If you agree with a subsequent extension to the Agreement, please indicate by signing and dating where indicated below and returning this letter as soon as possible. If you would like to discuss this letter, please contact myself, or Jon Berg, Community Development Director.

Sincerely,

Christopher Freeland  
City Manager

**AGREED AND ACCEPTED:**

De Novo Planning Group, a California Corporation

By: \_\_\_\_\_  
Its: Ben Ritchie, Principal

Date: \_\_\_\_\_

THE CITY OF INDIAN WELLS,  
a public body, corporate and politic

By: \_\_\_\_\_  
Its: Christopher Freeland, City Manager

Date: \_\_\_\_\_

ATTEST:

By: \_\_\_\_\_  
Its: Angelica Avila, City Clerk

Date: \_\_\_\_\_

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Its: Todd Leishman, City Attorney

Date: \_\_\_\_\_

# INDIAN WELLS CITY COUNCIL

## December 7, 2023



---

**To:** City Council  
**From:** Community Development Department  
**Prepared by:** Luis Rubalcava, Planner  
**Subject:** **Planning Commission Resolution Recommending Approval of Variance No. 2023-0002 for 45891 Club Drive and Finding the Project Exempt from CEQA**

### RECOMMENDED ACTIONS:

Council **RECEIVES** and **FILES** Resolution No. PC 2023-09, in concurrence with the Planning Commission Recommendation to approve Variance No. 2023-02 to allow encroachment into the front yard setback for a new 314 square foot garage extension to an existing residence located at 45891 Club Drive (APN 633-260-046); and

**FINDS** the project to be exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Section 15303(e), New Construction or Conversion of Small Structures.

### DISCUSSION:

Architect Manuel Montalvo, on behalf of homeowner Tim Delesalle ("Applicant"), seeks approval for significant improvements to an existing residence located at 45891 Club Drive, within the Residential Very Low-Density Zone (Attachment 2 - Aerial Map). The project includes a 314 square foot extension to the existing garage towards the front of the home. Due to the irregular shape, substandard size, and large right-of-way ("ROW") of the parcel, the Applicant requests a variance pursuant to Section 21.06.050 of the Indian Wells Municipal Code ("IWMC") to extend the garage 5-feet into the front yard setback to accommodate an additional 111 square feet of garage space in favor of a bedroom addition within a portion of the existing garage area (Attachment 3 – Site Plan). Despite this addition, the home will maintain a minimum setback of 20 feet from the front curb.

The subject property is characterized by its substandard lot size and unique positioning with a large ROW. The proposed extension aims to enhance the utility of the existing garage to accommodate an additional bedroom within the home without significantly altering the current streetscape or neighborhood character.

**Planning Commission Recommendation:** The City’s Planning Commission held a duly noticed public hearing on the Project during their regular meeting on November 30, 2023. After careful consideration of the project materials, findings, and the associated conditions of approval, the Planning Commission unanimously recommended City Council approval of Variance 2023-03 by Resolution PC 2023-09 (Attachment 1). Per IWMC Section 21.06.050 the City Council shall consider variance requests via the Consent Calendar. If no Council member or member of the public requests the item to be removed, it shall be formally adopted through City Council approval of the Consent Calendar.

**Analysis:**

IWMC Section 21.06.050 requires findings be made to approve a variance to any zoning standards. The following findings are required:

1. *The strict application of [the] Zoning Code deprives the property of privileges enjoyed by other property in the vicinity and under identical zoning classification because of special circumstances applicable to the property, including size, shape, topography, location, or surroundings.*

**FINDING:**

The property exists behind the gates of the Indian Wells Country Club Community that is primarily zoned Residential Very Low Density (“RVLD”). The site’s tract map was approved by Riverside County in 1956, prior to the City’s incorporation and under a separate set of zoning rules and requirements (Attachment 4 – Tract Map). The site, with its tapering dimensions from 75 feet at the front to 60 feet at the rear, does not meet the IWMC 21.23.050 minimum lot requirements of 100-foot width and depth. This unique shape and size create a special circumstance, limiting the homeowner's buildable area. In addition, a public ROW easement affects 10-feet of depth along the same lot frontage at the street further restricting the homeowners’ ability to expand their home (Attachment 5 – Club Drive Street Improvement Plans).

The need for the encroachment into the front yard setback is a result of these unique design considerations. The proposed garage extension, while encroaching 5-feet into the required setback, maintains a 20-foot minimum separation from the street, ensuring optimal functionality and aesthetic appeal that align with the character of the surrounding properties. Therefore, given the irregular shape of the lot, substandard size, and 10-foot ROW, the strict application of the Zoning Code deprives the homeowner the opportunity to enlarge the floor area of the home consistent with other homes in the vicinity within the RVLD zoning district.

2. *The granting of the Variance will not be detrimental to the public health, safety or welfare, or materially injurious to properties or improvements in the vicinity.*

**FINDING:**

The Indian Wells Country Club development is subject to standards identified in the RVL zone. Specifically, the zoning requirements for lots with a width less than 90-feet stipulate a 20' front yard, 10' rear, and 12' side (with no less than 5-feet on one side) setbacks to reduce building intensity and maintain access around the structure for public safety personnel.

The proposed extension does not alter the existing streetscape significantly. The minimum setback of 20 feet from the front curb is maintained, preserving the visual and spatial consistency within the neighborhood. The 5-foot encroachment into the front yard setback maintains the existing side and rear property lines, ensuring no obstruction or hindrance to public pathways or neighboring properties. The design also ensures that emergency access and public safety are not compromised resulting in improvements that will not be materially injurious to properties in the vicinity. The extension is designed to be in harmony with the existing structure and surroundings, ensuring no adverse impact on public health, safety, or welfare.

3. *The granting of the Variance does not constitute a grant of special privileges inconsistent with the limitations upon other properties in the vicinity and same zoning classification.*

**FINDING:**

The Applicant provided a letter of justification, with findings, for grant of the requested variance (Attachment 6). In the letter, the Applicant points out existing neighborhood conditions that exhibit structures with reduced setbacks but maintain a minimum 20-foot setback condition from the curb.

Similar properties in the vicinity have undergone modifications and improvements in line with their unique requirements. The City of Indian Wells, under variance No. 2008-03, granted a variance to encroach into the front yard setback at 45324 Indian Wells Lane to accommodate an expanded garage for an existing single-family residence. Additional variances were approved under similar zoning characteristics as follow:

- VAR 2001-02: reduction of 5 feet of the required front setback
- VAR 2006-02: 8.5 feet encroachment into the required front setback

- VAR 2021-01: 5-foot encroachment into the required front setback
- VAR 2023-03: 4-foot encroachment into the required front setback

Given examples of other homes that encroach into setbacks, as well as prior formal approvals of similar setback encroachment via City approved variances, the variance approval is not constituting a grant of special privilege inconsistent with other properties in the surrounding area.

4. *The granting of the Variance does not authorize a use or activity which is not otherwise expressly authorized by the zone regulation governing the parcel of property.*

**FINDING:**

Section 21.23.030 states that accessory structures associated with single-family residential uses are permitted in the RVL D zoning district. The proposed garage addition is a permissible structure under the zoning regulations governing the property. The variance does not authorize any use or activity that is not expressly permitted within the zone regulations governing the property.

The proposed project, subject to standard City Planning review, complies with the zone's requirements for single-family residence use, density, building height, and dwelling unit size. Attachment 7 shows the conceptual elevations for the garage addition, which does not increase the existing home's height past the allowable height limits. Per IWMC Chapter 21.60, any visible external building changes from a public road require approval from the City's Design Review Committee ("DRC"). If approved, the design of these improvements will undergo a separate architectural review prior to building permit issuance.

**FISCAL IMPACT:**

No fiscal impact.

**CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA):**

This project has been assessed in accordance with the authority and criteria contained in the California Environmental Quality Act (CEQA), the State and local CEQA Guidelines, and the environmental regulations of the City. The City acting as Lead Agency, has determined the garage addition qualifies as being Categorically Exempt from CEQA pursuant to Section 15303(e) New Construction or Conversion of Small Structures.

## **ATTACHMENTS:**

1. Resolution No. PC 2023-09
2. Aerial Map
3. Site Plan
4. Club Drive Tract Map
5. Club Drive Street Improvement Plan
6. Applicant Justification Letter
7. Conceptual Building Elevations

**RESOLUTION NO. PC 2023-09****A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF INDIAN WELLS, CALIFORNIA, RECOMMENDING APPROVAL OF VARIANCE NO. 2023-02 TO ALLOW ENCROACHMENT INTO THE FRONT YARD SETBACK FOR A NEW 314 SQUARE FOOT GARAGE ADDITION TO AN EXISTING RESIDENCE LOCATED AT 45891 CLUB DRIVE (APN 633-260-046), PURSUANT TO CEQA SECTION 15303(e), NEW CONSTRUCTION OR CONVERSION OF SMALL STRUCTURES**

**WHEREAS**, Manuel Montalvo (the "Applicant") filed an application with the City of Indian Wells ("City") for Variance No. 2023-02, pursuant to Indian Wells Zoning Code Section 21.06.050, to allow a 5' encroachment into the front yard of an existing residential site located at 45891 Club Drive, Indian Wells, California to construct 314 square foot garage addition, which requires a variance from the required 20-foot front yard setback identified in Indian Wells Zoning Code Section 21.23.050(a) (the "Project"); and

**WHEREAS**, on November 30, 2023, the City's Planning Commission held a duly noticed public hearing on the Project in conformance with the California Government Code and various Indian Wells Municipal Code sections and adopted Resolution No. PC 2023-09, recommending that the City Council approve the Project; and

**WHEREAS**, after careful consideration of the staff report, public testimony and all of the information presented at the hearing, the Planning Commission finds that:

1. The strict application of the Indian Wells Zoning Code deprives the property of privileges enjoyed by other property in the vicinity and under identical zoning classification because of special circumstances applicable to the property, including size, shape, topography, location, or surroundings.

FACT: Located within the Indian Wells Country Club Community, primarily zoned Residential Very Low Density ("RVLD"), the parcel's unique circumstances include its approval by Riverside County in 1956 under different zoning rules. The lot's tapering from 75 feet at the front to 60 feet at the rear fails to meet the Indian Wells Municipal Code ("IWMC") Section 21.23.050's 100-foot width and depth requirements. Additionally, a 10-foot public right-of-way ("ROW") easement along the frontage further limits expansion possibilities. The lot's irregular shape, substandard size, and the 10-foot ROW mean that strict adherence to the Indian Wells Zoning Code would unfairly restrict the homeowner from enhancing their property in line with other homes in the RVLD zoning district. This encroachment is essential for the homeowner to expand their home's floor area, aligning with the neighborhood's character while ensuring functionality.

2. The granting of the Variance will not be detrimental to the public health, safety or welfare, or materially injurious to properties or improvements in the vicinity.

FACT: The Project maintains the applicable side and rear yard setbacks for public safety access in compliance with the RVLD zoning requirements, avoiding any interference with public pathways or neighboring properties. The proposed garage extension, while encroaching 5 feet into the front yard setback, upholds the existing streetscape's integrity.



It maintains a minimum 20-foot separation from the curb, preserving the neighborhood's visual and spatial harmony. The design of the extension ensures that emergency access and public safety are maintained, resulting in a project that is not materially injurious to nearby properties.

3. The granting of the Variance does not constitute a grant of special privileges inconsistent with the limitations upon other properties in the vicinity and same zoning classification.

FACT: The irregular shape of the lot, substandard size, and 10-foot ROW are unique hardships that characterize the site. Past variances have been approved under similar zoning and site characteristics as the property in question. Therefore, granting of the Variance does not constitute any special privileges on the Project.

4. The granting of the Variance does not authorize a use of activity which is not otherwise expressly authorized by the zone regulation governing the parcel of property.

FACT: The granting of the Variance would not authorize a use that is not otherwise expressly authorized by the Zoning regulations governing the property.

**NOW, THEREFORE**, the Planning Commission of the City of Indian Wells **does hereby resolve, determine, find, and order** as follows:

**SECTION 1.** The foregoing recitals are true and correct and are incorporated herein as substantive findings of this Resolution.

**SECTION 2.** This Project has been assessed in accordance with the authority and criteria contained in the California Environmental Quality Act (CEQA), the State and local CEQA Guidelines, and the environmental regulations of the City. The City, acting as Lead Agency, determined that the project is exempt from CEQA pursuant to Public Resources Code Section 21080 and CEQA Guidelines Section 15303(a)(e) New Construction or Conversion of Small Structures.

**SECTION 3.** The Planning Commission **ADOPTS** Resolution No. PC 2023-09 recommending that the City Council approve Variance No. 2023-02 concerning the proposed Project subject to the conditions listed on Exhibit "A" and site plan shown in Exhibit "B" attached hereto and by this reference incorporated herein.

**SECTION 4.** The Community Development Director shall transmit this recommendation to the City Council, and Variance No. 2023-02 shall be scheduled for consideration on the consent calendar before the City Council.

**SECTION 5.** The Planning Department shall certify to the adoption of this Resolution and shall mail by first class, prepaid, United States mail, a certified copy of this Resolution to Applicant.

**PASSED, APPROVED, AND ADOPTED** by the Planning Commission of the City of Indian Wells, California at a regular meeting held on this 30<sup>th</sup> day of November 2023.

E-SIGNED by Nicholas Conway  
on 2023-11-30 23:23:08 GMT

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**NICHOLAS CONWAY**  
**CHAIR**

**CERTIFICATION FOR RESOLUTION BILL NO. PC 2023-09**

I, Jon Berg, Community Development Director of the City of Indian Wells, California, **DO HEREBY CERTIFY** that the whole number of the members of the Planning Commission is five (5); that the above and foregoing Resolution was duly and regularly passed and adopted at a regular meeting of the Planning Commission of the City of Indian Wells on the 30<sup>th</sup> day of November, 2023, by the following vote:

**AYES: 5 – Bahneman, Conway, Schleimer, Schubert, Welch**  
**NOES: 0 – None**

**ATTEST:**

E-SIGNED by Jon Berg  
on 2023-12-01 00:42:18 GMT

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**JON BERG**  
**COMMUNITY DEVELOPMENT DIRECTOR**

**APPROVED AS TO FORM:**

E-SIGNED by Craig Hayes  
on 2023-12-01 00:16:08 GMT

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**CRAIG HAYES**  
**CITY ATTORNEY**

**EXHIBIT "A"**  
**Conditions of Approval for**  
Variance No. 2023-02

**November 30, 2023**

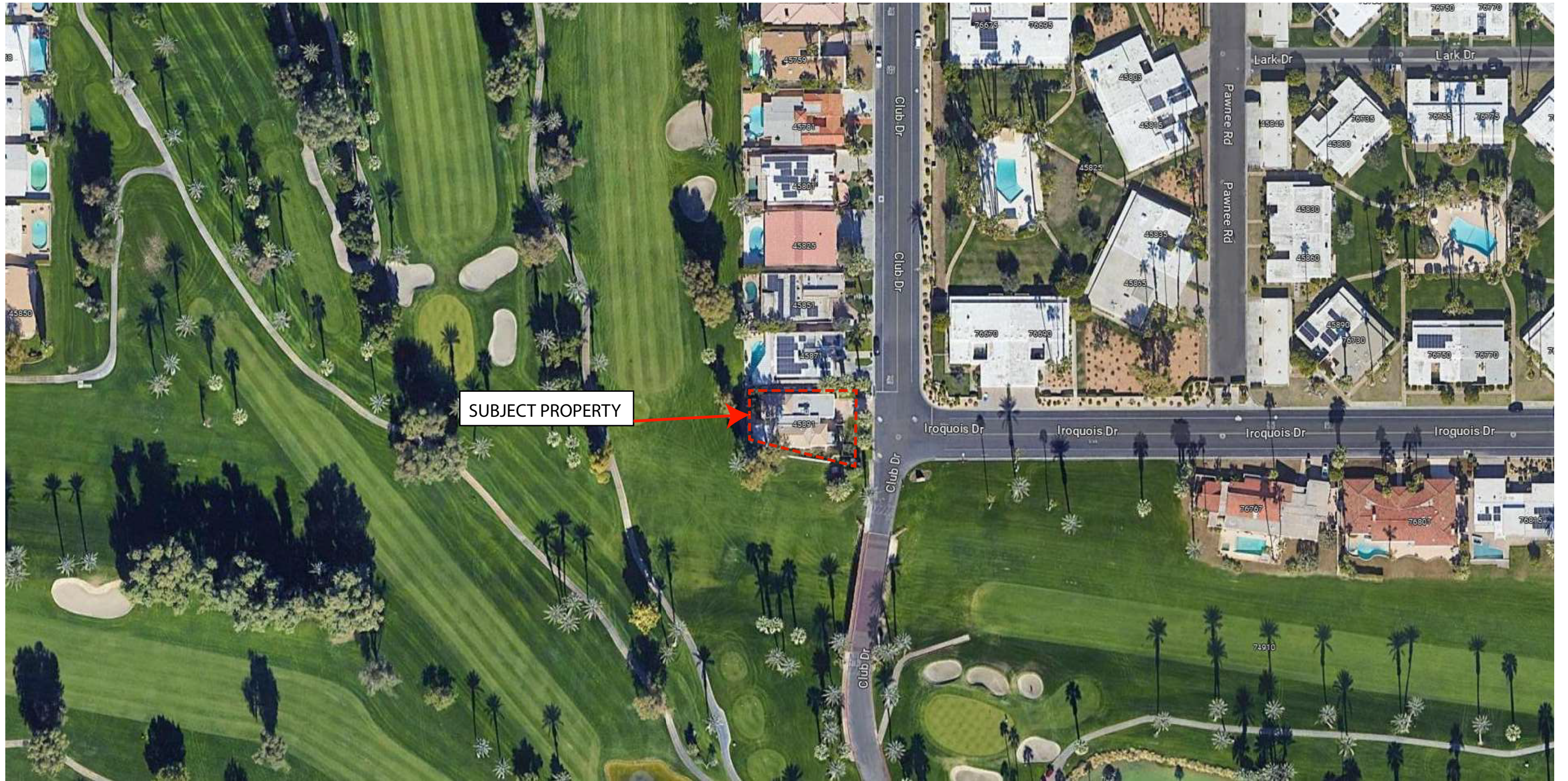
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**GENERAL:**

1. The Applicant shall defend, indemnify, and hold harmless the City of Indian Wells and its officials, officers, employees, and agents from and against any claim, action, or proceeding against the City of Indian Wells, its officers, employees, or agents to attack (including any judicial proceedings or an referendum), set aside, void, or annul any approval or condition of approval of the City of Indian Wells concerning this project, including but not limited to, any alleged act or failure to act related to the California Environmental Quality Act ("CEQA"), any approval or condition of approval by the Planning Commission or City Council. The City shall promptly notify the Applicant of any such claim, action, or proceeding concerning the project and the City shall cooperate fully in the defense of the matter. Applicant shall defend, with counsel mutually chosen by City and Applicant Applicant's own cost, expense and risk, any and all such aforesaid suits, actions or other proceedings of every kind that may be brought or instituted against City, its officials, officers, employees and agents. Applicant shall pay and satisfy any judgment, award or decree that may be rendered against City, its officials, officers, employees or agents in any such suits, actions or other proceedings. Applicant shall also reimburse City for the cost of any settlement paid by City arising out of any such claims, demands, causes of action, costs, expenses, liabilities, loses, damages, injuries, suits, actions, or other proceedings. Such reimbursement shall include payment for City's attorney's fees and costs, including expert witness fees. Applicant shall reimburse City, its officials, officers, employees and agents for any and all legal expenses and costs, including expert witness fees, incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Applicant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the City, its officials, officers, employees or agents. In all cases, the City reserves the right, at its own option and cost, to choose its own attorney to represent the City, its officials, officers, employees, and agents in the defense of the matter.
2. In the event that any condition contained herein is determined to be invalid or legally unenforceable, then all remaining conditions shall remain in force.
3. The Project shall be developed in accordance with the approved plans, and failure to comply with any conditions of approval shall be deemed just cause for revocation of project approval by the City Council. However, the Community Development Director or designee shall have the authority to approve minor deviations in the conditions of approval, and all plans including the construction drawings, if deemed necessary by both the Applicant and the City to implement the Project as approved.

4. The Applicant shall pay development impact fees at the established rates and amounts. Such fees may include, but not be limited to, new construction fee, and building permit and plan check fees.
5. This approval of Variance No. 2023-02 shall be used within one (1) year after final approval, or it shall become null and void unless the time limit is extended by the City Council per City Zoning Code Section 21.06.040(e). The phrase "be used" above for purposes of the proposed Project shall mean the application for and approval of all applicable building permits, and commencement of physical installation of the Project. In addition, this approval of Variance No. 2023-02 shall become null and void if any such building permit no longer remains in effect due to its lapse, if such occurs following the foregoing one-year permit.
6. Approval of this request shall not waive compliance with all applicable sections of the Indian Wells Municipal Code, all other applicable City ordinances, and applicable specific plans.
7. This variance approves the front yard building setback encroachment as shown, or in substantial conformance to, the attached site plan "Exhibit B."

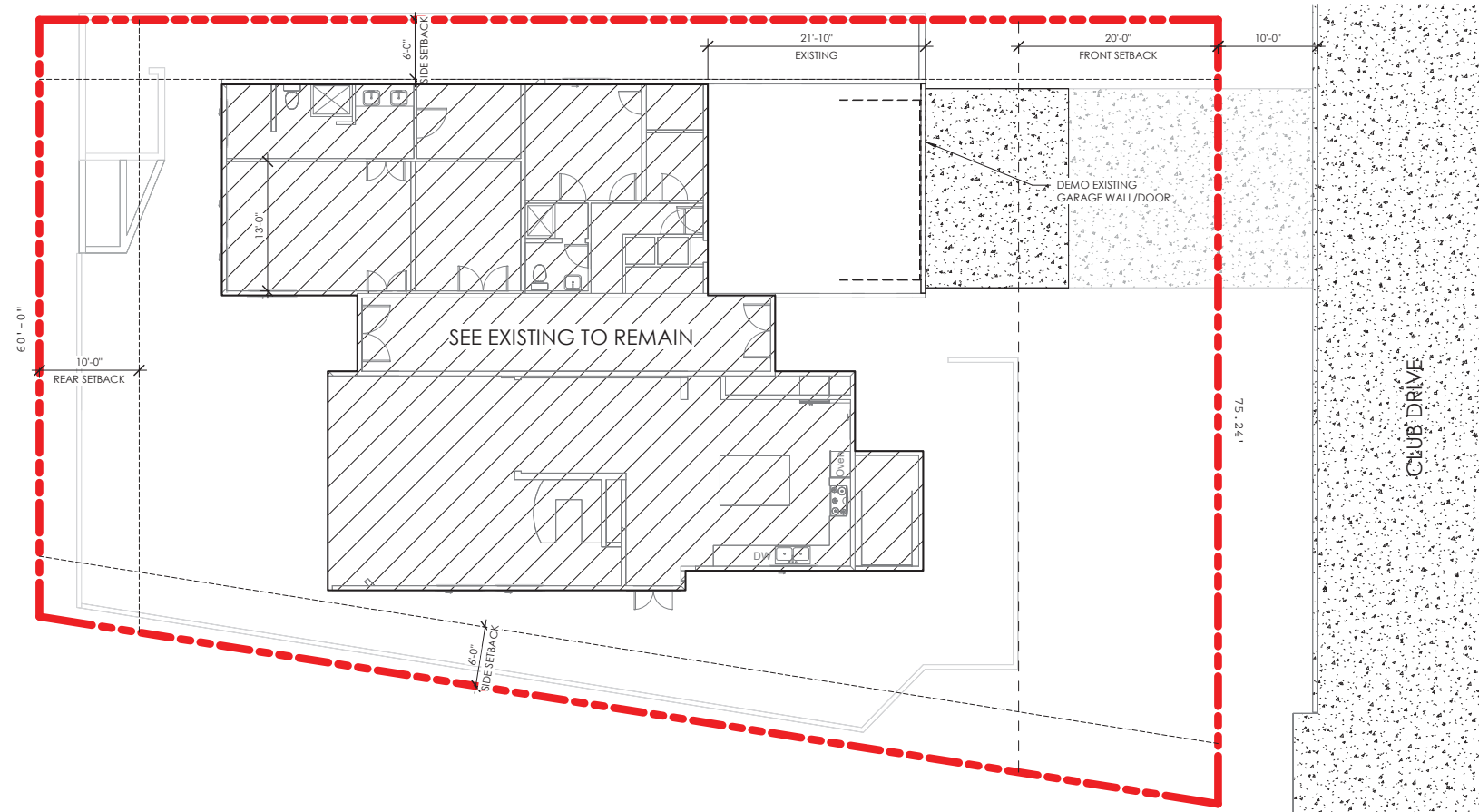




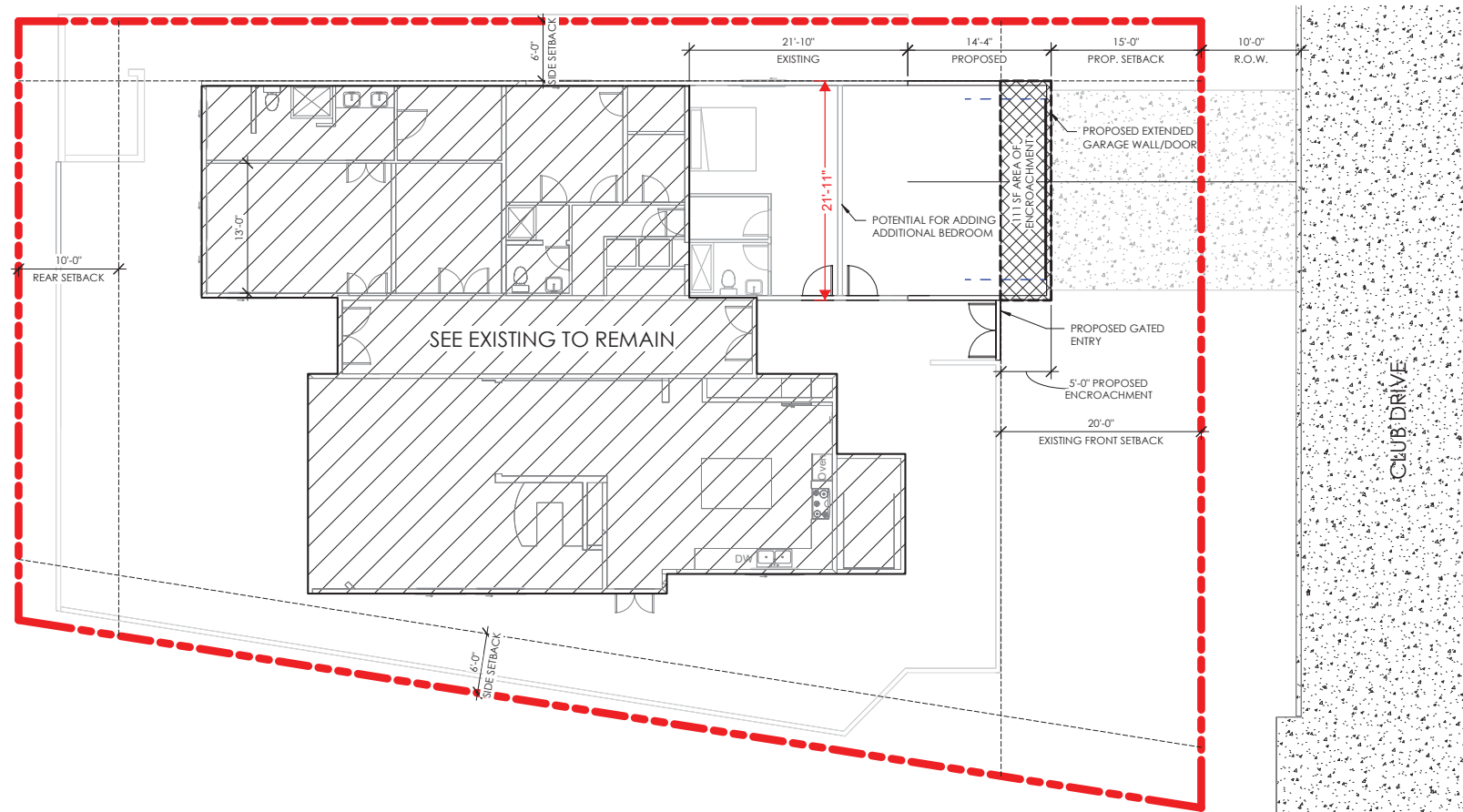
ATTACHMENT 2



ATTACHMENT 3



1 VARIANCE - SITE PLAN - EXISTING / DEMO  
SCALE: 1/8" = 1'-0"



2 VARIANCE - SITE PLAN - PROPOSED  
SCALE: 1/8" = 1'-0"

SITE LEGEND

- BUILDING OUTLINE
- SET BACKS
- PROPERTY LINE
- ENCROACHMENT AREA

NOT FOR CONSTRUCTION



46183 COTTONWOOD LN  
INDIO, CA 92201  
www.MAD-Studio.Design

Project:  
VARIANCE REQUEST

45891 Club Dr, Indian Wells

Description: Date:

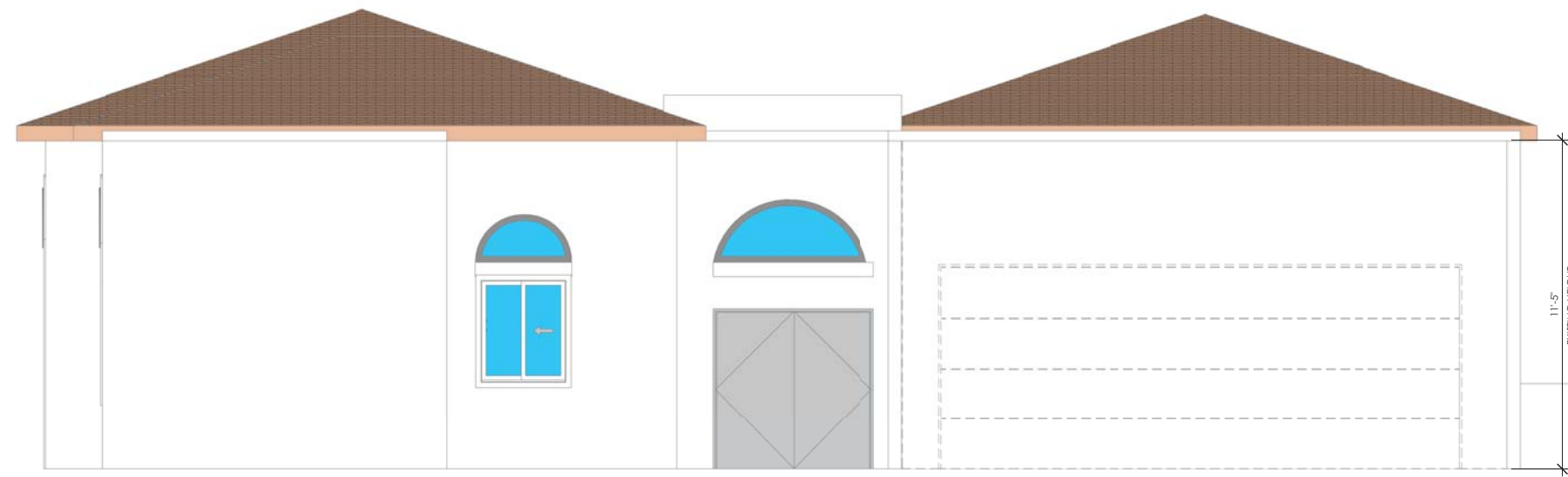
NOT FOR CONSTRUCTION

Project Number: 507  
Approved By: MM  
Checked By: JV  
Drawn By: MM

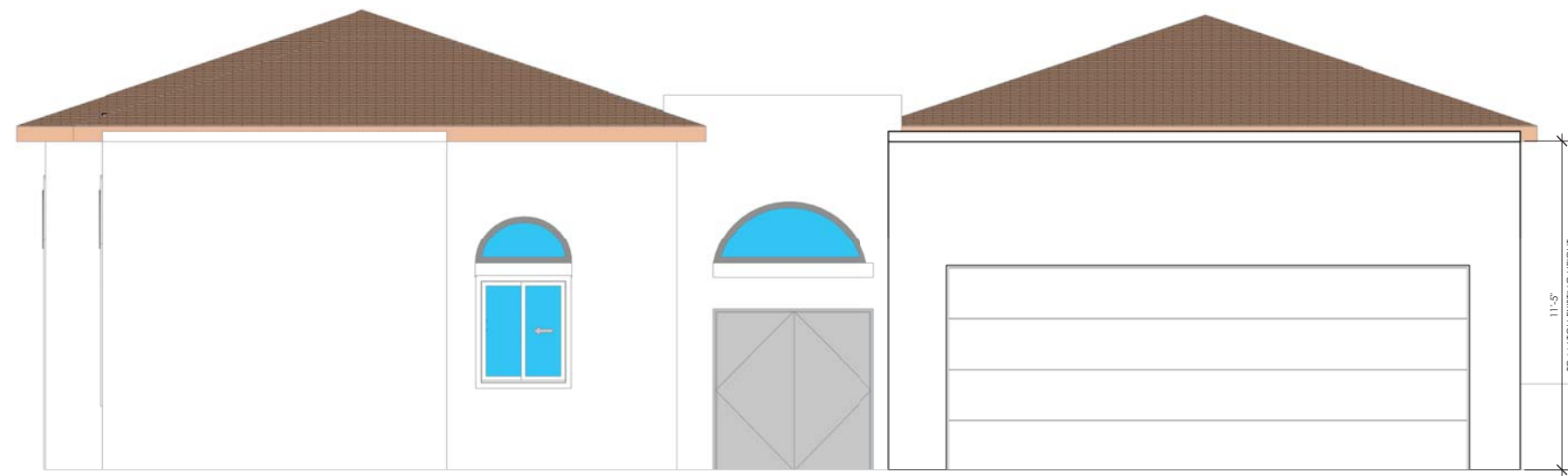
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EXISTING & PROPOSED SITE PLAN

Sheet: 1 OF 2  
Sheet Number:

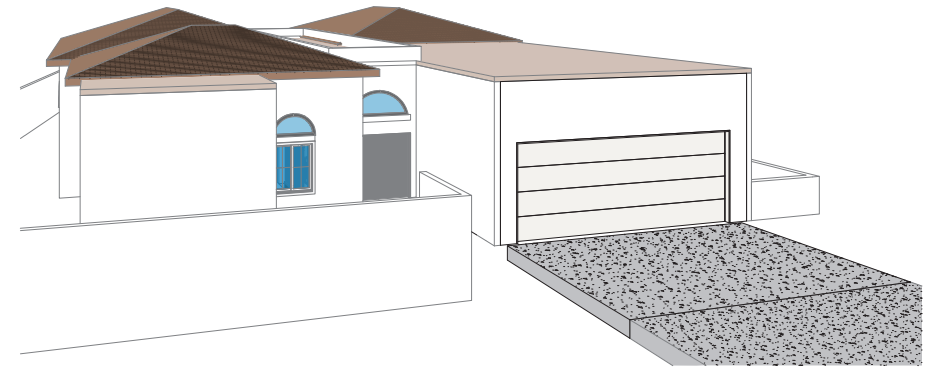
EXHIBIT C



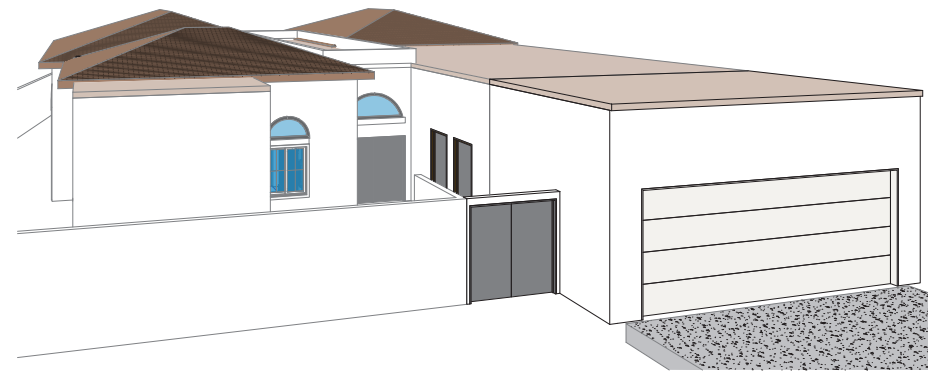
1 East Elevation - Existing  
A3.1A SCALE: 3/8" = 1'-0"



2 East Elevation - Proposed  
A3.1A SCALE: 3/8" = 1'-0"



3 3D VIEW - EXISTING  
A3.1A SCALE:



4 3D VIEW - PROPOSED  
A3.1A SCALE:

NOT FOR CONSTRUCTION



46183 COTTONWOOD LN  
INDIO, CA 92201  
www.MAD-Studio.Design

Project:  
VARIANCE REQUEST

45891 Club Dr, Indian Wells

Description: Date:

NOT FOR CONSTRUCTION

Project Number: 507  
Approved By: Approver  
Checked By: Checker  
Drawn By: Author

Sheet Title:  
EXISTING & PROPOSED EXTERIOR ELEVATIONS

Sheet: 2 OF 2  
Sheet Number:

2/1/57

SHEET No 1

# INDIAN WELLS COUNTRY CLUB ESTATES

Being a subdivision of a portion of the S.E. 1/4 of Section 23, T.5S., E.6E., S.B. and M.

G.K. SANBORN  
Licensed Land Surveyor  
April 1956

We hereby certify that we are the owners of the land included within the subdivision shown on the annexed map consisting of two (2) sheets; that we are the only persons whose consents are necessary to pass a clear title to said land; that we hereby consent to the making and filing of this map and subdivision as shown within the colored border line, and we hereby offer for dedication to public use for street purposes, lots A, B, and C, and also offer for dedication for the construction and maintenance of public utilities the five-foot Public Utility Easements shown on the map as 5' P.U.E.

INDIAN WELLS COUNTRY CLUB ESTATES TITLE INSURANCE AND TRUST COMPANY

Morton A. Shivers Pres. *Morton A. Shivers*  
Eddie O. Swallowby Asst. Secretary *Eddie O. Swallowby*

STATE OF CALIFORNIA }  
COUNTY OF RIVERSIDE } SS.

On this 14th day of May 1956, before me Edith A. Bell Notary Public in and for said County and State, residing therein and duly commissioned and sworn, personally appeared Morton A. Shivers and Eddie O. Swallowby known to me to be the President and Secretary of Indian Wells Country Club Estates, the corporation that executed the within instrument and known to me to be the persons who executed the same on behalf of the corporation herein named, and they acknowledged to me that such corporation executed the same.

*Edith A. Bell*  
Notary Public in and for the County of Riverside, State of California.

Approved by the Riverside County Planning Commission in accordance with the requirements of law in duly authorized meeting held on the 13th day of June 1956.

*Raymond J. Erenson*  
Secretary

The County of Riverside, State of California, by and through its duly authorized officers hereby approves this final map consisting of two (2) sheets and accepts the foregoing dedications.

Dated this 14th day of May 1956  
By *W. M. Hoge* Chairman of Board of Supervisors  
County of Riverside, State of California.  
by *R. J. Shivers* Deputy  
County Clerk and ex-officio  
Mark of Board of Supervisors

I hereby certify that according to the records of this office as of this date, that there are no liens against the property shown on the annexed map consisting of two (2) sheets for unpaid State, County, Municipal, or local taxes or special assessments collected as taxes, cesspitches and special assessments now a lien but not yet levied, which are estimated at \$500.00.

*W. M. Hoge*  
County Tax Collector

I hereby certify that a bond in the sum of \$250.00 has been executed filed with and approved by the Board of Supervisors of Riverside County, conditional upon the payment of all taxes, State, County, Municipal or local, and all special assessments collected as taxes, which at the time of filing of this map, consisting of two (2) sheets, with the County to order are a lien against the property shown thereon, but not yet payable.

*G. A. Pequegnat*  
County Clerk and ex-officio Clerk of the Board of Supervisors.  
*R. J. Shivers* Deputy

JUN 21 1956  
JACK A. ROSS  
O. A. Ross  
Filed at 10:30 A.M.  
Fee \$5.00

STATE OF CALIFORNIA }  
COUNTY OF RIVERSIDE }  
On this 14th day of May 1956 before me Robert E. Keiss a Notary Public in and for said County and State, residing therein and duly commissioned and sworn, personally appeared Chester P. Mekenzie and Robert E. Keiss known to me to be the Asst. Secy and of the Title Insurance and Trust Company, trustee, the Company that executed the within instrument and known to me to be the persons who executed the same on behalf of the Company herein named, and they acknowledged to me that said Company executed the same.

*Chester P. Mekenzie*  
*Robert E. Keiss*  
Notary Public in and for the County of Riverside, State of California.

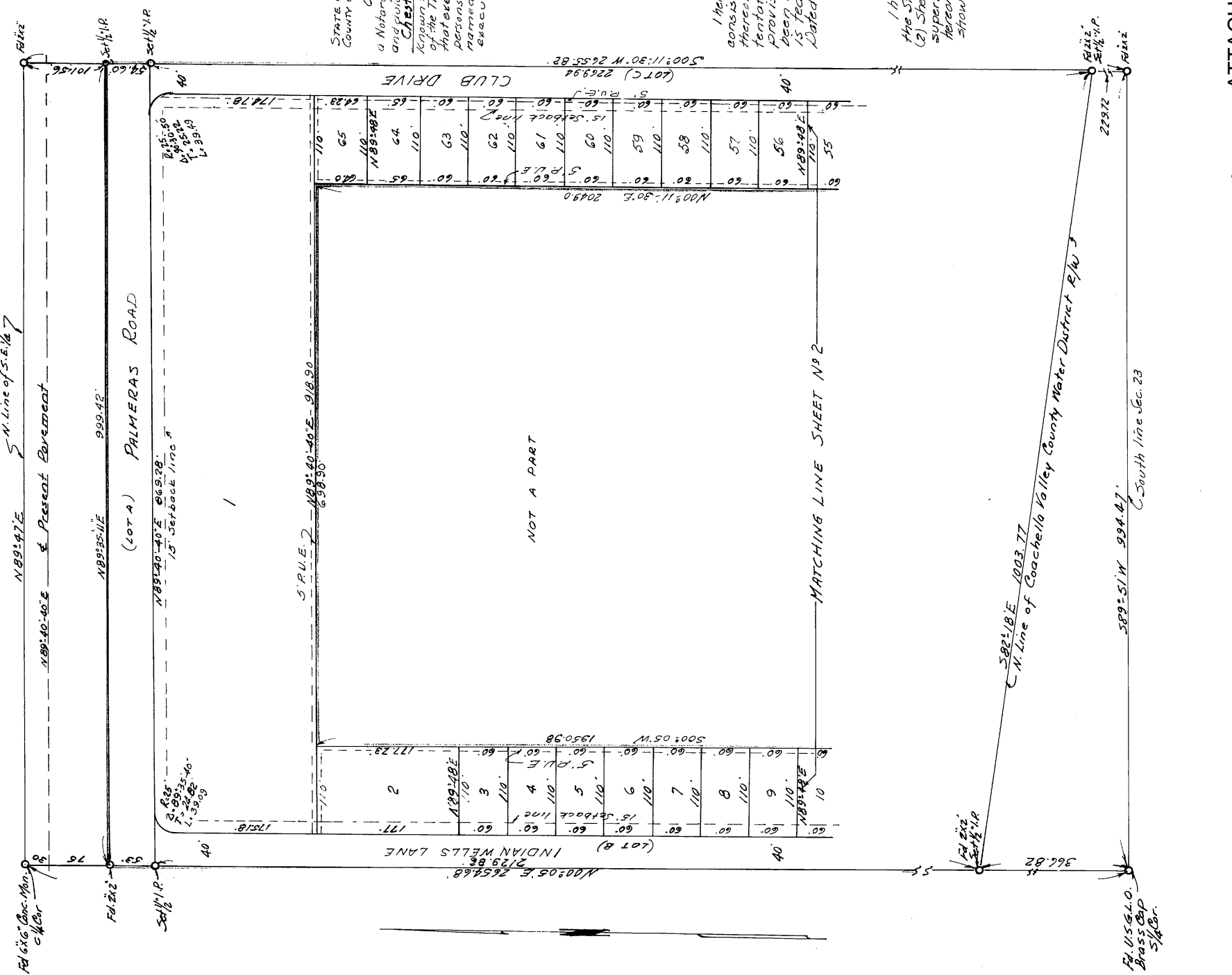
I hereby certify that I have examined the annexed map consisting of two (2) sheets, that the subdivision shown thereon is substantially the same as it appeared on the tentative map or approved iterations thereof; that all provisions of State law and local ordinances have been complied with and I am satisfied that said map is technically correct.

*A. C. Keith*  
County Surveyor

I hereby certify that I am a Licensed Land Surveyor of the State of California, that this map consisting of two (2) sheets correctly represents a survey made under my supervision during April 1956; that all monuments shown hereon actually exist and their positions are correctly shown.

*A. C. Keith*  
Licensed Land Surveyor No. 2244.

Notes:  
Bearings are derived from West line of S.E. 1/4 of Section 23 as shown on R.S. 11/25 R.V. Co. Rec. 22716. Adjacent states tagged L.S. 2244 set all lot corners.  
pipe monuments set as shown



ATTACHMENT 4



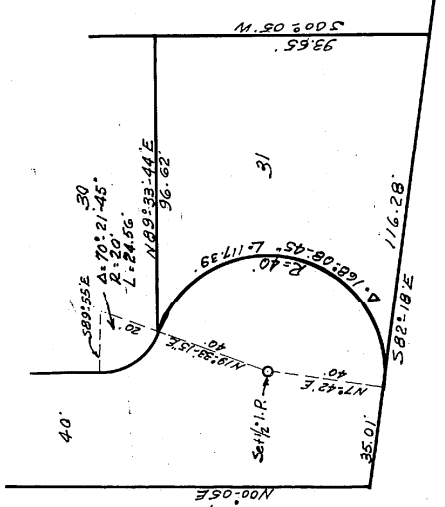
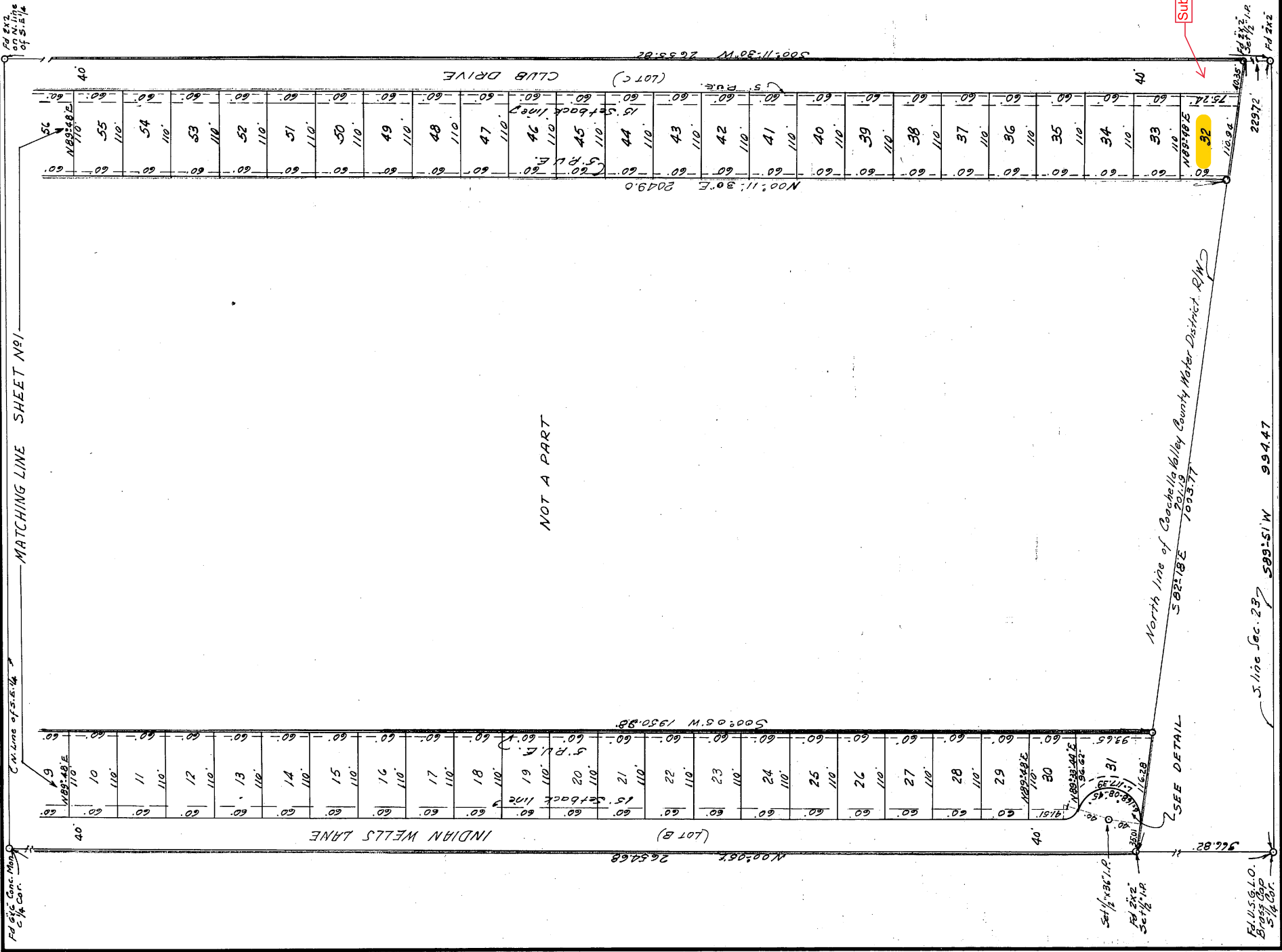
2/28

SHEET NO. 2

# INDIAN WELLS COUNTRY CLUB STATES

Being a subdivision of a portion of the S.E. 1/4 of Section 23, T.5S, R.6E, S.B. and M.

G. K. SANBORN  
Licensed Land Surveyor  
April 1956  
Scale 1"=100'

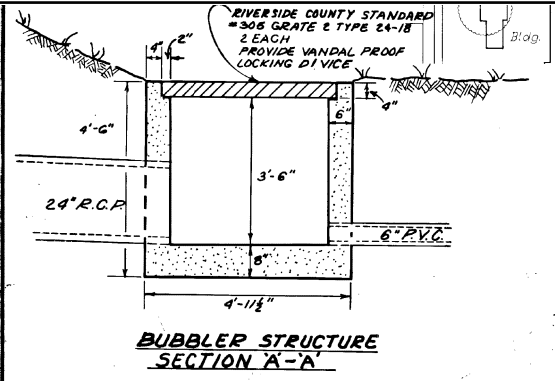
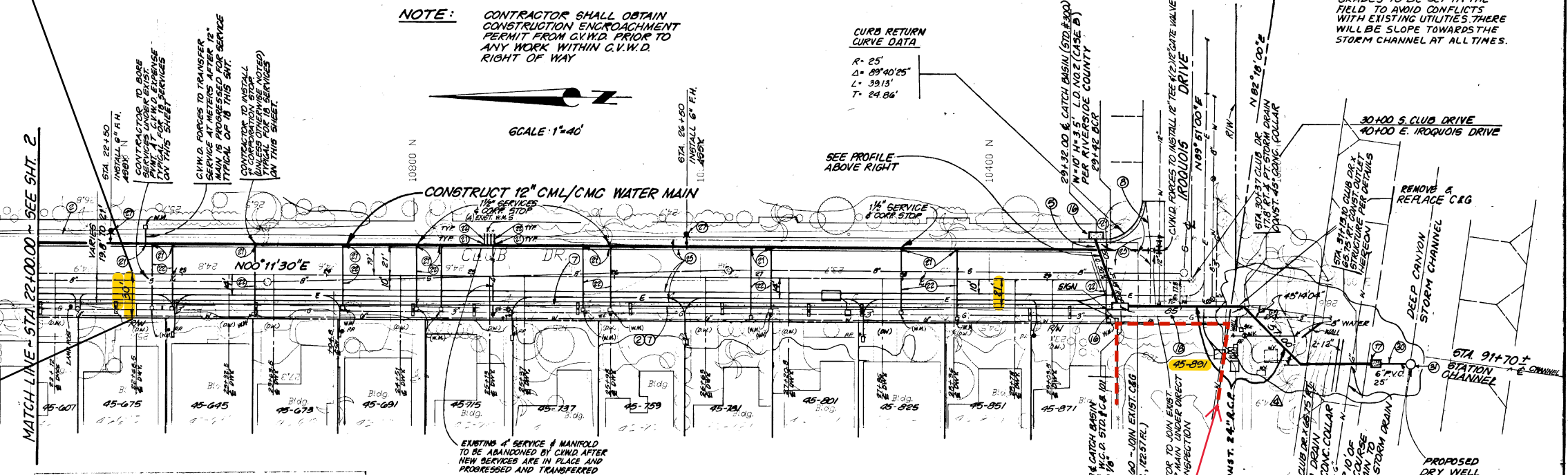
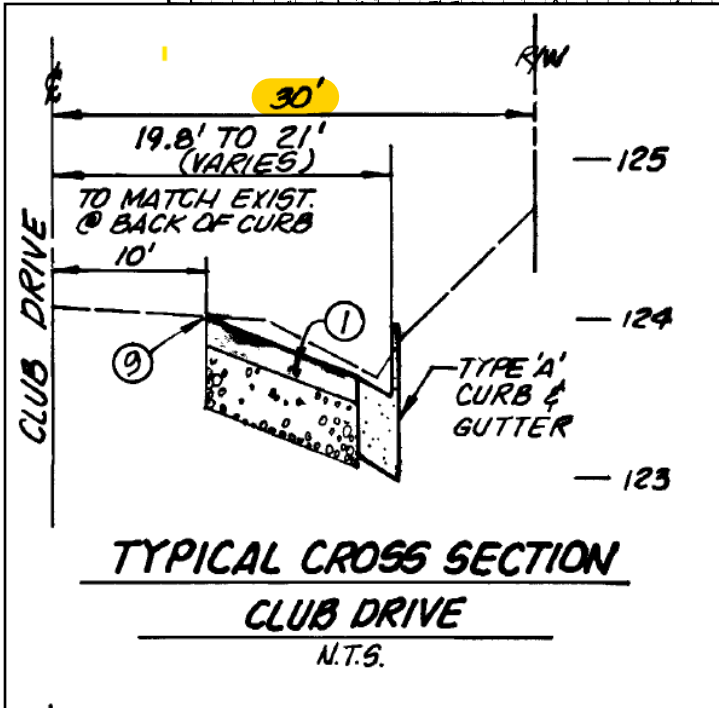
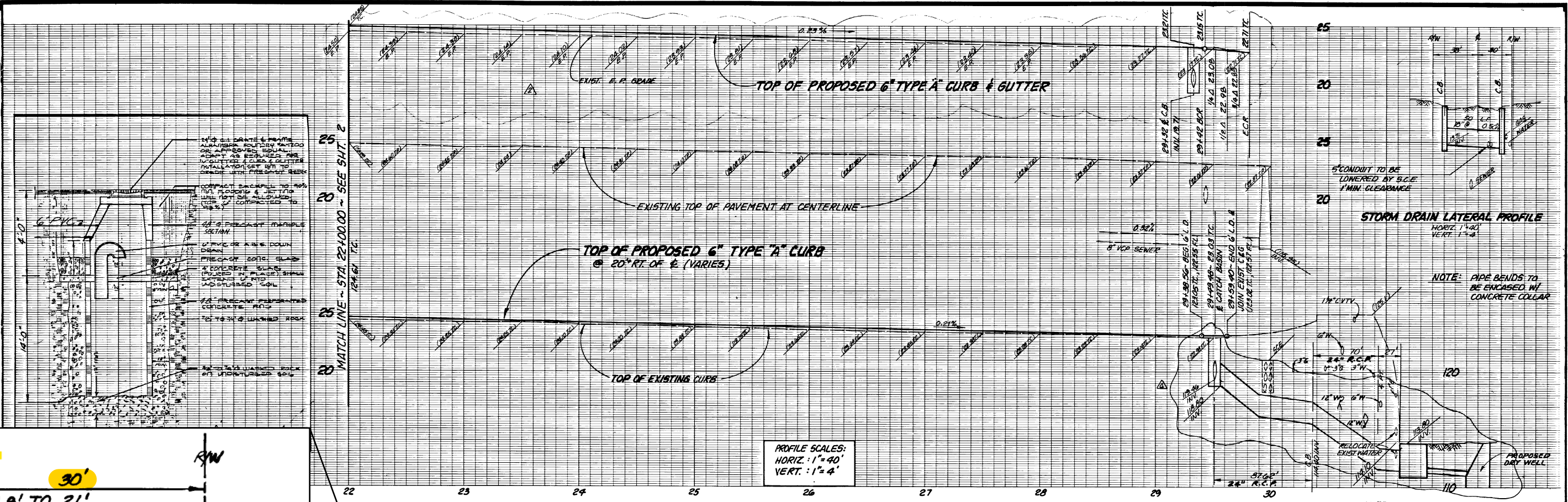


Subject Property

MB 3/4/28



01403 SH 3411  
 Club Dr. Street Improvment



C.V.W.D. DRAWING APPROVAL		DATE
Bob Moley, Jr.	2 MAR 1988	
James Edwards	15 JUL 88	

# CLUB DRIVE



**SUBJECT PROPERTY**

DES.	DRN.	CHK'D	APPR.	DATE	APPR.	REVISIONS:	DATE	APPR.
				2-23-88		ADDED 1 CORR STOP & HOUSE ADDRESSES	2-23-88	
				2-23-88		ADDED EAST CURB ON CLUB DRIVE	2-23-88	
				4-10-88		REVISED C.B. ON WEST SIDE TO CTR. @ R.	4-10-88	
				9/6/88		REVISED DISCHARGE TO STORM CHANNEL	9/6/88	

APPROVAL OF THIS DRAWING BY C.V.W.D. IS ONLY FOR THAT PORTION WITHIN C.V.W.D. RIGHT OF WAY FOR ENCROACHMENT PERMIT NO. 150022-3-088. APPROVAL OF THIS DRAWING BY C.V.W.D. DOES NOT INCLUDE APPROVAL OF ANY STRUCTURAL ITEMS.

PREPARED UNDER THE SUPERVISION OF: **Charles J. Haver**, REGISTERED CIVIL ENGINEER NO. 3503

DATE: **DEC 29, 1988**

APPROVED BY: \_\_\_\_\_

DATE: \_\_\_\_\_

CHARLES HAVER AND ASSOCIATES DIVISION  
 PROFESSIONAL ENGINEERS, PLANNERS & SURVEYORS  
 7430 HIGHWAY 111 & PALM DESERT, CALIFORNIA 92260  
 (619) 348-7481 • FAX (619) 346-8315

CITY OF INDIAN WELLS  
 STREET & WATER MAIN IMPROVEMENT PLANS  
 FOR  
**CLUB DRIVE**  
 STA. 22+00 TO STA. 30+00  
 E. 1/4 SEC. 23, T. 4S, R. 6E, S. 22M

SCALE: **AS SHOWN**

BENCHMARK: **SEE SHEET 1**

DATE: **MAY, 1988**

FOR: CITY OF INDIAN WELLS JOB NO. 300313

3 OF 11 SHEETS  
 FILE NO. \_\_\_\_\_



45891 Club Dr  
 Variance - Letter of Justification  
 09/05/23

Letter of Justification

Findings:

- (1) The strict application of this Zoning Code deprives the property of privileges enjoyed by other property in the vicinity and under identical zoning classification because of special circumstances applicable to the property, including size, shape, topography, location, or surroundings.
- (2) The granting of the Variance will not be detrimental to the public health, safety, or welfare, or materially injurious to properties or improvements in the vicinity.
- (3) The granting of the Variance does not constitute a grant of special privileges inconsistent with the limitations upon other properties in the vicinity and same zoning classification.
- (4) The granting of the Variance does not authorize a use or activity which is not otherwise expressly authorized by the zone regulation governing the parcel of property.

To whom it may concern,

I am submitting this request on behalf of the property owners, Tim & Karen Delesalle. We would like to request a variance for setback encroachments for the residential property located on 45891 Club Dr, Indian Wells, CA 92210. Our findings have found that our parcel has special circumstances that apply only to our property and not to the adjacent parcels. Shown in Exhibit A & B included with this letter.

The special circumstances are:

- Shape: Abnormal shape of property line
- Surroundings: Adjacency to Course & Tee's

Special Circumstances - Shape:

The property is shaped abnormally due to a Storm Channel running along the Southern property line (Golf Course Side). Reference: Assessor's Map. Book 633, Page 26.

Special Circumstances - Surroundings:

The property is directly adjacent to the Golf course on both the Western & Southern property, a hindrance only subject to this property. This added exposure makes the property far more vulnerable and subject to frequent property damage along the south façade due to golf ball impacts, in comparison to the other properties on club drive.

45891 Club Dr  
Variance - Letter of Justification  
09/05/23



Reasoning

The intent for the setback encroachment request is to extend the property 12' along the northern side, rather than the more vulnerable southern side (Golf Course Side) to match the extents of the existing properties adjacent on Club Drive, shown in Exhibit B.

Proposal

Proposed Plans for the extension can be seen in Exhibit C.

Thank you in advance for all your help!

Please don't hesitate to reach out to me if you have any questions.

Best regards,



*Manuel Montalvo Jr* | *Principal* | *MAD Studio*

*Cell: 760.578.9949* | [www.MAD-studio.design](http://www.MAD-studio.design)





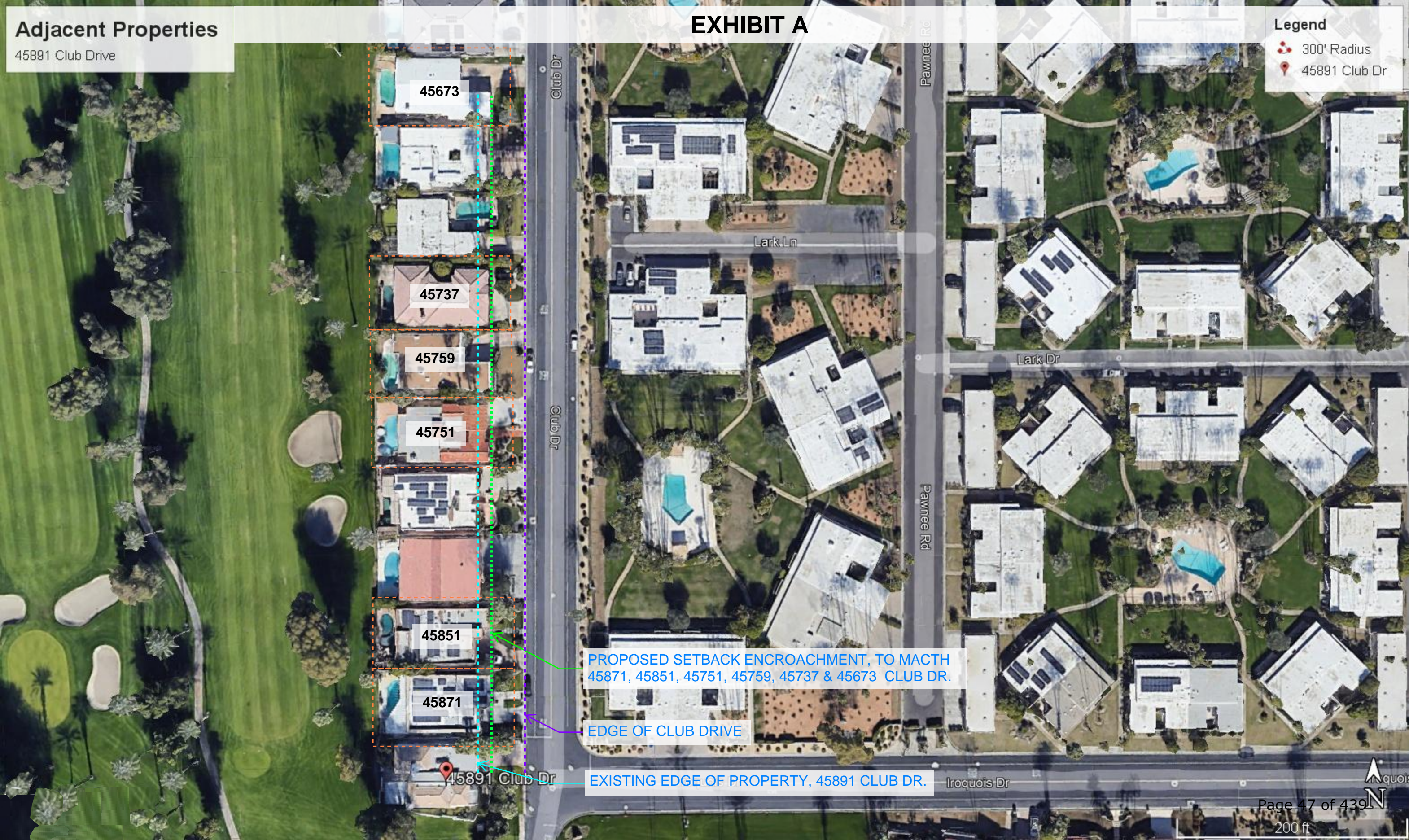
# Adjacent Properties

45891 Club Drive

# EXHIBIT A

## Legend

-  300' Radius
-  45891 Club Dr



45673

45737

45759

45751

45851

45871

45891 Club Dr

PROPOSED SETBACK ENCROACHMENT, TO MATCH 45871, 45851, 45751, 45759, 45737 & 45673 CLUB DR.

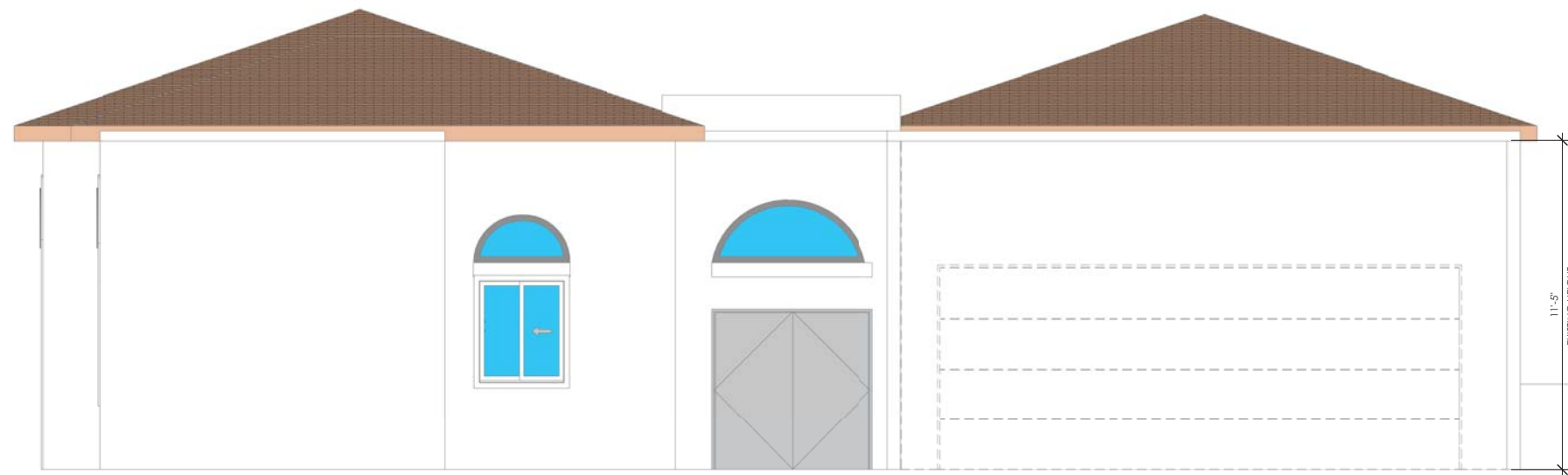
EDGE OF CLUB DRIVE

EXISTING EDGE OF PROPERTY, 45891 CLUB DR.

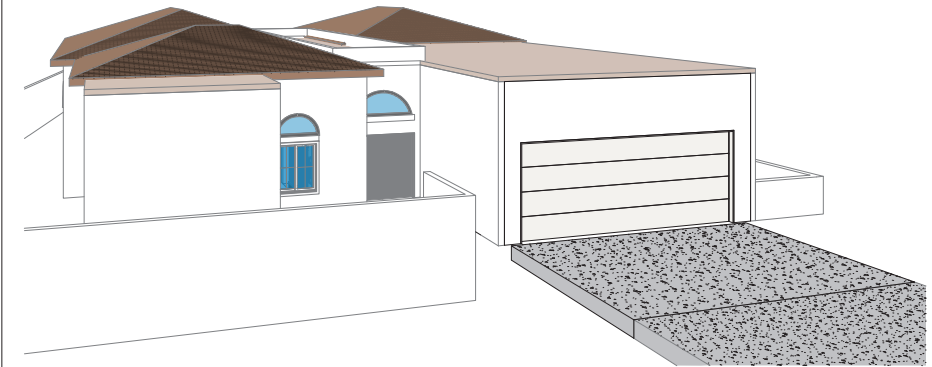




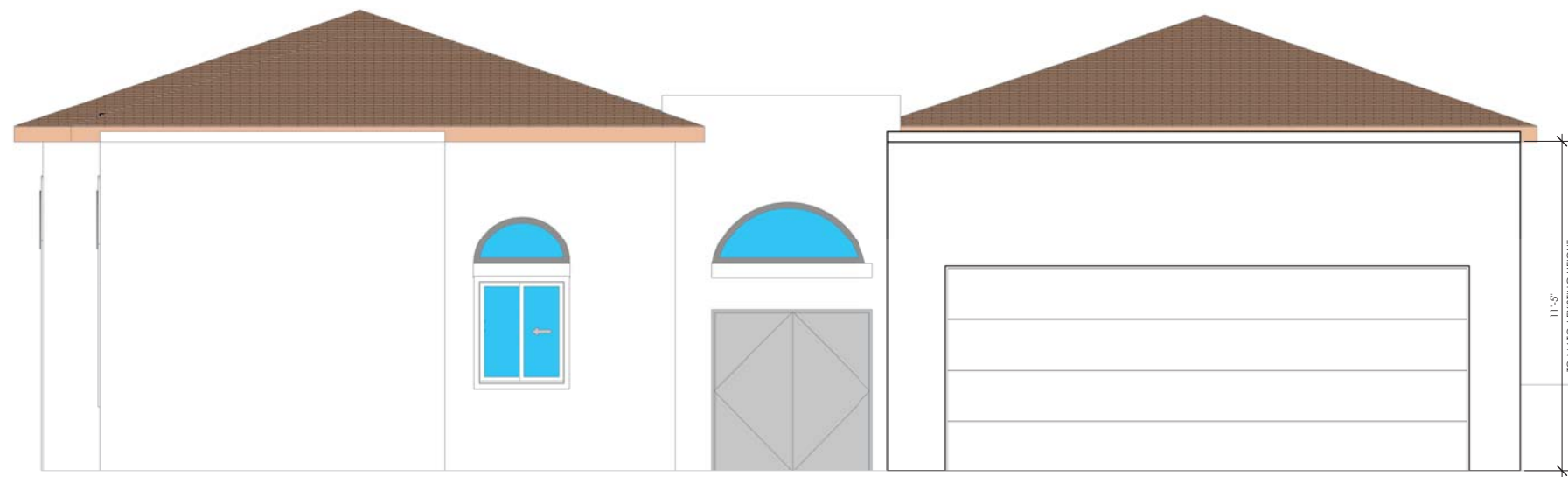
ATTACHMENT 7



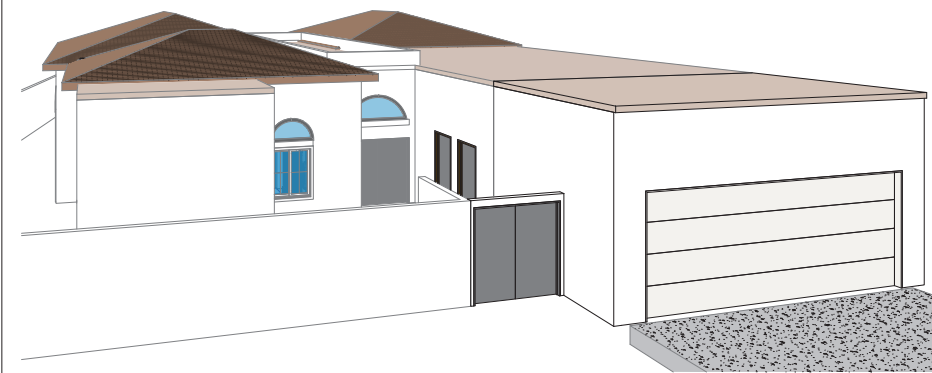
1 East Elevation - Existing  
A3.1A SCALE: 3/8" = 1'-0"



3 3D VIEW - EXISTING  
A3.1A SCALE:



2 East Elevation - Proposed  
A3.1A SCALE: 3/8" = 1'-0"



4 3D VIEW - PROPOSED  
A3.1A SCALE:

NOT FOR CONSTRUCTION



46183 COTTONWOOD LN  
INDIO, CA 92201  
www.MAD-Studio.Design

Project:  
VARIANCE REQUEST

45891 Club Dr, Indian Wells

Description: Date:

NOT FOR CONSTRUCTION

Project Number: 507  
Approved By: Approver  
Checked By: Checker  
Drawn By: Author

Sheet Title:  
EXISTING & PROPOSED EXTERIOR ELEVATIONS

Sheet: 2 OF 2  
Sheet Number:

# INDIAN WELLS CITY COUNCIL

## December 7, 2023



---

**To:** City Council  
**From:** City Manager Department  
**Prepared by:** Angelica Avila, City Clerk  
**Subject:** **2024 City Council Meeting Schedule**

### RECOMMENDED ACTIONS:

Council **ADOPTS** the 2024 City Council meeting schedule as presented.

### DISCUSSION:

Provided for Council consideration are the proposed City Council meeting dates for the 2024 calendar year. Staff is proposing the 2024 Council meeting calendar (Attachment #1) of one Council meeting and one tentative meeting each month which allows for a second monthly meeting if necessary. The following highlights future scheduling and proposed cancellations:

- Add (TBD) City Strategic Planning Indian Wells Golf Resort Strategic Planning.
- Add Quarterly Study Session in May, August, November
- Cancel August 2024 meetings for summer break

Staff requests discussion and direction by the Council of any other scheduling conflicts, cancellations, or additions of any other council or special meetings.

### FISCAL IMPACT:

There is no fiscal impact.

### ATTACHMENTS:

1. Draft 2024 Council Meeting Schedule



## 2024 Council Meeting Schedule

<b>Date</b>	<b>Type of Meeting</b>	<b>Status</b>
January 4	TBD – Study/Closed	TBD
January 18	12:30 p.m. Closed Session 1:30 p.m. Regular Council	
February 1	TBD – Study/Closed	TBD
February 15	12:30 p.m. Closed Session 1:00 p.m. Quarterly Housing Authority 1:30 p.m. Regular Council	
March 7	12:30 p.m. Closed Session 1:30 p.m. Regular Council	
March 21	TBD – Study/Closed	TBD
March 27	9:00 a.m. City Strategic Planning	
April 4	12:30 p.m. Closed Session 1:30 p.m. Regular Council	
April 18	TBD – Study/Closed	TBD
April 25	9:00 a.m. Golf Resort Strategic Planning	
May 2	TBD – Study/Closed (SCAG)	TBD
May 16	1:00 p.m. Quarterly Housing Authority 12:30 p.m. Closed Session 1:30 p.m. Regular Council	TBD
June 6	TBD – Study/Closed	TBD
June 20	12:30 p.m. Closed Session 1:30 p.m. Regular Council	
July 4	HOLIDAY (Cancelled)	
July 18	12:30 p.m. Closed Session 1:30 p.m. Regular Council	
August 1	12:30 p.m. Closed Session 1:00 p.m. Quarterly Housing Authority 1:30 p.m. Regular Council	TBD
August 15	TBD – Study/Closed	TBD



<b>Date</b>	<b>Type of Meeting</b>	<b>Status</b>
September 5	12:30 p.m. Closed Session 1:30 p.m. Regular Council	
September 19	TBD – Study/Closed	TBD
October 3	12:30 p.m. Closed Session 1:30 p.m. Regular Council	TBD
October 17	TBD – Study/Closed	TBD
November 7	12:30 p.m. Closed Session 1:00 p.m. Quarterly Housing Authority 1:30 p.m. Regular Council	
November 21	TBD – Study/Closed	TBD
December 5	TBD – Study/Closed	TBD
December 19	12:30 p.m. Closed Session 1:30 p.m. Regular Council	

DRAFT

# INDIAN WELLS CITY COUNCIL

## December 7, 2023



**To:** City Council  
**From:** City Manager Department  
**Prepared by:** Angelica Avila, City Clerk  
**Subject:** **2024 City Council Assignments to Various Internal and External Committees**

### RECOMMENDED ACTIONS:

Council **APPROVES** the 2024 City Council Committee Assignments.

### BACKGROUND:

Annually, the Council reviews the various City Council Committee assignments to coincide with the rotation of the City Council, especially those committees where the Mayor and/or Mayor Pro Tem serve. In addition, Mr. Sanders and Mr. Whitman have agreed to switch their roles to the Coachella Valley Economic Partnership and Visit Greater Palm Springs where they both currently serve as the representatives. The changes to the 2024 Council assignments (**Attachment #1**) are listed below:

- Coachella Valley Association of Governments Executive Committee: Sanders
- City Personnel Committee: Sanders and second representative Mayor Pro Tem
- Tee Committee: Sanders and second representative Mayor Pro Tem
- Visit Greater Palm Springs: Sanders
- Coachella Valley Economic Partnership: Whitman

### FISCAL IMPACT:

Outside organizations and regional authorities may provide a stipend, compensations, or reimbursement of expenses. Income derived from serving on these outside organizations and regional authorities is to be reported as required by the FPPC (Form 806) filed in the City Clerk's office (Attachment #2).

Expenses for Council Members serving on these boards is reimbursed by the City if not covered by the outside organization.

## **ATTACHMENTS:**

1. 2024 Committee Assignments Reference Sheet
2. FPPC Form 806- Official Assignments



2024 COUNCIL COMMITTEE ASSIGNMENTS  
Reference Sheet

	<u>Representative</u>	<u>Alternate</u>
<b><u>Regional Committees</u></b>		
<b>California JPIA</b> Member: 1 elected official Meets: Meeting date/time varies Location: La Palma, CA <b>Stipend Paid</b>	<b>Reed</b>	n/a
<b>Coachella Valley Mountains Conservancy</b> Member: 1 elected official Meets: 2 <sup>nd</sup> Monday of every other month at 3:00 p.m. (Jan, Mar, May, July, Sept, Nov) Location: 73-710 Fred Waring Drive, Palm Desert Conf. Room 115 <b>Stipend Paid</b>	<b>Whitman</b>	n/a
<b>Cove Communities Services Commission</b> Member: 2 elected officials Meets: As need basis Location: Rotation between three Cove Cities	<b>Sanders Peabody</b>	n/a
<b>Riverside Co. Transportation Commission (RCTC)</b> Member: 1 elected official and 1 alternate Meets: 2nd Wednesday of each month at 9:30 a.m. Location: RCTC Office in Riverside <b>Stipend Paid</b>	<b>Reed</b>	<b>Peabody</b>
<b><u>Coachella Valley Committees</u></b>		
<b>Coachella Valley Animal Campus</b> Member: 1 elected official, 1 alternate Meets: 1st Thursday of every other month at 9:30 a.m. (February, May, August, Novemebr) Location: CVAG Office or Animal Campus	<b>Peabody</b>	<b>Reed</b>
<b>Coachella Valley Economic Partnership</b> Member: 1 elected official Meets: 3 <sup>rd</sup> Wednesday of each month at 8:00 a.m. Location: Varies	<b>Whitman</b>	n/a
<b>CVAG Coachella Valley Conservation Commission</b> Member: 1 elected official, 1 alternate Meets: 2nd Thursday of each month at 10:30 a.m. Location: CVAG Offices <b>Stipend Paid</b>	<b>Griffith</b>	<b>Reed</b>
<b>CVAG Energy &amp; Sustainability Committee</b> Member: 1 elected official, 1 alternate Meets: 2nd Thursday of each month at Noon Location: CVAG Offices <b>Stipend Paid</b>	<b>Griffith</b>	<b>Reed</b>
<b>CVAG Executive Committee</b> Member: 1 elected official (Mayor) & City Manager Meets: Last Monday of each month at 4:30 p.m. Location: CVAG Offices <b>Stipend Paid</b>	<b>Sanders</b>	n/a
<b>CVAG Homelessness</b> Member: 1 elected official, 1 alternate Meets: 3rd Wednesday of each month at 10:00 a.m. Location: CVAG Offices <b>Stipend Paid</b>	<b>Griffith</b>	<b>Sanders</b>

**Representative**      **Alternate**

**Reed**

**Griffith**

**CVAG Public Safety**

Member: 1 elected official, 1 alternate  
Meets: 2nd Monday of each month at 9:00 a.m.  
Location: CVAG Offices  
***Stipend Paid***

**Reed**

**Peabody**

**CVAG Transportation**

Member: 1 elected official, 1 alternate  
Meets: 1st Monday of each month at 10:00 a.m.  
Location: CVAG Offices  
***Stipend Paid***

**Sanders  
Whitman**

**n/a**

**Desert Sands Unified School District**

Member: 2 elected officials  
Meets: As needed basis  
Location: City Hall

**Sanders**

**Peabody**

**Visit Greater Palm Springs**

Member: 1 elected official, 1 alternate  
Meets: Dates Vary - 8:30 a.m.  
Location: Varies  
***Stipend Paid***

**Peabody**

**Reed**

**Sunline Transit Agency**

Member: 1 elected official, 1 alternate  
Meets: 4th Wednesday of each month at Noon  
Location: Sunline Transit Agency Board Room  
***Stipend Paid***

***Indian Wells Committees***

**Griffith**

**Sanders**

**Community Activities Committee**

Member: 1 elected official, 1 alternate  
Meets: 2nd Thursday of each month at 3:00 p.m.  
Location : City Hall

**Griffith  
Peabody**

**n/a**

**Golf Advisory Committee**

Member: 2 elected officials  
Meets: 4th Tuesday of each month at 2:00 p.m.  
Location : City Hall/Indian Wells Golf Resort

**Griffith**

**Sanders**

**Grants In Aid Committee**

Member: 1 elected official, 1 alternate  
Meets: 2nd Tuesday of each month at 2:30 p.m.  
Location : City Hall

**Peabody  
Whitman**

**n/a**

**Marketing Committee**

Member: 2 elected officials  
Meets: As need basis  
Location: City Hall

***Council Standing Committees***

**Griffith  
Sanders**

**n/a**

**Finance/Legal Services Oversight**

Member: 2 elected officials  
Meets: As need basis

**Sanders  
TBD**

**n/a**

**Personnel (Mayor & Mayor Pro Tem)**

Member: 2 elected officials  
Meets: As need basis

**Sanders  
Whitman**

**n/a**

**Public Safety Committee**

Member: 2 elected officials  
Meets: Third Wednesday of the month at 3:00 p.m. (quarterly basis)  
January, April, July, and October

**Sanders  
TBD**

**n/a**

**Tee Committee (Mayor & Mayor Pro Tem)**

Meets: As need basis, based on Hotel Partners Request

**Agency Report of:  
Public Official Appointments**

**A Public Document**

<b>1. Agency Name</b> City of Indian Wells <hr/> Division, Department, or Region <i>(If Applicable)</i> <hr/> Designated Agency Contact <i>(Name, Title)</i> <hr/> Area Code/Phone Number    E-mail 760/346-2489		<div style="border: 2px solid black; padding: 5px; display: inline-block;"> <b>California Form 806</b>                  For Official Use Only             </div>  Date Posted: <hr/> (Month, Day, Year)
		Page ____ of ____

**2. Appointments**

Agency Boards and Commissions	Name of Appointed Person	Appt Date and Length of Term	Per Meeting/Annual Salary/Stipend
California Joint Powers Insurance Authority	▶ Name _____ <small style="margin-left: 100px;">(Last, First)</small>  Alternate, if any _____ <small style="margin-left: 100px;">(Last, First)</small>	▶ _____/_____/_____ <small style="margin-left: 100px;">Appt Date</small>  ▶ _____ <small style="margin-left: 100px;">Length of Term</small>	▶ Per Meeting: \$ _____ 95.00  ▶ Estimated Annual: <input checked="" type="checkbox"/> \$0-\$1,000 <input type="checkbox"/> \$2,001-\$3,000 <input type="checkbox"/> \$1,001-\$2,000 <input type="checkbox"/> _____ <small style="margin-left: 100px;">Other</small>
Coachella Valley Mountains Conservancy	▶ Name _____ <small style="margin-left: 100px;">(Last, First)</small>  Alternate, if any _____ <small style="margin-left: 100px;">(Last, First)</small>	▶ _____/_____/_____ <small style="margin-left: 100px;">Appt Date</small>  ▶ _____ <small style="margin-left: 100px;">Length of Term</small>	▶ Per Meeting: \$ _____ 75.00  ▶ Estimated Annual: <input checked="" type="checkbox"/> \$0-\$1,000 <input type="checkbox"/> \$2,001-\$3,000 <input type="checkbox"/> \$1,001-\$2,000 <input type="checkbox"/> _____ <small style="margin-left: 100px;">Other</small>
Riverside County Transportation Commission & Sub-committees (no additional stipend if held on regular meeting date)	▶ Name _____ <small style="margin-left: 100px;">(Last, First)</small>  Alternate, if any _____ <small style="margin-left: 100px;">(Last, First)</small>	▶ _____/_____/_____ <small style="margin-left: 100px;">Appt Date</small>  ▶ _____ <small style="margin-left: 100px;">Length of Term</small>	▶ Per Meeting: \$ _____ 100 + 100  ▶ Estimated Annual: <input type="checkbox"/> \$0-\$1,000 <input type="checkbox"/> \$2,001-\$3,000 <input checked="" type="checkbox"/> \$1,001-\$2,000 <input type="checkbox"/> _____ <small style="margin-left: 100px;">Other</small>
Coachella Valley Association of Governments - Conservation Commission	▶ Name _____ <small style="margin-left: 100px;">(Last, First)</small>  Alternate, if any _____ <small style="margin-left: 100px;">(Last, First)</small>	▶ _____/_____/_____ <small style="margin-left: 100px;">Appt Date</small>  ▶ _____ <small style="margin-left: 100px;">Length of Term</small>	▶ Per Meeting: \$ _____ 100.00  ▶ Estimated Annual: <input checked="" type="checkbox"/> \$0-\$1,000 <input type="checkbox"/> \$2,001-\$3,000 <input type="checkbox"/> \$1,001-\$2,000 <input type="checkbox"/> _____ <small style="margin-left: 100px;">Other</small>

**3. Verification**

*I have read and understand FPPC Regulation 18702.5. I have verified that the appointment and information identified above is true to the best of my information and belief.*

\_\_\_\_\_  
Signature of Agency Head or Designee                      Print Name                      Title                      (Month, Day, Year)

Comment: \_\_\_\_\_

**Agency Report of:  
Public Official Appointments  
Continuation Sheet**

<b>1. Agency Name</b> City of Indian Wells	<b>Date Posted:</b> _____ <small>(Month, Day, Year)</small>
---	--

**2. Appointments**

Agency Boards and Commissions	Name of Appointed Person	Appt Date and Length of Term	Per Meeting/Annual Salary/Stipend
Coachella Valley Association of Government - Energy Committee	▶ Name _____ <small>(Last, First)</small>  Alternate, if any _____ <small>(Last, First)</small>	▶ ____/____/____ <small>Appt Date</small>  ▶ _____ <small>Length of Term</small>	▶ Per Meeting: \$ _____ 100.00 ▶ Estimated Annual: <input checked="" type="checkbox"/> \$0-\$1,000 <input type="checkbox"/> \$2,001-\$3,000 <input type="checkbox"/> \$1,001-\$2,000 <input type="checkbox"/> _____ <small>Other</small>
Coachella Valley Association of Governments - Executive Committee	▶ Name _____ <small>(Last, First)</small>  Alternate, if any _____ <small>(Last, First)</small>	▶ ____/____/____ <small>Appt Date</small>  ▶ _____ <small>Length of Term</small>	▶ Per Meeting: \$ _____ 125.00 ▶ Estimated Annual: <input checked="" type="checkbox"/> \$0-\$1,000 <input type="checkbox"/> \$2,001-\$3,000 <input type="checkbox"/> \$1,001-\$2,000 <input type="checkbox"/> _____ <small>Other</small>
Coachella Valley Association of Governments - Homelessness Committee	▶ Name _____ <small>(Last, First)</small>  Alternate, if any _____ <small>(Last, First)</small>	▶ ____/____/____ <small>Appt Date</small>  ▶ _____ <small>Length of Term</small>	▶ Per Meeting: \$ _____ 100.00 ▶ Estimated Annual: <input checked="" type="checkbox"/> \$0-\$1,000 <input type="checkbox"/> \$2,001-\$3,000 <input type="checkbox"/> \$1,001-\$2,000 <input type="checkbox"/> _____ <small>Other</small>
Coachella Valley Association of Governments - Public Safety	▶ Name _____ <small>(Last, First)</small>  Alternate, if any _____ <small>(Last, First)</small>	▶ ____/____/____ <small>Appt Date</small>  ▶ _____ <small>Length of Term</small>	▶ Per Meeting: \$ _____ 100.00 ▶ Estimated Annual: <input checked="" type="checkbox"/> \$0-\$1,000 <input type="checkbox"/> \$2,001-\$3,000 <input type="checkbox"/> \$1,001-\$2,000 <input type="checkbox"/> _____ <small>Other</small>
Coachella Valley Association of Governments - Transportation Committee	▶ Name _____ <small>(Last, First)</small>  Alternate, if any _____ <small>(Last, First)</small>	▶ ____/____/____ <small>Appt Date</small>  ▶ _____ <small>Length of Term</small>	▶ Per Meeting: \$ _____ 100.00 ▶ Estimated Annual: <input checked="" type="checkbox"/> \$0-\$1,000 <input type="checkbox"/> \$2,001-\$3,000 <input type="checkbox"/> \$1,001-\$2,000 <input type="checkbox"/> _____ <small>Other</small>
Visit Greater Palm Springs	▶ Name _____ <small>(Last, First)</small>  Alternate, if any _____ <small>(Last, First)</small>	▶ ____/____/____ <small>Appt Date</small>  ▶ _____ <small>Length of Term</small>	▶ Per Meeting: \$ _____ 50.00 ▶ Estimated Annual: <input checked="" type="checkbox"/> \$0-\$1,000 <input type="checkbox"/> \$2,001-\$3,000 <input type="checkbox"/> \$1,001-\$2,000 <input type="checkbox"/> _____ <small>Other</small>



# INDIAN WELLS CITY COUNCIL

## December 7, 2023

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**To:** City Council  
**From:** City Manager Department  
**Prepared by:** Angelica Avila, City Clerk  
**Subject:** **2024 City Council Assignments to Various Internal and External Committees**

### RECOMMENDED ACTIONS:

Council **APPROVES** the 2024 City Council Committee Assignments.

### BACKGROUND:

Annually, the Council reviews the various City Council Committee assignments to coincide with the rotation of the City Council, especially those committees where the Mayor and/or Mayor Pro Tem serve. In addition, Mr. Sanders and Mr. Whitman have agreed to switch their roles to the Coachella Valley Economic Partnership and Visit Greater Palm Springs where they both currently serve as the representatives. Mr. Reed and Mr. Whitman have agreed to switch roles to the Indian Wells Marketing Committee and CVAG Public Safety Committee. The changes to the 2024 Council assignments (**Attachment #1**) are listed below:

- Coachella Valley Association of Governments Executive Committee: Sanders
- City Personnel Committee: Sanders and second representative Mayor Pro Tem
- Tee Committee: Sanders and second representative Mayor Pro Tem
- Visit Greater Palm Springs: Sanders
- Coachella Valley Economic Partnership: Whitman
- Indian Wells Marketing Committee: Reed
- CVAG Public Safety Committee: Whitman

### FISCAL IMPACT:

Outside organizations and regional authorities may provide a stipend, compensations, or reimbursement of expenses. Income derived from serving on these outside organizations



and regional authorities is to be reported as required by the FPPC (Form 806) filed in the City Clerk's office (Attachment #2).

Expenses for Council Members serving on these boards is reimbursed by the City if not covered by the outside organization.

## **ATTACHMENTS:**

1. 2024 Committee Assignments Reference Sheet
2. FPPC Form 806- Official Assignments



**2024 COUNCIL COMMITTEE ASSIGNMENTS**  
**Reference Sheet**

	<u>Representative</u>	<u>Alternate</u>
<b><u>Regional Committees</u></b>		
<b>California JPIA</b> Member: 1 elected official Meets: Meeting date/time varies Location: La Palma, CA <b>Stipend Paid</b>	<b>Reed</b>	n/a
<b>Coachella Valley Mountains Conservancy</b> Member: 1 elected official Meets: 2 <sup>nd</sup> Monday of every other month at 3:00 p.m. (Jan, Mar, May, July, Sept, Nov) Location: 73-710 Fred Waring Drive, Palm Desert Conf. Room 115 <b>Stipend Paid</b>	<b>Whitman</b>	n/a
<b>Cove Communities Services Commission</b> Member: 2 elected officials Meets: As need basis Location: Rotation between three Cove Cities	<b>Sanders Peabody</b>	n/a
<b>Riverside Co. Transportation Commission (RCTC)</b> Member: 1 elected official and 1 alternate Meets: 2nd Wednesday of each month at 9:30 a.m. Location: RCTC Office in Riverside <b>Stipend Paid</b>	<b>Reed</b>	<b>Peabody</b>
<b><u>Coachella Valley Committees</u></b>		
<b>Coachella Valley Animal Campus</b> Member: 1 elected official, 1 alternate Meets: 1st Thursday of every other month at 9:30 a.m. (February, May, August, Novemebr) Location: CVAG Office or Animal Campus	<b>Peabody</b>	<b>Reed</b>
<b>Coachella Valley Economic Partnership</b> Member: 1 elected official Meets: 3 <sup>rd</sup> Wednesday of each month at 8:00 a.m. Location: Varies	<b>Whitman</b>	n/a
<b>CVAG Coachella Valley Conservation Commission</b> Member: 1 elected official, 1 alternate Meets: 2nd Thursday of each month at 10:30 a.m. Location: CVAG Offices <b>Stipend Paid</b>	<b>Griffith</b>	<b>Reed</b>
<b>CVAG Energy &amp; Sustainability Committee</b> Member: 1 elected official, 1 alternate Meets: 2nd Thursday of each month at Noon Location: CVAG Offices <b>Stipend Paid</b>	<b>Griffith</b>	<b>Reed</b>
<b>CVAG Executive Committee</b> Member: 1 elected official (Mayor) & City Manager Meets: Last Monday of each month at 4:30 p.m. Location: CVAG Offices <b>Stipend Paid</b>	<b>Sanders</b>	n/a
<b>CVAG Homelessness</b> Member: 1 elected official, 1 alternate Meets: 3rd Wednesday of each month at 10:00 a.m. Location: CVAG Offices <b>Stipend Paid</b>	<b>Griffith</b>	<b>Sanders</b>

**Representative      Alternate**

**CVAG Public Safety**

Member: 1 elected official, 1 alternate  
 Meets: 2nd Monday of each month at 9:00 a.m.  
 Location: CVAG Offices  
*Stipend Paid*

<b>Whitman</b>	<b>Griffith</b>
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**CVAG Transportation**

Member: 1 elected official, 1 alternate  
 Meets: 1st Monday of each month at 10:00 a.m.  
 Location: CVAG Offices  
*Stipend Paid*

<b>Reed</b>	<b>Peabody</b>
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**Desert Sands Unified School District**

Member: 2 elected officials  
 Meets: As needed basis  
 Location: City Hall

<b>Sanders Whitman</b>	<b>n/a</b>
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**Visit Greater Palm Springs**

Member: 1 elected official, 1 alternate  
 Meets: Dates Vary - 8:30 a.m.  
 Location: Varies  
*Stipend Paid*

<b>Sanders</b>	<b>Peabody</b>
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**Sunline Transit Agency**

Member: 1 elected official, 1 alternate  
 Meets: 4th Wednesday of each month at Noon  
 Location: Sunline Transit Agency Board Room  
*Stipend Paid*

<b>Peabody</b>	<b>Reed</b>
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**Indian Wells Committees**

**Community Activities Committee**

Member: 1 elected official, 1 alternate  
 Meets: 2nd Thursday of each month at 3:00 p.m.  
 Location : City Hall

<b>Griffith</b>	<b>Sanders</b>
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**Golf Advisory Committee**

Member: 2 elected officials  
 Meets: 4th Tuesday of each month at 2:00 p.m.  
 Location : City Hall/Indian Wells Golf Resort

<b>Griffith Peabody</b>	<b>n/a</b>
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**Grants In Aid Committee**

Member: 1 elected official, 1 alternate  
 Meets: 2nd Tuesday of each month at 2:30 p.m.  
 Location : City Hall

<b>Griffith</b>	<b>Sanders</b>
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**Marketing Committee**

Member: 2 elected officials  
 Meets: As need basis  
 Location: City Hall

<b>Peabody Reed</b>	<b>n/a</b>
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**Council Standing Committees**

**Finance/Legal Services Oversight**

Member: 2 elected officials  
 Meets: As need basis

<b>Griffith Sanders</b>	<b>n/a</b>
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**Personnel (Mayor & Mayor Pro Tem)**

Member: 2 elected officials  
 Meets: As need basis

<b>Sanders TBD</b>	<b>n/a</b>
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**Public Safety Committee**

Member: 2 elected officials  
 Meets: Third Wednesday of the month at 3:00 p.m. (quarterly basis)  
 January, April, July, and October

<b>Sanders Whitman</b>	<b>n/a</b>
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**Tee Committee (Mayor & Mayor Pro Tem)**

Meets: As need basis, based on Hotel Partners Request

<b>Sanders TBD</b>	<b>n/a</b>
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# INDIAN WELLS CITY COUNCIL

## December 7, 2023



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**To:** City Council  
**From:** City Manager Department  
**Prepared by:** Angelica Avila, City Clerk  
**Subject:** **City Council Members Attendance at 2024 Events**

### RECOMMENDED ACTIONS:

Council **APPROVES** the attendance of Council Member/s at 2024 events identified in the staff report; and

**AUTHORIZES** any normal and reasonable reimbursement of expenses incurred by any Council Member for the events identified in the staff report.

### DISCUSSION:

Pursuant to Section 101 of the City Charter, the City Council must approve in advance the reimbursement of ordinary and necessary expenses incurred in the performance of one's duties as a Member of the City Council, Mayor Pro Tem, or Mayor. This report identifies normal meetings, conferences and events Council Member/s may be attending each year. Council Members are assigned to represent the City on Committees and organizations included in the list below and may incur expenses. While the pandemic has caused the cancelation or shifted to virtual event platforms, Staff is still seeking Council approval of the following events:

#### National League of Cities

- Annual City Summit

#### League of California Cities

- Annual Conference and Expo
- League Leaders Workshop
- City Leaders Summit (League Legislative Action Day)
- Mayor & Council Members Executive Forum
- New Mayors and Council Members Academy
- Division Meetings (Executive Committee and General Membership Meetings)

- Policy Committee Meetings (quarterly)
- League Sponsored Workshops and Seminars

### County of Riverside

- Riverside County Agency and Department Meetings
- Riverside County Fair & National Date Festival Events
- State of the County Event
- Supervisor Perez or Board of Supervisors Sponsored Events

### Regional Organizations Regular and Committee Meetings

- California Joint Powers Insurance Authority (CJPIA)
- Coachella Valley Animal Campus
- Coachella Valley Association of Governments (CVAG)
  - Coachella Valley Conservation Commission
  - Energy and Environmental Resources
  - Executive Committee
  - Homelessness
  - Public Safety
  - Transportation
- Coachella Valley Economic Partnership (CVEP)
- Coachella Valley Mountains Conservancy
- Cove Communities Services Commission
- Desert Valleys Builders Association (DVBA)
- Greater Palm Springs Convention and Visitors Authority
- Los Angeles-San Diego-San Luis Obispo (LOSSAN) Rail Corridor
- Riverside County Transportation Commission (RCTC)
  - Eastern Riverside County Programs and Projects Committee
  - Mobility 21 Summit
- Sunline Transit Agency
- Western Riverside Council of Governments (WRCOG)

### Miscellaneous

- BNP Paribas Tournament Events
- Acrisure Arena Events
- California Contract Cities Association Events
- California State University San Bernardino Events
- City of Indian Wells Sponsored Events
- City of Indian Wells Internal Committee Travel

- College of the Desert Events
- Desert Town Hall Lecture Series Events
- Federal or State Legislative Hearings, Federal Departments, State Offices, Other Agencies Hearings, or meetings with Federal or State Legislators
- Hospitality Award Events
- Indian Wells Arts Festival
- Indian Wells, Greater Coachella Valley Chamber of Commerce, or other Local Chambers of Commerce Events
- Indian Wells Historical Preservation Events
- Indian Wells Pro Am Golf Invitational Events
- International Council of Shopping Centers (ICSC) Events
- Ironman Indian Wells-La Quinta 70.3 Events
- Joslyn Center Events
- The Living Desert Events
- Modernism Week Events
- Public Safety Award Events
- Salton Sea Restoration Events
- Senior Inspiration Awards Luncheon
- Southern California Association of Governments Events
- University of California Riverside Events

## **FISCAL IMPACT:**

The above items are included in the annual budget and do not create a new financial impact.



# INDIAN WELLS CITY COUNCIL

## December 7, 2023

---

**To:** City Council  
**From:** City Manager Department  
**Prepared by:** Angelica Avila, City Clerk  
**Subject:** **City Council Members Attendance at 2024 Events**

### RECOMMENDED ACTIONS:

Council **APPROVES** the attendance of Council Member/s at 2024 events identified in the staff report; and

**AUTHORIZES** any normal and reasonable reimbursement of expenses incurred by any Council Member for the events identified in the staff report.

### DISCUSSION:

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#### County of Riverside

- Riverside County Agency and Department Meetings
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  - Coachella Valley Conservation Commission
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  - Executive Committee
  - Homelessness
  - Public Safety
  - Transportation
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- Coachella Valley Mountains Conservancy
- Cove Communities Services Commission
- Desert Valleys Builders Association (DVBA)
- Greater Palm Springs Convention and Visitors Authority
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- Riverside County Transportation Commission (RCTC)
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  - Mobility 21 Summit
- Sunline Transit Agency
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- Acrisure Arena Events
- California Contract Cities Association Events
- California State University San Bernardino Events
- City of Indian Wells Sponsored Events
- City of Indian Wells Internal Committee Travel



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- Desert Town Hall Lecture Series Events
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- Indian Wells Historical Preservation Events
- Indian Wells Pro Am Golf Invitational Events
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- Ironman Indian Wells-La Quinta 70.3 Events
- Joslyn Center Events
- The Living Desert Events
- Modernism Week Events
- Public Safety Award Events
- Salton Sea Restoration Events
- Senior Inspiration Awards Luncheon
- Southern California Association of Governments Events
- University of California Riverside Events

### **FISCAL IMPACT:**

The above items are included in the annual budget and do not create a new financial impact.

# INDIAN WELLS CITY COUNCIL

## December 7, 2023



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**To:** City Council  
**From:** City Manager Department  
**Prepared by:** Chris Freeland, City Manager  
**Subject:** **Council Ad Hoc Governance Committee Representative**

### RECOMMENDED ACTIONS:

Council **APPROVES** the change of the Ad Hoc Committee Representative from Councilmember Reed to Mayor Sanders.

### BACKGROUND:

On April 6, 2023, Councilmember Bruce Whitman requested a discussion be placed on a future agenda relating to City Governance. The City Council discussed and authorized the formation of an Ad Hoc Committee consisting of Council Member Reed and Council Member Whitman at the May 18, 2023, Council meeting. Mr. Reed has delegated his role to the Ad Hoc Committee to Mayor Sanders.

The Ad Hoc Committee is currently reviewing the City's governing documents. The Council is seeking guidance on how to educate the community on the role and importance of each of these governing documents. The City Council has an interest in reviewing and making possible revisions. Institutional structures of California cities provide guidance on how cities are governed. Cities are typically categorized as either being a general law or charter city framework, operate under the city manager-council or mayor-council form of government, and provide services to the community either independently (e.g., own police and fire department) or as a contract city. Indian Wells is a charter city that operates under the city manager-council form of government and provides many services to the community through various contracts (e.g., Riverside County Sheriff for police and CalFire for fire services). This structure in Indian Wells, along with numerous documents, policies and procedures, and norms all influence how Indian Wells is governed.

As a City Manager-Council form of government, the Indian Wells City Council serves as the policy makers who are responsible for establishing the priorities and strategic goals of the community. The city manager is responsible for managing the day-to-day operations of the city, implementing city council policies, and recommending changes to programs and projects to the city council for their consideration.

The City of Indian Wells is subject to several governing and operational documents, including:

- California State Constitution and various State codes
- Indian Wells Charter
- Municipal Code
- City Council Policy Manual
- Employment Agreement with the City Manager
- Employment Agreement with the City Attorney
- Other various contracts (e.g., Troon Golf, Riverside County Sheriff's Department, CalFire, etc.).

The Ad Hoc Committee will provide the City Council a recommendation and guidance on how to educate the community at a future meeting.

# INDIAN WELLS CITY COUNCIL

## December 7, 2023



**To:** City Council  
**From:** Finance Department  
**Prepared by:** Ruby D. Walla, Assistant Finance Director  
**Subject:** **Annual Developer Impact Fee Report**

### RECOMMENDED ACTIONS:

Council **APPROVES** the Annual Developer Impact Fee Report submitted for the Fiscal Year 2022-23.

### BACKGROUND:

Within the mandated 180-day timeframe following the fiscal year's conclusion, the City must present a comprehensive report detailing the allocation and utilization of developer impact fees, adhering to the provisions outlined in California Government Code Chapter 5, Section 66000. The City has consistently maintained compliance with the specified conditions. Enclosed are schedules outlining expenditures and total revenues subject to the five-year limitation per the California Government Code. This report provides a comprehensive and transparent overview of the City's utilization of developer impact fees during the fiscal year 2022/23.

On June 2, 2022, the City Council thoroughly reviewed the Development Impact Fee Nexus Study and subsequently approved modifications to the City's Developer Impact Fees. The revised fees, effective from August 1, 2022, introduced three new Developer Impact Fees: Park Facilities Fee, Recreation Facilities Fee, and Storm Drain Facilities Fee. The Transportation Facilities Fee was also instituted, replacing the Highway 111 Circulation Improvement Fee. The residual fund balance of the replaced Highway 111 Circulation Improvement Fee is allocated according to its original purpose.

### FISCAL IMPACT:

During the Fiscal Year 2022-23, the City collected \$682,348 in developer fees designated for diverse capital projects throughout the municipal area. In specific instances, these fees were utilized to reimburse advances from alternative funds, enabling the immediate implementation of public improvements without delay.

### Park Facilities Fees

Park Facilities Fees, initiated on August 1, 2022, totaled \$21,032 during the fiscal year 2022/23. These funds are designated for acquiring parkland, developing new facilities, and enhancing existing facilities to accommodate new developments. These funds are being utilized for Fairway Park.

### Recreation Facilities Fees

Similarly, Recreation Facilities Fees, effective August 1, 2022, amounted to \$172,568 in the fiscal year 2022/23. These funds are presently committed to the Energy Efficiency project and annual debt service obligations of the 2022 lease revenue bonds. As of June 30, 2023, \$434,825 has been transferred to the Indian Wells Financing Authority Fund.

### Park-in-Lieu Fees

Park-in-Lieu Fees, utilized for the construction of recreation and open spaces, totaled \$111,021 in the fiscal year 2022/23. Collaborative efforts with the Desert Recreation District enabled open space acquisition to construct Fairway Park , with the remaining advance as of June 30, 2023, totaling \$1,375,313.

### Citywide Public Improvement Fees

Citywide Public Improvement fees are used to acquire and construct general capital improvement projects. In 2005, the City advanced the Citywide Public Improvement fund of \$3,750,000 to build a portion of the Miles Avenue Bridge Project. Since 2005, the City has collected \$3,382,960 for this purpose. Additionally, the fees collected are committed to funding the Energy Efficiency project and the annual debt service obligations of the 2022 lease revenue bonds. As of June 30, 2023, the Citywide Public Improvement Fees Fund has transferred \$150,000 to the Indian Wells Financing Authority Fund.

### Art in Public Places Fees

Art in Public Places Fees, supporting public art and culture initiatives, amounted to \$182,409 during the fiscal year 2022/23. The City is actively developing a new Art in Public Places project aligned with Council Goals. A portion of the this funding is being used for Fairway Park.

### Highway 111 Circulation Improvement Fees

Highway 111 Circulation Improvement fees finance capital improvements along Highway 111. The City collected \$17,550 in Highway 111 Circulation Improvement fees during the 2022/23 fiscal year. As of August 1, 2022, this fee has been replaced by the

Transportation Facilities Fee. The remaining fund balance of \$37,299 will be spent on the intended purpose for which the fees were collected.

### Transportation Facilities Fees

The Transportation Facilities Fees, effective August 1, 2022, have replaced the Highway 111 Circulation Improvement Fee. In the fiscal year 2022/23, the City accumulated \$86,152 in Transportation Facilities Fees, with current commitments directed toward the Energy Efficiency project and the annual debt service obligations of the 2022 lease revenue bonds. As of June 30, 2023, the Transportation Facilities Fee fund has contributed \$150,000 to the Indian Wells Financing Authority Fund.

### Storm Drain Facilities Fees

As of June 30, 2023, the City has yet to generate revenue from Storm Drain Facilities fees designated for infrastructure improvements to accommodate new development, including potential projects along the Whitewater storm channel.

## **CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA):**

This action has been reviewed per the authority and criteria contained in the California Environmental Quality Act (CEQA), the State and local CEQA Guidelines, and the City's environmental regulations. The City, acting as the Lead Agency, determined that the ordinance is not subject to CEQA pursuant to Sections 15060(c)(2), 15060(c)(3), and 15061(b)(3) of the State CEQA Guidelines, because it will not result in a direct or reasonably foreseeable indirect physical change to the environment as there is no possibility that the action would result in a significant environmental impact, and because it does not constitute a "project" as defined in Section 15378 of the State CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3.

## **ATTACHMENTS:**

1. Annual Developer Impact Fees Report

City of Indian Wells  
 Park Facilities Fees - Fund 310  
 As of June 30, 2023

The purpose of this fee is to fund park facilities to meet the demands of new development.  
 Fee Schedules are available in the Building Department.

**PART 1**

Cash Balance, Revenue, Expenditures, Ending Cash Balance

	<u>06/30/23</u>
Revenue	21,032
Interest	(129)
<b>TOTAL REVENUE</b>	<b><u>20,903</u></b>
Expenditures	-
Capital Reserve	-
Revenue Over (Under) Expenditures	<u>20,903</u>
Beginning Fund Balance	-
<b>Ending Fund Balance</b>	<b><u><u>20,903</u></u></b>

**PART 2**

Compliance With Government Code 66001

Projects:

	<u>06/30/23</u>
	-

<b>TOTAL</b>	<u>-</u>
<b>Expenditures to Date</b>	<b><u><u>-</u></u></b>

**City of Indian Wells  
 Recreation Facilities Fees - Fund 313  
 As of June 30, 2023**

**The purpose of this fee is to fund recreation facilities to meet the demands of new development.**

**Fee Schedules are available in the Building Department.**

**PART 1**

**Cash Balance, Revenue, Expenditures, Ending Cash Balance**

	<u><b>06/30/23</b></u>
Revenue	172,568
Interest	441
<b>TOTAL REVENUE</b>	<u><b>173,009</b></u>
Expenditures	434,825
Capital Reserve	-
Revenue Over (Under) Expenditures	<u>(261,816)</u>
Beginning Fund Balance	-
<b>Ending Fund Balance</b>	<u><b>(261,816)</b></u>

**PART 2**

**Compliance With Government Code 66001**

**Projects:**

	<u><b>06/30/23</b></u>
Transfers Out	434,825
<b>TOTAL</b>	<u><b>434,825</b></u>
<b>Expenditures to Date</b>	<u><b>434,825</b></u>

**Expenditures to Date**

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434,825



**City of Indian Wells**  
**Park - in - Lieu Fees - Fund 314**  
**As of June 30, 2023**

**The fees collected by this fund are used for the acquisition, construction, and maintenance of parks, recreation and open space capital improvement projects. Fee Schedules are available in the Building Department.**

**PART 1**

**Cash Balance, Revenue, Expenditures, Ending Cash Balance**

	<b>06/30/23</b>	<b>06/30/22</b>	<b>06/30/21</b>	<b>06/30/20</b>	<b>06/30/19</b>	<b>Prior Years</b>
Revenue	111,021	692,999	40,194	82,504	49,168	2,104,396
Interest	-	-	4			126,170
<b>TOTAL REVENUE</b>	<b>111,021</b>	<b>692,999</b>	<b>40,198</b>	<b>82,504</b>	<b>49,168</b>	<b>2,230,566</b>
Expenditures	2,822	1,073,726	-	-	-	3,505,221
Capital Reserve	-	-	-	-	-	-
Revenue Over (Under) Expenditures	108,199	(380,727)	40,198	82,504	49,168	(1,274,655)
Beginning Fund Balance	(1,483,513)	(1,102,785)	(1,142,983)	(1,225,487)	(1,274,655)	(1,274,655)
<b>Ending Fund Balance</b>	<b>(1,375,313)</b>	<b>(1,483,513)</b>	<b>(1,102,785)</b>	<b>(1,142,983)</b>	<b>(1,225,487)</b>	<b>(1,274,655)</b>

**PART 2**

**Compliance With Government Code 66001**

**Projects:**

	<b>06/30/23</b>	<b>06/30/22</b>	<b>06/30/21</b>	<b>06/30/20</b>	<b>06/30/19</b>	<b>Prior Years</b>
Parkland Acquisition		1,073,726				-
Fairway Park	2,822					-
Community Development						9,480
GRIW Sand Trap Renovation						342,437
GRIW Greens						187,862
GRIW Landscape						302,027
GRIW Sprinkler Replacement						212,094
GRIW Equipment Acquisition						280,226
GRIW Course Construction						2,171,095
<b>TOTAL</b>	<b>2,822</b>	<b>1,073,726</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,505,221</b>
<b>Expenditures to Date</b>	<b>4,581,769</b>					

<b>Expenditures to Date</b>	<b>Total Revenues Subject to 5 yr Limitation Through 6/30/18</b>	<b>Excess Expenditures=In Compliance (Under) Expenditures=Non-Compliance As of 6/30/23</b>
4,581,769	2,230,566	2,351,203

**City of Indian Wells**  
**Citywide Public Improvement Fee - Fund 315**  
**As of June 30, 2023**

The fees collected by this fund are used for the acquisition and construction of general governmental capital improvement projects.  
 Fee Schedules are available in the Building Department.

**PART 1**  
**Cash Balance, Revenue, Expenditures, Ending Cash Balance**

	<u>06/30/23</u>	<u>06/30/22</u>	<u>06/30/21</u>	<u>06/30/20</u>	<u>06/30/19</u>	<u>Prior Years</u>
Revenue	91,745	241,433	79,648	151,829	104,538	5,849,850
Interest	359	(11,988)	(67)	1,970	-	873,139
<b>TOTAL REVENUE</b>	<b>92,104</b>	<b>229,445</b>	<b>79,581</b>	<b>153,799</b>	<b>104,538</b>	<b>6,722,989</b>
Expenditures	150,000	229,314	154,081	79,300	102,049	6,725,477
Revenue Over (Under) Expenditures	(57,896)	131	(74,500)	74,499	2,489	(2,488)
Beginning Fund Balance	131	(0)	74,500	1	(2,488)	1
<b>Ending Fund Balance</b>	<b>(57,765)</b>	<b>131</b>	<b>(0)</b>	<b>74,500</b>	<b>1</b>	<b>1</b>

**PART 2**  
**Compliance With Government Code 66001**

**Projects:**

	<u>06/30/23</u>	<u>06/30/22</u>	<u>06/30/21</u>	<u>06/30/20</u>	<u>06/30/19</u>	<u>Prior Years</u>
Civic Cntr Corp Yard						74,024
Civic Center Dev						18,465
Sheriff Sub Station						6,133
Add'l Bus Shelters						37,800
Emg. Generator						12,500
Council Cham. Modif.						16,371
ADA Upgrade-City Hall						2,847
Racquet Cl. Signal						21,322
Racquet Cl. Entrance						9,788
Hwy 111 Medians						22,301
City Hall Expansion						1,132,499
Civic Center Improvements						136,073
Miles Ave Bridge		229,314	154,081	79,300	104,538	2,815,727
Transfers Out	150,000					2,417,138
<b>TOTAL</b>	<b>150,000</b>	<b>229,314</b>	<b>154,081</b>	<b>79,300</b>	<b>104,538</b>	<b>6,722,988</b>
<b>Expenditures to Date</b>	<b>7,440,221</b>					

<u>Expenditures to Date</u>	<u>Total Revenues Subject to 5 yr Limitation Through 6/30/18</u>	<u>Excess Expenditures=In Compliance (Under) Expenditures=Non-Compliance As of 6/30/23</u>
7,440,221	6,722,989	717,232

**City of Indian Wells  
 Art in Public Places - Fund 319  
 As of June 30, 2023**

The fees collected by this fund are used to support art and culture throughout the city.  
 Fee Schedules are available in the Building Department.

**PART 1  
 Cash Balance, Revenue, Expenditures, Ending Cash Balance**

	<b>06/30/23</b>	<b>06/30/22</b>	<b>06/30/21</b>	<b>06/30/20</b>	<b>06/30/19</b>	<b>Prior Years</b>
Revenue	182,409	161,488	15,630	26,283	15,092	1,443,180
Interest	11	(14,702)	365	4,741	5,602	168,516
<b>TOTAL REVENUE</b>	<b>182,420</b>	<b>146,786</b>	<b>15,995</b>	<b>31,024</b>	<b>20,694</b>	<b>1,611,696</b>
Expenditures	-	-	-	41,259	5,717	1,468,580
Revenue Over (Under)						
Expenditures	182,420	146,786	15,995	(10,235)	14,977	143,117
Beginning Fund Balance	311,734	164,948	148,954	159,189	144,212	676,362
<b>Ending Fund Balance</b>	<b>494,154</b>	<b>311,734</b>	<b>164,948</b>	<b>148,954</b>	<b>159,189</b>	<b>144,212</b>

**PART 2  
 Compliance With Government Code 66001**

**Projects:**

	<b>06/30/23</b>	<b>06/30/22</b>	<b>06/30/21</b>	<b>06/30/20</b>	<b>06/30/19</b>	<b>Prior Years</b>
Planning						186
Art study						3,029
Path of the Bighorn Ram Art						12,000
Grove Gate North						529
City Monuments						45
Civic Center Enhance.						98
Walk of Honor Memorial						326,416
Entrance Signs						80,809
Indian Wells Lane Fountains						65,800
Indian Wells Golf Resort						224,061
Cook/Hwy 111 Entry Monuments	-	-	-	41,259	5,717	563,687
Carl Bray Interpretive Exhibit						191,919
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>41,259</b>	<b>5,717</b>	<b>1,468,579</b>
<b>Expenditures to Date</b>	<b>1,515,556</b>					

<b>Expenditures to Date</b>	<b>Total Revenues Subject to 5 yr Limitation Through 6/30/18</b>	<b>Excess Expenditures=In Compliance (Under) Expenditures=Non-Compliance As of 6/30/23</b>
1,515,556	1,611,696	(96,141)

**City of Indian Wells**  
**Highway 111 Circulation Improvement Fee - Fund 321**  
**As of June 30, 2023**

The fees collected by this fund are used to finance Highway 111 capital improvement projects.  
This fee has been replaced by the Transportation Facilities Fee.  
The remaining fund balance will spent on the purpose for which they were collected.  
Fee Schedules are available in the Building Department.

**PART 1**

**Cash Balance, Revenue, Expenditures, Ending Cash Balance**

	<b>06/30/23</b>	<b>06/30/22</b>	<b>06/30/21</b>	<b>06/30/20</b>	<b>06/30/19</b>	<b>Prior Years</b>
Revenue	17,550	49,725	-	-	-	195,228
Interest	61	(1,048)	-	-	-	60,354
<b>TOTAL REVENUE</b>	<b>17,611</b>	<b>48,677</b>	-	-	-	<b>255,582</b>
Expenditures	-	-	-	-	-	284,571
Capital Reserve						
Revenue Over (Under) Expenditures	17,611	48,677	-	-	-	(28,989)
Beginning Fund Balance	19,688	(28,989)	(28,989)	(28,989)	(28,989)	(28,989)
Ending Fund Balance	37,299	19,688	(28,989)	(28,989)	(28,989)	(28,989)

**PART 2**

**Compliance With Government Code 66001**

**Projects:**

	<b>06/30/23</b>	<b>06/30/22</b>	<b>06/30/21</b>	<b>06/30/20</b>	<b>06/30/19</b>	<b>Prior Years</b>
Hwy. 111 Landscape Replacement						283,963
Hwy. 111 Medians						48
Hwy. 111 Medians						560
<b>TOTAL</b>	-	-	-	-	-	<b>284,571</b>
<b>Expenditures to Date</b>	<b>284,571</b>					

<b>Expenditures to Date</b>	<b>Total Revenues Subject to 5 yr Limitation Through 6/30/18</b>	<b>Excess Expenditures=In Compliance (Under) Expenditures=Non-Compliance As of 6/30/22</b>
284,571	255,582	28,989

**City of Indian Wells**  
**Transportation Facilities Fees - Fund 311**  
**As of June 30, 2023**

**The purpose of this fee is to fund construction improvements that add capacity to the system of transportation facilities that serves new development. This fee replaces the Highway 111 Circulation Improvement Fee. Fee Schedules are available in the Building Department.**

**PART 1**  
**Cash Balance, Revenue, Expenditures, Ending Cash Balance**

	<u><b>06/30/23</b></u>
Revenue	86,152
Interest	220
<b>TOTAL REVENUE</b>	<u><b>86,372</b></u>
Expenditures	150,000
Capital Reserve	-
Revenue Over (Under) Expenditures	<u>(63,628)</u>
Beginning Fund Balance	-
<b>Ending Fund Balance</b>	<u><b>(63,628)</b></u>

**PART 2**  
**Compliance With Government Code 66001**

<b>Projects:</b>	<u><b>06/30/23</b></u>
Transfers Out	150,000
<b>TOTAL</b>	<u><b>150,000</b></u>
<b>Expenditures to Date</b>	<u><b>150,000</b></u>

**Expenditures to Date**

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150,000

**City of Indian Wells  
Storm Drain Facilities Fees - Fund 312  
As of June 30, 2023**

**The purpose of this fee is to fund improvements and infrastructure to add to the system of storm drain facilities to serve new development. Fee Schedules are available in the Building Department.**

**PART 1**

**Cash Balance, Revenue, Expenditures, Ending Cash Balance**

	<u>06/30/23</u>
Revenue	-
Interest	-
<b>TOTAL REVENUE</b>	<u>-</u>
Expenditures	-
Capital Reserve	-
Revenue Over (Under) Expenditures	<u>-</u>
Beginning Fund Balance	-
<b>Ending Fund Balance</b>	<u><u>-</u></u>

**PART 2**

**Compliance With Government Code 66001**

**Projects:**

	<u>06/30/23</u>
	-
<b>TOTAL</b>	<u>-</u>
<b>Expenditures to Date</b>	<u><u>-</u></u>

**Expenditures to Date**

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# INDIAN WELLS CITY COUNCIL

## December 7, 2023



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**To:** City Council  
**From:** Finance Department  
**Prepared by:** Kevin McCarthy, Finance Director  
**Subject:** **Annual Financial Report for the Fiscal Year Ending June 30, 2023**

### RECOMMENDED ACTIONS:

Council **RECEIVES** and **FILES** the City's Annual Financial Report for the fiscal year ending June 30, 2023.

### BACKGROUND:

Government Code 26909 (a) mandates that the City, in its capacity as a local agency of the County, engage the services of a certified public accountant to conduct an annual examination of the City's financial accounts and records, with the requirement that such an audit adheres to generally accepted auditing standards. Furthermore, Government Code 26909 (b) stipulates that an audit report must be submitted to the State Controller and the County Auditor in the district of the City within six months of the conclusion of the fiscal year. Therefore, this report has been prepared in compliance with these obligations for the fiscal year ending on June 30, 2023.

The independent auditor's report is presented in the financial section of the Annual Financial Report. Following this report, the Management's Discussion and Analysis (MD&A) offers a detailed narrative introduction, overview, and analysis of the fundamental financial statements. It is important to note that the MD&A complements the transmittal letter and should be read in conjunction with it.

We encourage residents to examine the City's Annual Financial Report, which is accessible on the City's official website at <http://www.cityofindianwells.org>. Additionally, our staff will submit the Financial Report to the Government Finance Officers Association for consideration of its annual "Certificate of Achievement for Excellence in Financial Reporting" award. The City has been honored with this accolade continuously since 1991.

The Certificate of Achievement for Excellence in Financial Reporting is prestigious for government organizations that exemplify exceptional financial reporting practices. This recognition is conferred by the Government Finance Officers Association (GFOA), a professional association for government finance officials.

This certificate symbolizes the commitment of a government organization to transparent and accurate financial reporting. It acknowledges organizations that excel in conveying their financial performance, ultimately fostering accountability and trust in their financial management.

### **Finance Committee Recommendation:**

#### The Annual City Audit

The Finance Committee convened with Davis Farr on November 21, 2023, to evaluate the audit results. Davis Farr presented the results of the audit during the meeting and responded to the Committee's inquiries and comments. Consequently, the Finance Committee recommends the approval of the financial statements as presented.

Davis Farr has issued an unqualified opinion on the City of Indian Wells' Annual Financial Report for the fiscal year ending June 30, 2023. An unqualified opinion represents the most favorable outcome that any City can attain on its audit. Furthermore, the City's annual audit has revealed no material deficiencies in the internal control structure or violations of applicable laws and regulations.

Davis Farr spent approximately 900 hours examining the City's financial records and ascertained that the City's internal controls and accounting procedures comply with all relevant compliance requirements and testing protocols. The auditor is responsible for communicating any audit-related matters deemed relevant to those overseeing the financial reporting process based on their professional judgment.

In addition to the auditor's formal communication, Davis Farr directly reports to the Finance Committee following each audit. As part of the City's annual audit process, these reviews ascertain the adequacy of the internal control structure and confirm the City's adherence to pertinent laws and regulations.

#### New Vendor Audits

The Finance Committee is dedicated to elevating the City's annual audit procedures. Notably, the introduction of an expanded contract compliance audit involving significant City vendors represents an innovative inclusion in the City's testing protocols. These comprehensive audits focus on assessing operational compliance, validating the quality and quantity of services or goods received in relation to payments made, and evaluating financial performance as applicable.

The emphasis on these in-depth audits that evaluate operational compliance, validate the quality and quantity of services or goods, and assess financial performance reflects a



thorough and comprehensive evaluation process. This ensures a holistic review of financial activities, enhancing the overall effectiveness of the audit procedures.

Upon uncovering findings through the enhanced audit procedures, the Finance Committee is poised to institute targeted improvements that align with best practices and Fiscal Policy standards. This proactive approach underscores the Committee's commitment to identifying areas of concern and swiftly addressing and rectifying any deficiencies. Leveraging the insights gained from the in-depth audits, the Committee will collaborate with relevant stakeholders to implement robust remedial measures, ensuring the City's financial operations adhere to the highest standards. This commitment to continuous improvement reflects a dynamic and responsive financial governance framework, reinforcing the City's fiscal responsibility and resilience in the face of evolving challenges.

#### The Riverside County Sheriff's Department

The Riverside County Sheriff's Department audit included ten separate auditing procedures that focused on contract delivery and compliance. Procedures included hourly billing rates, reconciliation of monthly invoices, personnel rates, facility rates, employee timesheets, patrol service hours, non-dedicated and dedicated positions, and calls for service.

The results of the audit displayed a high compliance with the contract. All the invoices were calculated without exception. The calculation of facility charges is consistent with chargeable positions per the contract. Overtime was held to just 1.68% of the total hours billed to the City; employee timesheets reconciled to billable hours, total service hours of 30,069 were just 460 (about 1%) below contracted hours.

#### Vintage Landscaping

The Vintage Landscaping audit encompassed a comprehensive examination comprising nine distinct auditing procedures concentrating on contract delivery and compliance. These procedures entailed confirming the vendor's standing with the State's Attorney General Office, adherence to insurance requisites, meticulous management of accounting records, a thorough review of monthly invoices, evaluation of additional work, the City's internal management procedures, and oversight of the procurement of supplies and materials.

Throughout the audit process, two primary areas for enhancement were identified. Firstly, there is a need to ensure that Vintage Landscaping maintains accurate accounting records in accordance with the stipulated agreement. Additionally, there exist opportunities for refining the agreement to facilitate more effective internal management. Specific areas for improvement include the enhancement of written approvals for supplementary work and the clarification of upcharges associated with vendor equipment rentals.

Drawing insights from these findings, we are undertaking measures to overhaul our current agreement with Vintage Landscaping and taking steps to improve the Request For Proposal (RFP) procedures. This entails incorporating provisions for new irrigation and plant replacements and associated labor costs as integral components of the annual agreement. These proactive steps aim to fortify our operational processes and bolster the overall effectiveness of our vendor engagements.

### Financial Transparency and 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. The Indian Wells Check Book is 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.

### **ATTACHMENTS:**

1. City Financial Statements
2. The Riverside County Sheriff's Department Special Audit
3. The Vintage Landscaping Special Audit

**City of Indian Wells, California**  
Annual Comprehensive Financial Report  
Year Ended June 30, 2023

**CITY OF INDIAN WELLS, CALIFORNIA**

**Annual Comprehensive Financial Report**

**Fiscal Year Ended June 30, 2023**

**Prepared by the Finance Department**

**Kevin McCarthy, Finance Director**

**Ruby Walla, Assistant Finance Director**

**Amy Dallosta, Accountant**

**Daisy Amezcua, Accounting Technician II**

**Joanna Rojas, Accounting Technician I**

**Camille Montemayor, Accounting Technician I**

**44-950 Eldorado Drive, Indian Wells, California 92210-7497**

**Telephone: 760-346-2489 – Fax: 760-346-0407**

[www.cityofindianwells.org](http://www.cityofindianwells.org)

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INDIAN WELLS  
CALIFORNIA

November 15, 2023

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

We are delighted to present the Annual Financial Report for the City of Indian Wells, covering the fiscal year that concluded on June 30, 2023. The City's unwavering commitment remains focused on enhancing the quality of life within the boundaries of Indian Wells. City officials have diligently cultivated open and amicable lines of communication with all residents to adeptly respond to the evolving needs of this distinguished and exceptional community.



Indian Wells continues to bask in the privileges associated with its status as one of California's most affluent and prudently managed municipalities. The vigilant oversight exercised by the City's Finance Committee guarantees the perpetuation of this esteemed financial standing and prudent fiscal practices. The City's financial robustness is inherently attributed to the Council's unwavering emphasis on conservative fiscal stewardship of its resources and the harmonious collaboration between the City Council and its management team. This synergy, in tandem with a thriving local tourism sector anchored by the City's opulent resort hotels, world-renowned tennis facility, and Golf Resort, collectively sustains the City's robust financial well-being.

Tourism serves as the paramount catalyst for the City's revenue streams, significantly influencing categories such as transient occupancy tax, admissions tax, and sales tax. Notably, tourism and Golf Resort revenues for the fiscal year surpassed expectations, with historic collections achieved in both transient occupancy tax and admissions tax categories.

It is important to note that the City's fiscal prosperity in one year does not invariably guarantee economic success in the subsequent year. Considering persisting concerns related to the ongoing pandemic, the plausible release of pent-up demand, escalating fuel prices, potential effects of quantitative easing, and the City's long-term economic outlook, Indian Wells maintains a stance of "optimistic caution" and has judiciously adopted a fiscally conservative approach for the upcoming year's expenditures.

City services, particularly those related to public safety, are subject to constant scrutiny and enhancement to ensure their alignment with the needs of our residents, all while upholding the highest standard of fiscal responsibility. The City diligently adheres to the time-honored tradition of reserving an annual amount exceeding \$2.0 million for long-term capital replacements. Additionally, it prudently manages pension and other post-employment benefits by fully funding its retirement obligations.

This transmittal letter provides a non-technical summary of the City's finances, services, achievements, and economic prospects. A narrative introduction and analysis of the Financial Statements are found in the

Management's Discussion and Analysis (MD&A), which immediately follows the independent auditor's report. The MD&A complements this letter of transmittal and should be read in conjunction with it. The notes and the other financial and operational data included in the Financial Statements provide a complete analysis of the City's financial position as of June 30, 2023.

The Financial Statements are prepared in accordance with generally accepted accounting principles in the United States of America. The accuracy of the data, the completeness and fairness of the presentation, and the adequacy of its disclosures rest with the City's management. This includes the design, implementation, and maintenance of internal controls over the preparation and fair presentation of Financial Statements, which are free from material misstatement and for assurance that the assets of the City are protected from loss, theft, or misuse. Because the cost of internal controls should not exceed the anticipated benefits, the objective is to provide reasonable rather than an absolute assurance that the Financial Statements are free from any material misstatements. We believe the information presented is complete and reliable in all material respects.

Government Code 26909 (a) requires the City, as a local agency of the County, to contract with a certified public accountant to perform an annual audit of the accounts and records of the City, and the audit conforms to Generally Accepted Auditing Standards. Further, Government Code 26909 (b) states that an audit report shall be filed with the State Controller and the County Auditor in which the district is located within 12 months of the end of the fiscal year. Therefore, this report is published to fulfill these requirements for the fiscal year ending June 30, 2023.

Farr Davis, Certified Public Accountant, issued an unmodified opinion on the City of Indian Wells Financial Statements for the fiscal year ended June 30, 2023. The independent auditor's report is located in the financial section of this report. The independent audit involved examining evidence supporting the amounts and disclosures in the financial statements, assessing management's accounting principles and estimates, and evaluating the overall financial statement presentation.

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

### **Profile of the City of Indian Wells**

The City of Indian Wells, which achieved incorporation in the year 1967, is situated within the state of California, approximately 120 miles to the east of Los Angeles, nestled in the eastern expanse of Riverside County, renowned as the Coachella Valley.

Distinguished by its immaculate natural surroundings, exclusive residential country clubs, world-class resorts, championship-caliber golf courses, and a profusion of recreational and cultural pursuits, the Indian Wells community stands apart. The city is home to 4,774 permanent residents, occupying an area covering 15.04 square miles, with an additional 4,000 to 5,000 seasonal residents who make Indian Wells their abode during the winter months.

Indian Wells adheres to a City Council/City Manager system of governance. The authority for policy formulation and legislative



decisions is vested in a governing council, known as the Council, comprised of the Mayor and four other members, all elected in a non-partisan manner. These Council members serve four-year terms and are elected on a citywide basis. Moreover, the City Council holds the prerogative to appoint the City Manager and Attorney.

The City Manager is the chief executive of the municipal government, tasked with executing policies as directed and established by the City Council and overseeing the administrative and operational functions utilizing the municipal workforce. The City provides a comprehensive array of services, encompassing aspects such as law enforcement, fire protection, infrastructure development and maintenance, economic advancement, urban planning, community development, building code enforcement, promotion of arts and culture, and the facilitation of recreational activities.

The bedrock of the City's fiscal planning and control mechanisms is founded upon the biennial budget and the City's five-year Capital Improvement Program. The City Council is mandated to adopt the biennial budget resolution by July 1. The budget is presented in a manner consistent with generally accepted accounting principles. Notably, the City's budget format has undergone a transformation, with an emphasis on program budgeting as opposed to the conventional departmental structure. This novel format streamlines the reporting of City expenditures and the allocation of resources in alignment with the City's overarching objectives. Program budgets underscore the goals of the City while apportioning expenses accordingly.

### **Outstanding Community Benefits**

The City of Indian Wells epitomizes an exceptional quality of life, marked by a rich tapestry of cultural and social offerings, a forward-thinking and unified municipal administration, opulent hotel establishments, and the presence of the esteemed Indian Wells Golf Resort, renowned for its championship golf facilities.



Furthermore, the city plays host to a myriad of significant sporting and cultural events. These noteworthy occasions include the BNP

Paribas Open, recognized as the largest two-week event worldwide, encompassing the Association of Tennis Professionals (ATP) World Tour and the Women's Tennis Association (WTA), conducted at the prestigious Indian Wells Tennis Garden. In addition, the city embraces the Coachella Valley Firebirds, a professional ice hockey expansion team, Ironman 70.3, Desert Town Hall, Winterfest, and the Indian Wells Arts Festival. Adding to the area's cultural vibrancy, the Living Desert Zoo is conveniently situated within Indian Wells and its neighboring city, Palm Desert.

Indian Wells proudly maintains one of the most favorable crime rates and expeditious public safety response times in the Coachella Valley, a testament to the vigilant efforts of its law enforcement and fire/paramedic services. The Joslyn Center caters to an array of activities designed to cater to diverse interests and energy levels.

Furthermore, Indian Wells showcases a thriving resident benefit program. Possession of an Indian Wells Resident Benefit Card affords residents exclusive discounts at the Indian Wells Golf Resort, Indian Wells Tennis Garden, the Acrisure Arena, and all four distinguished Indian Wells hotel properties. The City additionally hosts art exhibitions and lectures and offers complimentary access to events such as the BNP Paribas Open and Desert Town Hall, complemented by resident social gatherings, patriotic community celebrations, and diverse, 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**

Facing rising inflation, the Federal Reserve, tasked with maintaining stable price growth, has repeatedly enacted interest rate increases throughout 2022 to cool the economy and, in turn, slow inflation. The longer inflation persists, the higher the Federal Reserve will increase interest rates in response. The chance that the Federal Reserve can tame inflation without inducing a recession is narrow, especially with an inverted yield curve.

A yield curve inversion, when rates for two-year U.S. Treasury notes rise above those for 10-year notes, has preceded every recession since the 1960s. The first apparent inversion in 15 years happened in July 2022, although there were brief and shallow inversions in August 2019 and April 2022.

All of that is old news. What has happened since July is that the inversion, unlike all others since the early 1980s, has become more profound. The two-year yield is now almost 80 basis points, or 0.8 percentage points, higher than the 10-year yield. This inversion was only exceeded by 1978 to 1982 when the Federal Reserve chairman Paul Volcker ramped up benchmark rates to double digits to reverse high inflation at



the cost of two long and deep recessions. Investors are asking whether the next recession will be more prolonged and profound than the previous 40 years.

Despite recent interest rate increases, inflation remains well above the Federal Reserve’s stated stability goal. Further, factors that tend to predict future inflation—such as recent changes in consumer spending, incomes, and prices for food and energy—suggest that heightened inflation pressures could remain for some time. These observations indicate that the Federal Reserve will take additional steps to curb inflation in the coming months, raising the risk of a recession.

Before predicting disaster, remember that the current inversion is only 77 basis points, compared with the 241-basis-point peak in 1978-1980 and 170 basis points in 1980-1982. Additionally, federal rate increases of 124 basis points are well below the 194 basis points of 1978-1980, and the stock market decline of 14% is not as severe as the 18% of 1980-1982. So, while the signs are ominous, they’re not yet at a level to expect Volcker Shock conditions.

A recession seems likely, but how disruptive it will be to Indian Wells isn't clear. Hotel revenues and occupancy are near record highs, and there is a clear indication that the March 2023 tennis tournament will return to pre-pandemic levels. Moreover, long-term forecasts provided by hotel partners anticipate continued growth through 2023. However, this could all change instantly if the national economy falls into a significant recession.

*Why does Indian Wells care about the national economy?* Tourism! During the fiscal year 2022, tourism revenues (transient occupancy tax, admissions tax, and a portion of sales tax) accounted for approximately 70% of all General Fund revenues.

Tourism significantly impacts the Leisure and Hospitality industries of the Coachella Valley; when the economy is in a recession, people travel less. While international tourism has yet to return to pre-pandemic levels in Southern California and the Coachella Valley, much of it has been compensated by Southern Californians traveling to the area even during hot months. Falling into a new recession will cut tourism from the rest of the U.S. and California.

Some early tourism reports indicate that economic concerns have replaced health as the main apprehension for summer and fall travel. Of course, financial concerns will cause some to stay home, but those who plan to travel are prepared to increase their budgets. Nearly three in 10 travelers plan to spend more than they did in 2019, and high airfares and hotel room rates are the number one reason why.

### **Strategic Goals and Priorities**



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

This Financial Strategy aims to provide a clear picture of the City's current financial position and long-term financial strategy to achieve strategic planning goals. Goals are incorporated into the budget as the City's strategic planning process unfolds.

A budget is more than a spending plan. It is a statement of priorities, a roadmap for the coming year, and a melding of ideas, thoughts,

perspectives, and opinions balanced against fiscal realities and constraints. This budget reflects the collaboration between the community, the Council, and staff members.

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

Strategic planning determines where an organization is going over the next year and beyond, how it will get there, and how it will know if it got there. This is the City's "Game Plan." The focus of a strategic plan is to outline the goals of the City Council for the entire community/organization over some time (one, three, or five years are typical). Goals-based planning starts with focusing on the organization's vision and values, selecting projects and programs to meet and achieve the goals, analyzing the resources needed and available resources, and finally, who will do what and by when.

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

#### Fiscal Policies

Continue the Council Policy of reserving \$2.0 million annually for long-term capital replacements. Continue the Council Policy of maintaining a fully funded pension program. Educate the Council on the merits of the Public Safety and Capital Community Facilities District and bring them back for further discussion. Develop a plan to expand the pension program to pre-fund future pension obligations. Examine a new revenue measure designed to diversify revenue streams and provide a dedicated funding source to address future funding needs of the City (e.g., public safety cost increases). Provide direction on the best use of one-time loan funds paid to the City by the former RDA.

#### Capital Improvement Program Update

Council-recommended goals for 2023 include developing a new five-year CIP for the upcoming budget cycle. Continue investing in the street maintenance program to achieve a City average Pavement Condition Index of 80 points or higher. Maintain and add healthy, vibrant, and water-conscious landscaping citywide. Perform annual sidewalk repairs to remove tripping hazards.

#### Provide Responsive, Innovative, and Efficient Public Safety

The City continues to emphasize public safety as a significant priority, addressing matters in real-time as well as at Coffee with a Cop event(s), quarterly Public Safety Committee meetings, quarterly updates to the City Council, and during the annual State of the City event. In addition, through contract services with the Riverside County Sheriff's and Fire Departments, the City maintains a safe and low-crime environment for residents and visitors.

#### Tourism Update and Opportunities

In collaboration with Visit Greater Palm Springs, the Tourism program strategically supports the resort partners to influence Transient Occupancy Tax (TOT) growth. In addition, the programs developed create demand for the product of Indian Wells by building brand awareness and strategically leveraging Indian Wells to develop and execute marketing strategies to influence both group and leisure markets.

## Evaluating Energy Efficiency Opportunities

Energy costs are significant in the City and Golf Resort's operating budgets. Over the years, the City has made upgrades to City facilities to become more energy efficient. In May 2021, the City approved an \$8.9 million energy efficiency program to install solar at the City Hall and the Golf Resort, replace inefficient heating and cooling systems, install efficient lighting, electric car chargers, backup generators, and a battery backup system at the Golf Resort.

## General Plan Update

Complete the General Plan update. State law requires every city and county in California to adopt regular updates to their General Plan. A General Plan is often compared to a "constitution" for local development. It serves as the long-range policy and planning document for all city land use decisions and resource management. The City's existing General Plan has effectively guided the community's growth and direction since its adoption in February 1996.

According to City staff, the primary vision embodied in the General Plan continues, for the most part, to reflect community goals and values, promoting an excellent quality of life for our residents, business owners, and visitors. However, the City wishes to update the General Plan for various reasons, including compliance with new state housing laws, establishing new goals and policies for future development, and expanding economic development opportunities within the City. Consequently, the General Plan Update shall be focused on the following goals:

- Establish goals and policies directing growth, circulation, and development of the vacant properties in the northeast section of the City consistent with the City's desire for a mix of hospitality, entertainment, residential, and commercial land uses.
- Incorporate goals and policies within the land use and housing elements to incentivize affordable housing and identify possible mixed-use and accessory dwelling unit (ADUs) opportunities to help meet those requirements.
- Establish form-based development standards to ensure that new development is at a scale and intensity that does not overburden public services or utilities and protect views from established residential neighborhoods.
- Improve the City's circulation plan by identifying safe alternative transportation and bikeway opportunities.
- Identify goals and policies for the future development of 5G wireless facilities and infrastructure.
- Update the Highway 111 Specific Plan to establish consistent standards for building setbacks, landscaping, monument signage, lighting/bollards, and opportunities for art in public places.
- Identify wayfinding and branding opportunities for the Indian Wells Resort Campus, Tennis Garden, and City Hall.

## Community Events and Activities

The Indian Wells Community Activities Committee serves as an advisory body responsible for formulating recommendations to promote and cultivate community engagement among the city's residents, which it duly conveys to the City Council. Within the committee's purview lies the task of formulating an annual calendar encompassing a comprehensive array of community activities and, in turn, overseeing the meticulous planning and execution of these activities. The Committee is constituted of five members and operates under the aegis of the City Managers Department. Noteworthy initiatives that align with the directives of the City Council also fall within the Committee's sphere of responsibility, including endeavors such as Sister City relations and the administration of Resident Benefits.

### Develop Landscape Uniformity Along Highway 111

The landscaping along Highway 111 is an iconic characteristic of the City and requires high-quality maintenance to preserve the City's standards. Unfortunately, at times, the maintenance along Highway 111 is inconsistent due to a lack of attention, limited funding, the timing of maintenance, and different standards of care between the City, the five Landscape and Lighting Maintenance Districts (LLMDs) managed HOAs and commercial property owners.

Council and staff have expressed interest in developing uniform standards for landscaping materials used and consistency of maintenance efforts. The General Plan update will assist in this process. In addition, the staff is to discuss partnerships with HOAs along Highway 111 to discuss options for more consistent landscaping in HOA-owned areas.

### Encourage and Expand Economic Development Opportunities in the Community

Economic Development opportunities in Indian Wells remain strong. Therefore, in 2020, the City Council formed an Economic Development Division of the City Manager's Office focused on shaping the city's future through relationship building, research, and development advocacy. These efforts were categorized into three areas: Monitoring Current and Future Development, evaluating an Enhanced Infrastructure Financing District (EIFD), and Business Assistance and Relationship Building.

### Update Communications Plan

The residents of Indian Wells are notably engaged and exhibit a keen interest in the affairs of their community. On an annual basis, the City fosters communication with its residents through a multifaceted approach, encompassing email notifications, newsletters, postings on social media platforms, targeted mailings, the official city website, and cable access channels. Recognizing the evolving landscape of communication and the growing demand for enhanced engagement, the City Council has expressed a strong desire to revisit and revitalize the City's Communication Policy, last amended in 2018, with a view toward expanding and enriching the range of communication programs at its disposal.

### Expand Partnership with the Indian Wells Preservation Foundation

For the last several months, the Indian Wells Historic Preservation Foundation (IWHPF) has been cataloging all items documenting the history of Indian Wells. The relationship between the City and IWHPF has never been better. The City is looking to further expand its relationship with the IWHPF in 2023 to help educate the community on the history of Indian Wells and support the IWHPF's efforts to become more involved with its community.

### Review of City Administrative Processes and Municipal Code Update

The City routinely reviews its administrative processes and recommends Municipal Code updates. Regular review and updates are essential to policy and procedure best practices.

### Housing Authority Goals

The City's Housing Authority holds title on two age-restricted affordable housing properties totaling 218 rental units. Indian Wells Villas consist of 90 one-bedroom units, built in 1996 with affordability covenants set to expire in 2031. Mountain View Villas consists of 97 one-bedroom and 31 two-bedroom units with affordability covenants recorded expiring in 2036.



The Housing Authority also currently owns a 10.8-acre vacant site along HWY 111, just west of Mountain View Villas and south of the Whitewater River Channel, but is waiting on partnering with Abode Communities to develop that site with affordable housing after the design of the channel lining project is complete in CVWD's adjacent stormwater channel. In addition, the City has initiated the acquisition of the vacant 34-acre housing opportunity site on the northeast corner of Miles and Warner Trail. Still, there is no current timetable for completing that acquisition.

## **Accomplishments**

### **City Finances**

- Added new sections to the Budget document, improving transparency.
- Negotiated extension of agreements with Tennis Garden due to COVID-19.
- Negotiated shared design expenses with Brixton on Channel lining design, saving the City tens of thousands of dollars.
- Updated User Fee Schedule.

### **Economic Development**

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

### **Golf Resort**

- Financial Reporting - Redesigned financial reporting of IWGR operations, improving transparency and financial analysis.
- Implementation of Council Performance Goals and Deliverables.

### **Public Safety**

- Promoted positive changes in Sheriff patrols, Ring Partnership, community outreach, and increased traffic enforcement.
- Changed the fire staffing model to provide a paramedic on every shift of the fire engine.

### **Housing Items**

- Attempted a partnership with CSUSB-Palm Desert on developing student housing for the university and earned RHNA credit for the City.
- Completed Short Term Rental Ordinance update.

### **City Internal Operations**

- Added some fun activities for staff (i.e., Ice Cream Social, baseball and football jersey days).
- Ride-a-longs with Cal Fire and Sheriff's Department.

### **Stakeholder Meetings and Community Outreach**

- Visited both Affordable Housing Projects and met with residents.
- Met with developers to seek their investment in the City (i.e., Lewis, Majestic, Lennar, etc.).
- Meet regularly with General Managers at local resorts.
- Established relationships with local HOAs.
- Presented at Rotary Club.
- Spend a significant amount of time meeting with other stakeholders in the community.

## **Communication**

- Improved communication with the City Council.
- Worked with staff to improve communication with staff reports, email blasts, etc.
- Revised legislative platform.

## **Document Structure**

In addition to the fund-by-fund financial information presented in the City's financial statements, the Government-wide Financial Statements are presented. The Government-wide Financial Statements include a Statement of Net Position providing the 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, 2023, 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 Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Indian Wells for its Annual Comprehensive Financial Report for the fiscal year ending June 30, 2022. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparing state and local government financial reports.

To be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized financial report whose contents conform to program standards. In addition, such financial statements must satisfy Generally Accepted Accounting Principles and applicable legal requirements.

The Annual Comprehensive Financial Report of the City of Indian Wells for the fiscal year ending June 30, 2023, is now presented. To our knowledge and belief, the enclosed information is accurate in all

material respects. It is reported in a manner designed to show the City's financial position fairly. All disclosures necessary to understand the City's financial activities are included.

**Acknowledgments**

The preparation of this report was made feasible through the unwavering commitment and exemplary professionalism exhibited by the members of the Finance Department. Gratitude is extended to all City departments for their invaluable contributions to the aforementioned report. Furthermore, I express my profound appreciation to the City's independent auditors, Farr Davis, Certified Public Accountants, for their dedicated efforts and exemplary professionalism in the annual audit. Lastly, my heartfelt thanks are extended to the esteemed members of the City Council and the Finance Committee for their provision of resources and diligent safeguarding of the City's internal controls framework.

Respectfully submitted,



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Chris Freeland  
City Manager



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Indian Wells  
California**

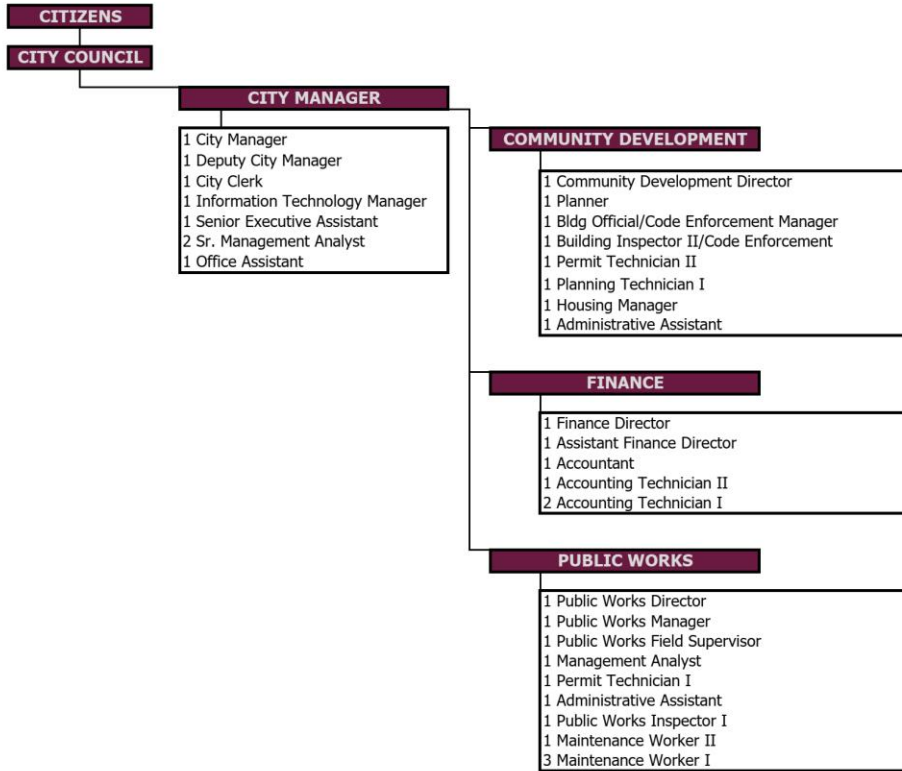
For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2022

*Christopher P. Morill*

Executive Director/CEO

**City of Indian Wells  
ORGANIZATIONAL CHART  
2023**



CITY OF INDIAN WELLS

**LIST OF PRINCIPAL OFFICIALS**

JUNE 30, 2023

Council – Manager Form of Government

**City Council**

Donna Griffith  
Mayor

Greg Sanders  
Mayor Pro Tem

Ty Peabody  
Council Member

Bruce Whitman  
Council Member

Dana Reed  
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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## **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, 2023, 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, 2023, 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 Opinion***

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 opinion.

#### ***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 Budgetary Comparison Schedules* are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the *Combining and Individual 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 Statistical 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 November 15, 2023, 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  
November 15, 2023

## Management's Discussion and Analysis

As the management of the City of Indian Wells, we offer readers of the financial statements this narrative overview and analysis of the City's financial activities for the fiscal year ended June 30, 2023.

Management's Discussion and Analysis provide readers with a basic overview of the financial results and financial position of the City of Indian Wells. We encourage readers to consider the information presented here in conjunction with additional information furnished in the letter of transmittal found on page i and the accompanying basic financial statements found on pages 26-27 of the report.

### Financial Highlights

- The assets and deferred outflows of resources of the City of Indian Wells exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$291,819,056 (net position). The unrestricted net position, representing the amounts available to meet the City's ongoing obligations to citizens and creditors, was \$67,107,966, about 23.0% of the total net position. The City's investment in capital assets is \$192,521,650, and \$32,189,440 is subject to legal restrictions on their use.
- The City of Indian Wells's total net position decreased by \$7,077,156 primarily due to the reduction of pension assets.
- At the close of the current fiscal year, the City of Indian Wells governmental funds reported combined fund balances of \$103,383,445, a decrease of \$4,758,164 compared with the prior year. Of this amount, \$19,522,041, or 18.9%, is available for spending at the government's discretion (unassigned fund balance). Of the remaining amount, \$494,155, or 0.5%, of the governmental fund balances are committed for capital projects; \$16,011,720, or 15.5%, constitutes non-spendable reserves; \$35,405,755, or 34.2%, are restricted fund balances because of external limitations on spending. Assigned fund balances total \$31,949,774, or 30.9%, are reserved for long-term capital projects and are internally imposed restrictions placed upon the funds by the Governing Board.
- At the end of the most recent fiscal year, the fund balance in the City's General Fund was \$36,648,058. The fund balance breaks down as follows: non-spendable assets comprise \$15,367,495 in notes and loans, and \$21,280,563 is unassigned.
- Governmental Activities capital assets net of depreciation increased by \$2,881,027 from \$149,121,104 to \$152,002,131. The City acquired \$7,580,754 in new capital assets, and construction is in progress during the fiscal year. Deletions totaled \$719,209, and the depreciation expense reached \$3,980,518.
- 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, 2023, in the amount of (\$700,736). The City's net pension liability for the Miscellaneous Plan is measured as a proportionate share of the net pension liability.
- The City has established a Retiree Healthcare Plan (HC Plan) and participates in an agent multiple employers defined benefit retiree healthcare plan administered by the CalPERS, which acts as a typical investment and administrative agent for its participating member employers. City contracts with the employee associations establish benefit provisions under the HC Plan. In addition, the City participates in the California Employers' Retiree Benefits Trust Fund (CERBT). The City reported a net liability (asset) of (\$745,061) as of June 30, 2023.

- The City reported \$634,307 in compensated absences liability as of June 30, 2023. The City reserves the outstanding compensated absences liability in the Employee Leave Accrual Fund.
- As a result of this year's business activities, the Indian Wells Golf Resort collected \$21,233,367 in operating revenues. Revenues from operations include golf fees, food & beverage receipts, and event sales. Operating expenses at the Indian Wells Golf Resort totaled \$21,528,644. This total comprises operations, general and administrative costs, and depreciation. Operations totaled \$18,230,460, general and administrative expenses totaled \$668,571, and depreciation totaled \$2,629,613. Nonoperating revenues (expenses) totaled (\$425,921) and were broken down as follows: investment income loss (\$9,708) due to a GASB 31 adjustment, interest expense (\$25,416), loss on disposition of capital assets (\$416,797), and other nonoperating revenue totaling \$26,000.
- Capital assets from Business-type Activities net of depreciation decreased by \$2,271,192 from \$47,199,242 to \$44,928,050. In addition, the Indian Wells Golf Resort acquired \$899,817 in new capital assets, and construction was in progress during the fiscal year. Deletions totaled \$541,396, and the depreciation expense reached \$2,629,613.

## 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* accumulate 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, 2023, and 2022.

**Table 1**  
Statement of Net Position

	Governmental Activities		Business -Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current and restricted assets	\$ 113,877,738	\$ 124,381,771	\$ (1,329,126)	\$ (3,118,980)	\$ 112,548,612	\$ 121,262,791
Capital assets	152,011,131	149,121,104	44,928,050	47,199,242	196,939,181	196,320,346
Total Assets	265,888,869	273,502,875	43,598,924	44,080,262	309,487,793	317,583,137
Deferred Outflows of Resources	7,294,736	8,576,696	163,316	224,345	7,458,052	8,801,041
Current Liabilities	5,297,852	5,395,957	1,566,592	1,242,184	6,864,444	6,638,141
Non-current Liabilities	15,434,003	15,941,599	330,461	447,855	15,764,464	16,389,454
Total Liabilities	20,731,855	21,337,556	1,897,053	1,690,039	22,628,908	23,027,595
Deferred Inflows of Resources	2,453,685	4,387,992	44,196	72,379	2,497,881	4,460,371
Net Position:						
Net investment in capital assets	147,924,061	145,969,138	44,597,589	46,751,387	192,521,650	192,720,525
Restricted						
Community development	725,787	4,718,908	-	-	725,787	4,718,908
Housing	15,429,469	13,016,874	-	-	15,429,469	13,016,874
Public safety	6,183,630	7,054,610	-	-	6,183,630	7,054,610
Public works	2,345,243	2,317,493	-	-	2,345,243	2,317,493
Pension obligations	5,567,799	11,369,223	139,371	338,347	5,707,170	11,707,570
OPEB obligations	1,798,141	2,301,464	-	-	1,798,141	2,301,464
Unrestricted	70,023,935	69,606,313	(2,915,969)	(4,547,545)	67,107,966	65,058,768
Total Net Position	\$ 249,998,065	\$ 256,354,023	\$ 41,820,991	\$ 42,542,189	\$ 291,819,056	\$ 298,896,212

Current and restricted assets decreased in governmental activities by \$8,714,179 from the prior year. Capital assets increased by \$618,835 from the previous year. Total liabilities in governmental activities decreased by \$398,687 in the prior year, primarily due to the reduction of non-current liabilities.

The City's assets exceeded liabilities by \$291,819,056 at the close of the most recent fiscal year. Of the total net position, the City's net investment in capital assets is \$192,521,650, and \$67,107,966 represents the unrestricted net position available for meeting the City's ongoing obligations to citizens and creditors. The City restricted \$32,189,440 based on the expected use. These restricted resources can be used only for those purposes specified by their providers, such as grantors, bondholders, or higher levels of government. It is important to note that external parties constrain these resources.

### Analysis of the Statement of Activities

Table 2 below lists a condensed Statement of Activities for the fiscal years ending June 30, 2023, and 2022.

**Table 2**  
**Statement of Activities**

	Governmental Activities		Business -Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues						
Program Revenues:						
Charges for services	\$ 2,218,818	\$ 2,237,538	\$ 21,188,761	\$ 16,202,430	\$ 23,407,579	\$ 18,439,968
Operating contributions and grants	11,256,801	11,435,024	-	-	11,256,801	11,435,024
Capital contributions and grants	202,766	954,966	-	-	202,766	954,966
General Revenues:						
Taxes						
Property taxes	3,945,967	3,721,408	-	-	3,945,967	3,721,408
Transient occupancy taxes	12,450,662	10,987,345	-	-	12,450,662	10,987,345
Sales taxes	1,766,438	1,539,776	-	-	1,766,438	1,539,776
Franchise taxes	1,231,605	1,108,065	-	-	1,231,605	1,108,065
Business licenses taxes	150,396	128,865	-	-	150,396	128,865
Admission taxes	3,939,996	4,859,434	-	-	3,939,996	4,859,434
Investment income (loss)	3,137,278	(1,192,487)	(9,708)	(70,543)	3,127,570	(1,263,030)
Gain on sale of capital assets	-	404,376	-	-	-	404,376
Other	481,138	550,703	26,000	1,247,051	507,138	1,797,754
Total Revenues	40,781,865	36,735,013	21,205,053	17,378,938	61,986,918	54,113,951
Expenses:						
General government	15,297,837	2,804,408	-	-	15,297,837	2,804,408
Public safety	13,309,494	9,003,835	-	-	13,309,494	9,003,835
Community development	6,782,254	5,479,125	-	-	6,782,254	5,479,125
Public works	11,245,752	4,719,058	-	-	11,245,752	4,719,058
Interest	457,880	463,970	-	-	457,880	463,970
Golf resort	-	-	21,970,857	18,815,101	21,970,857	18,815,101
Total Expenses	47,093,217	22,470,396	21,970,857	18,815,101	69,064,074	41,285,497
Increase (decrease) in net position before transfers	(6,311,352)	14,264,617	(765,804)	(1,436,163)	(7,077,156)	12,828,454
Transfers	(44,606)	(2,390,072)	44,606	2,390,072	-	-
Increase (decrease) in net position	(6,355,958)	11,874,545	(721,198)	953,909	(7,077,156)	12,828,454
Net Position, Beginning of Year	256,354,023	244,479,478	42,542,189	41,588,280	298,896,212	286,067,758
Net Position, End of Year	\$ 249,998,065	\$ 256,354,023	\$ 41,820,991	\$ 42,542,189	\$ 291,819,056	\$ 298,896,212



## **Revenues:**

### Governmental Activities

The City collected \$40,781,865 during the fiscal year 2022/23 compared to \$36,735,013 the previous year. The increase in revenue is primarily due to the following:

- Strong property tax growth.
- A stronger-than-expected resurgence in the tourism economy.
- Reopening of the BNP Paribas tennis tournament.
- Improved investment earnings

### Business Type Activities

The Golf Resort collected \$21,205,053 during the fiscal year 2022/23 compared to \$17,378,938 the previous year. The increase in revenue is primarily due to the following:

- Resurgence in the tourism economy.
- Improvements to food and beverage operations.
- Expanded demand for golf rounds, escalating golf rates, and increased banquet events and weddings.

## **Expenses:**

### Governmental Activities

- Expenses for all governmental activities totaled \$47,093,217. Operational cost increases were essentially inflationary in nature. The comparative variance between fiscal year 2022/23 and fiscal year 2021/22 was essentially Governmental Accounting Standards Board (GASB) 68 reporting. Statement 68 requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. Under GASB 68, employers (like Indian Wells) must recognize their specific pension amounts, including Net Pension Liability (NPL), deferred outflows and inflows of resources, and pension expense. During the fiscal year 2021/22, the GASB 68 pension credit was \$11,523,076; during the fiscal year 2022/23, the GASB 68 pension adjustment increased Governmental Activities by \$6,686,056.

### Business Type Activities

- The Golf Resort's operating costs totaled \$21,970,857, including operations costs of \$18,230,460, general and administrative expenses of \$668,571, interest expenses of \$25,416, loss on disposition of capital assets of \$416,797, and \$2,629,613 in depreciation expenses.

**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 \$103,383,445 as follows:

**Table 3  
Fund Balances by Category  
Fiscal Year Ending 6/30/2023**

	<u>General Fund</u>	<u>All Other Funds</u>	<u>Total Funds</u>
Nonspendable:			
Prepaid costs	\$ 111,390	\$ 663	\$ 112,053
Notes and loans	15,256,105	643,562	15,899,667
Restricted for:			
Community development	-	16,155,256	16,155,256
Public safety	-	6,183,630	6,183,630
Public works	-	2,345,243	2,345,243
Debt service	-	10,721,626	10,721,626
Committed for:			
Capital projects	-	494,155	494,155
Assigned To:			
Capital projects	-	31,949,774	31,949,774
Unassigned:	21,280,563	(1,758,522)	19,522,041
Total Fund Balances	<u>\$ 36,648,058</u>	<u>\$ 66,735,387</u>	<u>\$ 103,383,445</u>

Governmental fund balances ended the year, totaling \$103,383,445. Of this amount, \$16,011,720 constitutes non-spendable reserves; an additional \$35,405,755 are restricted fund balances because of external limitations on spending.

Approximately \$494,155 of the governmental fund balances are committed to capital projects. Assigned fund balances total \$31,949,774 and are reserved for long-term capital projects and replacements. The assigned fund balances are internally imposed limitations placed upon the funds by the Governing Board responsible for adopting the fund budget. The remainder of the fund balance is \$19,522,041, representing unassigned fund balances.

**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 6/30/2023**

	Golf Resort Operations	Total
Operating Revenues:		
Charges for services	\$ 21,233,367	\$ 21,233,367
Total Revenues	21,233,367	21,233,367
Operating Expenses:		
Operations	18,230,460	18,230,460
General and Administration	668,571	668,571
Depreciation	2,629,613	2,629,613
Total Expenditures	21,528,644	21,528,644
Operating Income (loss)	(295,277)	(295,277)
Non-operating Revenues (Expenses)		
Investment Income (loss)	(9,708)	(9,708)
Interest expense	(25,416)	(25,416)
Loss on disposition of capital assets	(416,797)	(416,797)
Other nonoperating revenue	26,000	26,000
Total nonoperating revenues (expenses)	(425,921)	(425,921)
Changes in Net Position	(721,198)	(721,198)
Net Position, Beginning of the Year	42,542,189	42,542,189
Net Position at End of Year	\$ 41,820,991	\$ 41,820,991

As a result of this year’s business activities, the Indian Wells Golf Resort collected \$21,233,367 in operating revenues. Revenues from operations include golf fees, food & beverage receipts, and event sales.

Operating expenses at the Indian Wells Golf Resort totaled \$21,528,644. This total includes operations, general and administrative costs, and depreciation. Operations totaled \$18,230,460, general and administrative expenses totaled \$668,571, and depreciation totaled \$2,629,613.

Nonoperating revenues (expenses) totaled (\$425,921) and were broken down as follows: investment income loss (\$9,708) due to a GASB 31 adjustment, interest expense (\$25,416), loss on disposition of capital assets of (\$416,797), and other nonoperating revenue totaling \$26,000.

### **Analysis of Individual Funds**

#### **The General Fund**

The General Fund is the primary operating fund of the City. At the end of the most recent fiscal year, the fund balance in the City’s General Fund was \$36,648,058. The fund balance breaks down as follows: non-spendable assets comprise \$15,367,495 in notes and loans, and \$21,280,563 is unassigned.

To measure the General Fund's liquidity, comparing unassigned and total fund balances to total general fund expenditures may be helpful. For example, the unassigned fund balance represents 104.4% of total general fund expenditures, while the total fund balance represents 179.7%.

**Table 5**  
**General Fund Financial Summary**

	2023	2022	\$ Change	% Change
<b>Revenues:</b>				
Taxes	\$ 23,099,286	\$ 21,992,915	\$ 1,106,371	5.0%
Licenses and permits	925,135	917,861	7,274	0.8%
Intergovernmental	933,561	2,173,340	(1,239,779)	-57.0%
Charges for services	558,846	651,014	(92,168)	-14.2%
Interest income (loss)	101,144	(697,652)	798,796	-114.5%
Fines and forfeitures	107,012	47,687	59,325	124.4%
Other income	158,635	196,358	(37,723)	-19.2%
<b>Total Revenues</b>	<b>25,883,619</b>	<b>25,281,523</b>	<b>602,096</b>	<b>2.4%</b>
<b>Expenditures:</b>				
General government	10,257,611	8,799,054	1,458,557	16.6%
Public safety	5,096,149	4,080,884	1,015,265	24.9%
Community development	2,051,675	1,622,505	429,170	26.5%
Public works	2,985,140	2,795,477	189,663	6.8%
<b>Total Expenditures</b>	<b>20,390,575</b>	<b>17,297,920</b>	<b>3,092,655</b>	<b>17.9%</b>
<b>Excess (Deficiency) of Revenues</b>				
<b>Over (Under) Expenditures</b>	<b>5,493,044</b>	<b>7,983,603</b>	<b>(2,490,559)</b>	<b>-31.2%</b>
<b>Other Financing Sources (Uses)</b>				
Transfer in	18,500	-	18,500	100.0%
Transfer out	(4,127,789)	(5,395,273)	1,267,484	100.0%
<b>Total Transfers</b>	<b>(4,109,289)</b>	<b>(5,395,273)</b>	<b>1,285,984</b>	<b>100.0%</b>
<b>Net Change in Fund Balance</b>	<b>\$ 1,383,755</b>	<b>\$ 2,588,330</b>	<b>\$ (1,204,575)</b>	<b>46.5%</b>

Tourism is the primary driver of the City's revenues. Tourism and Golf Resort revenues throughout the fiscal year returned better than predicted. Transient occupancy tax and admissions tax revenue reached historic collections during the year. As a result, General Fund revenues increased by 2.4% during the fiscal year 2022/23 compared to the prior year, primarily due to the expansion of tourism.

General Fund expenditures increased by \$3,092,655 (17.9%) during the fiscal year 2022/23, primarily due to the increase in public safety services, increased spending for resident amenities, and the implementation of the citywide turf rebate program, which provided incentive funding to homeowners and HOAs to reduce turf and replace with water-efficient plants. See the Fund Financial Statements tab, pages 28-37.

### **The Housing Authority Fund**

The Indian Wells Housing Authority was created to promote and encourage affordable housing units' retention, rehabilitation, and development. Affordable housing units are units occupied by households not exceeding the affordable income limits established by the Department of Housing and Urban Development (HUD).

The Housing Authority Fund oversees the City's affordable housing operations. The fund accounts for the general expenditures for affordable housing operations and reports to the State Department of Housing Community Development on community housing projects annually. At the end of the most recent fiscal year, the fund balance in the Housing Authority Fund was \$15,429,469.

**Table 6**  
**Housing Authority Financial Summary**

	2023	2022	\$ Change	% Change
<b>Revenues:</b>				
Interest income	\$ 154,080	\$ (564,442)	\$ 718,522	-127.3%
Total Revenues	154,080	(564,442)	718,522	-127.3%
<b>Expenditures:</b>				
General government	1,847,021	1,923,007	(75,986)	-4.0%
Community development	250,000	250,000	-	0.0%
Total Expenditures	2,097,021	2,173,007	(75,986)	-3.5%
<b>Excess (Deficiency) of Revenues</b>				
Over (Under) Expenditures	(1,942,941)	(2,737,449)	794,508	-29.0%
<b>Other Financing Sources (Uses)</b>				
Transfer in	4,442,555	267,838	4,174,717	0.0%
Transfer out	(87,019)	-	(87,019)	0.0%
Total Transfers	4,355,536	267,838	4,087,698	1526.2%
Net Change in Fund Balance	\$ 2,412,595	\$ (2,469,611)	\$ 4,882,206	-197.7%

Revenues consist of \$154,080 in interest income earned during the fiscal year 2022/23 due to a GASB 31 adjustment. Expenditures totaling \$2,097,021 during the fiscal year 2022/23 include staff salaries and benefits, professional services such as annual audits and legal counsel, general liability insurance premiums, contributions to non-profit homelessness organizations, and capital maintenance projects. The fiscal year 2022/23 expenditures decreased by \$75,986 compared to the prior year, primarily due to a reduction in capital infrastructure and maintenance projects. See the Fund Financial Statements tab, pages 28-37.

## The Emergency Services Upgrade Fund

The Emergency Services Upgrade Fund oversees contractual services for fire suppression, fire prevention, fire investigation, fire safety education, emergency management, and paramedic services—the City of Indian Wells contracts with the Riverside County Fire Department, a subcontract of CALFIRE. At the end of the most recent fiscal year, the fund balance in the Emergency Services Upgrade Fund was \$4,472,536.

**Table 7**  
**Emergency Services Upgrade Financial Summary**

	2023	2022	\$ Change	% Change
<b>Revenues:</b>				
Taxes	\$ 4,680,767	\$ 4,217,707	\$ 463,060	11.0%
Charges for services	604,356	603,203	1,153	0.2%
Interest income (loss)	(1,691)	(175,012)	173,321	-99.0%
Assessments	611,631	602,774	8,857	1.5%
Other income	10,677	8,598	2,079	24.2%
<b>Total Revenues</b>	<b>5,905,740</b>	<b>5,257,270</b>	<b>648,470</b>	<b>12.3%</b>
<b>Expenditures:</b>				
Public safety	6,160,835	4,252,793	1,908,042	44.9%
Capital Outlay	18,397	18,064	333	1.8%
<b>Total Expenditures</b>	<b>6,179,232</b>	<b>4,270,857</b>	<b>1,908,375</b>	<b>44.7%</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(273,492)	986,413	(1,259,905)	-127.7%
<b>Other Financing Sources (Uses)</b>				
Transfer out	(145,031)	-	(145,031)	0.0%
<b>Total Transfers</b>	<b>(145,031)</b>	<b>-</b>	<b>(145,031)</b>	<b>0.0%</b>
<b>Net Change in Fund Balance</b>	<b>\$ (418,523)</b>	<b>\$ 986,413</b>	<b>\$ (1,404,936)</b>	<b>-142.4%</b>

Revenues collected during the fiscal year 2022/23 include a \$4,680,767 fire tax credit (a form of property tax) collected by the County of Riverside on behalf of the City. In addition, charges for services of \$604,356 were collected from the ambulance billing program and a citywide assessment that generates another 611,631 annually. Interest income (loss) was (\$1,691) due to a GASB 31 adjustment.

Expenditures totaling \$6,160,835 during the fiscal year 2022/23 include staff salaries and benefits, professional services, contract fire costs, general liability insurance premiums, maintenance projects, and capital outlay. The fiscal year 2022/23 expenditures increased by \$1,908,042 compared to the prior year, primarily due to increased service levels on the engine. See the Fund Financial Statements tab, pages 28-37.

## The Indian Wells Financing Authority

In February 2022, 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, 2022, and issued at a premium of \$1,338,171.35 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 use certain real property and improvements of the City pursuant to a Lease Agreement dated February 1, 2022. At the end of the most recent fiscal year, the fund balance in the Indian Wells Financing Authority Fund was \$10,721,626.

**Table 8**  
**Indian Wells Financing Authority Financial Summary**

	2023	2022	\$ Change	% Change
<b>Revenues:</b>				
Investment income	\$ 379,938	\$ 10,250	\$ 369,688	100.0%
Total Revenues	379,938	10,250	369,688	100.0%
<b>Expenditures:</b>				
Bond issuance costs	-	235,117	(235,117)	-100.0%
Principal retirement	380,000	-	380,000	100.0%
Interest and fiscal charges	586,874	-	586,874	100.0%
Total Expenditures	966,874	235,117	731,757	311.2%
<b>Excess (Deficiency) of Revenues</b>				
Over (Under) Expenditures	(586,936)	(224,867)	(362,069)	100.0%
<b>Other Financing Sources (Uses)</b>				
Issuance of bonds	-	13,930,000	(13,930,000)	-100.0%
Premium on sale of bonds	-	1,338,171	(1,338,171)	-100.0%
Transfer in	966,875	-	966,875	100.0%
Transfer out	(1,752,399)	(2,949,218)	1,196,819	-40.6%
Total Transfers	(785,524)	12,318,953	(13,104,477)	-106.4%
Net Change in Fund Balance	\$ (1,372,460)	\$ 12,094,086	\$ (13,466,546)	-111.3%

Revenues collected during the fiscal year 2022/23 include \$379,938 in interest income. Debt service began during the fiscal year. Total debt service totaled \$966,874, including \$380,000 in principal retirements and \$586,874 in interest and fiscal charges.

## The Capital Improvements Fund

The Capital Improvement Program is the City's comprehensive multi-year plan for the development of the City's capital facilities and improvements. The plan outlines the expected capital projects over the next five years. Capital projects usually involve high costs, take a year or more to complete, and result in the creation of a capital asset.

A capital improvement project includes the construction, acquisition, expansion, rehabilitation, or non-routine maintenance work that generally costs \$5,000 or more and results in the creation or preservation of a capital asset. The Capital Improvement Program attempts to identify all capital maintenance, facilities, and improvements needed within the next five years. It may include significant equipment purchases such as vehicles, capital-related studies, and master plans. At the end of the most recent fiscal year, the fund balance in the Capital Improvements Fund was \$7,854,742.

**Table 9**  
**Capital Improvements Financial Summary**

	2023	2022	\$ Change	% Change
<b>Revenues:</b>				
Intergovernmental	\$ 184,414	\$ 233,642	\$ (49,228)	-21.1%
Investment income	3,484	(298,938)	302,422	-101.2%
Other income	-	1,013	(1,013)	100.0%
<b>Total Revenues</b>	<b>187,898</b>	<b>(64,283)</b>	<b>252,181</b>	<b>-392.3%</b>
<b>Expenditures:</b>				
General government	134,511	228,553	(94,042)	-41.1%
Community development	-	2,500,000	(2,500,000)	100.0%
Capital outlay	5,147,043	4,133,746	1,013,297	24.5%
<b>Total Expenditures</b>	<b>5,281,554</b>	<b>6,862,299</b>	<b>(1,580,745)</b>	<b>-23.0%</b>
<b>Excess (Deficiency) of Revenues</b>				
<b>Over (Under) Expenditures</b>	<b>(5,093,656)</b>	<b>(6,926,582)</b>	<b>1,832,926</b>	<b>-26.5%</b>
<b>Other Financing Sources (Uses)</b>				
Proceeds from sale of capital assets	-	525,000	(525,000)	100.0%
Transfer in	3,772,129	6,939,608	(3,167,479)	-45.6%
<b>Total Transfers</b>	<b>3,772,129</b>	<b>7,464,608</b>	<b>(3,692,479)</b>	<b>-49.5%</b>
<b>Net Change in Fund Balance</b>	<b>\$ (1,321,527)</b>	<b>\$ 538,026</b>	<b>\$ (1,859,553)</b>	<b>-345.6%</b>

Revenues collected during the fiscal year 2022/23 include \$184,414 in intergovernmental revenues and interest income totaling \$3,484 due to a GASB 31 adjustment.

Expenditures totaling \$5,281,554 during the fiscal year 2022/23 include \$134,511 in general government costs and \$5,147,043 in new capital investments within the community. See the Fund Financial Statements tab, pages 28-37.



## City Streets Capital Reserve

City Streets Capital Reserve Fund is part of the City’s good governance replacement plan. The purpose of capital reserves is to provide the funding necessary to construct capital improvement projects within the City. In addition, the capital asset replacement plan establishes annual contribution requirements to fund the long-term capital replacement program.

The City’s Capital Contribution Policy contributes to the Capital Reserve program and funds future infrastructure projects, streets, bridges, and City facilities. Financial reserves are an effective tool to support municipal asset management planning, as they allow funds to be set aside to manage assets throughout their lifecycle. As a general budget principle concerning the use of reserves, the City Council decides whether to appropriate funds from Reserve accounts.

**Table 10**  
**City Streets Capital Reserve Financial Summary**

	2023	2022	\$ Change	% Change
<b>Revenues:</b>				
Investment income	\$ 55,779	\$ (811,971)	\$ 867,750	-106.9%
Total Revenues	55,779	(811,971)	867,750	-106.9%
<b>Expenditures:</b>				
Capital outlay	2,500,000	-	2,500,000	0.0%
Total Expenditures	2,500,000	-	2,500,000	0.0%
<b>Excess (Deficiency) of Revenues</b>				
Over (Under) Expenditures	(2,444,221)	(811,971)	(1,632,250)	201.0%
<b>Other Financing Sources (Uses)</b>				
Transfer in	814,000	820,000	(6,000)	100.0%
Total Transfers	814,000	820,000	(6,000)	100.0%
Net Change in Fund Balance	\$ (1,630,221)	\$ 8,029	\$ (1,638,250)	-20404.2%

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

The City Council may approve this transfer as a part of the annual budget cycle or as a transfer for a specific capital improvement. Before such approval, the City shall present applicable financial information regarding the capital replacement funds, including beginning fund balances, anticipated revenues, and the anticipated ending fund balance after the proposed funds' transfer. 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**

	2023	2022	\$ Change	% Change
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ 536,863	\$ (536,863)	-100.0%
Developer fees	111,021	156,136	(45,115)	-28.9%
<b>Total Revenues</b>	<b>111,021</b>	<b>692,999</b>	<b>(581,978)</b>	<b>-84.0%</b>
<b>Expenditures:</b>				
General government	2,822	1,073,726	(1,070,904)	-99.7%
<b>Total Expenditures</b>	<b>2,822</b>	<b>1,073,726</b>	<b>(1,070,904)</b>	<b>-99.7%</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	108,199	(380,727)	488,926	-128.4%
<b>Net Change in Fund Balance</b>	<b>\$ 108,199</b>	<b>\$ (380,727)</b>	<b>\$ 488,926</b>	<b>-128.4%</b>

## General Fund Budgetary Highlights

Actual revenues received in the General Fund were \$5,770,124 higher than budgeted, primarily attributed to the following:

- Strong property tax growth.
- Resurgence in the tourism economy.
- Reopening of the BNP Paribas tennis tournament.
- Increase in licenses and permits

The final budget for General Fund expenditures was \$1,156,531 more than the original budget due to the following:

- Increase in public safety services
- Increased spending for resident amenities
- The implementation of the citywide turf rebate program

## 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	
	2023	2022	2023	2022
Government Activities				
General government	\$ 15,297,837	\$ 2,804,408	\$ (14,444,907)	\$ (1,997,180)
Public safety	13,309,494	9,003,835	(5,934,663)	(883,494)
Community development	6,782,254	5,479,125	(5,277,241)	(3,910,250)
Public works	11,245,752	4,719,058	(7,300,141)	(587,974)
Interest	457,880	463,970	(457,880)	(463,970)
Total Governmental Activities	47,093,217	22,470,396	(33,414,832)	(7,842,868)
Business-Type Activities				
Golf resort	21,970,857	18,815,101	(782,096)	(2,612,671)
Total Business-Type Activities	21,970,857	18,815,101	(782,096)	(2,612,671)
Total Primary Government	<u>\$ 69,064,074</u>	<u>\$ 41,285,497</u>	<u>\$ (34,196,928)</u>	<u>\$ (10,455,539)</u>

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, 2022	Additions	Deletions	Balance at June 30, 2023
Capital assets, not being depreciated:				
Land	\$ 33,289,388	\$ -	\$ -	\$ 33,289,388
Construction in progress	3,268,022	3,442,166	(97,876)	6,612,312
Total capital assets not being depreciated	<u>36,557,410</u>	<u>3,442,166</u>	<u>(97,876)</u>	<u>39,901,700</u>
Capital assets, being depreciated:				
Intangible	2,500,000	2,500,000	(2,500,000)	2,500,000
Buildings and improvements	67,605,378	265,455	(584,762)	67,286,071
Equipment	2,184,084	80,544	(230,825)	2,033,803
Infrastructure	114,705,473	1,292,589	(6,280)	115,991,782
Total capital assets being depreciated	<u>186,994,935</u>	<u>4,138,588</u>	<u>(3,321,867)</u>	<u>187,811,656</u>
Less accumulated depreciation for:				
Intangible	(2,375,000)	(250,000)	2,375,000	(250,000)
Buildings and improvements	(31,216,725)	(1,577,629)	88,429	(32,705,925)
Equipment	(1,733,905)	(144,057)	230,825	(1,647,137)
Infrastructure	(39,105,611)	(2,008,832)	6,280	(41,108,163)
Total accumulated depreciation	<u>(74,431,241)</u>	<u>(3,980,518)</u>	<u>2,700,534</u>	<u>(75,711,225)</u>
Total capital assets being depreciated, net	<u>112,563,694</u>	<u>158,070</u>	<u>(621,333)</u>	<u>112,100,431</u>
Total capital assets, net	<u>\$ 149,121,104</u>	<u>\$ 3,600,236</u>	<u>\$ (719,209)</u>	<u>\$ 152,002,131</u>

Governmental Activities capital assets net of depreciation increased by \$2,881,027 from \$149,121,104 to \$152,002,131. The City acquired \$7,580,754 in new capital assets, and construction is in progress during the fiscal year. Deletions totaled \$719,209, and the depreciation expense reached \$3,980,518. Details of the City's capital assets can be found in Note 7 Capital Assets on pages 59-61 of the Notes to Basic Financial Statements.

Business-Type Activities

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

	Balance at July 1, 2022	Additions	Deletions	Balance at June 30, 2023
Capital assets, not being depreciated:				
Land	\$ 13,910,956	\$ -	\$ -	\$ 13,910,956
Construction in progress	121,421	-	(121,421)	-
Total capital assets not being depreciated	<u>14,032,377</u>	<u>-</u>	<u>(121,421)</u>	<u>13,910,956</u>
Capital assets, being depreciated:				
Buildings and improvements	85,279,178	480,372	(45,778)	85,713,772
Equipment	7,531,178	406,182	(3,441,138)	4,496,222
Infrastructure	433,390	-	-	433,390
Right to use asset	545,025	13,263	(3,179)	555,109
Total capital assets being depreciated	<u>93,788,771</u>	<u>899,817</u>	<u>(3,490,095)</u>	<u>91,198,493</u>
Less accumulated depreciation for:				
Buildings and improvements	(54,681,867)	(1,895,232)	20,255	(56,556,844)
Equipment	(5,716,121)	(592,206)	3,046,686	(3,261,641)
Infrastructure	(115,569)	(7,224)	-	(122,793)
Right to use asset	(108,349)	(134,951)	3,179	(240,121)
Total accumulated depreciation	<u>(60,621,906)</u>	<u>(2,629,613)</u>	<u>3,070,120</u>	<u>(60,181,399)</u>
Total capital assets being depreciated, net	<u>33,166,865</u>	<u>(1,729,796)</u>	<u>(419,975)</u>	<u>31,017,094</u>
Total capital assets, net	<u>\$ 47,199,242</u>	<u>\$ (1,729,796)</u>	<u>\$ (541,396)</u>	<u>\$ 44,928,050</u>

Capital assets from Business-type Activities net of depreciation decreased by \$2,271,192 from 47,199,242 to \$44,928,050. The Indian Wells Golf Resort acquired \$899,817 in new capital assets, and construction was in progress during the fiscal year. Deletions totaled \$541,396, and the depreciation expense reached \$2,629,613. Details of the City's capital assets can be found in Note 7 Capital Assets on pages 59-61 of the Notes to Basic Financial Statements.

## Long-term Liabilities

At year-end, the City's governmental activities had \$14,318,667 in long-term liabilities.

**Table 15**  
**Summary of Changes in Long-Term Liabilities**

Description	2023	2022	\$ Change	% Change
Compensated absences	\$ 634,307	\$ 582,270	\$ 52,037	8.9%
2022 Lease Revenue Bonds Premium	13,550,000	13,930,000	(380,000)	-2.7%
Lease Payable	1,249,696	1,316,052	(66,356)	-5.0%
Net Pension Liability (asset)	330,461	447,855	(117,394)	-26.2%
Net OPEB Liability (asset)	(700,736)	(6,449,180)	5,748,444	-89.1%
	(745,061)	(2,196,587)	1,451,526	-66.1%
<b>Total Long Term Debt</b>	<b>\$ 14,318,667</b>	<b>\$ 7,630,410</b>	<b>\$ 6,688,257</b>	<b>87.7%</b>

The City reported \$634,307 in compensated absences liability as of June 30, 2023. The City reserves the outstanding compensated absences liability in the Employee Leave Accrual Fund. The long-term strategy of the Employee Leave Accrual Fund is to set aside cash reserves in case of separation. Full-time employees accrue several types of paid leave, including vacation, holiday, administrative, sick, and compensatory time accruals. In addition, the number of leave employees is eligible to accrue governed by Memorandum of Understanding (MOUs), personnel contracts, and Personnel Rules and Regulations.

The Indian Wells Financing Authority reported \$13,550,000 in outstanding lease revenue bonds along with a premium of \$1,249,696 originally issued to provide funds to finance public improvements and energy efficiency improvements in the City.

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, 2023, in the amount of (\$700,736). The City's net pension liability for the Miscellaneous Plan is measured as a proportionate share of the net pension liability.

The City's proportion of the net pension liability (asset) was based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. Accordingly, the City's proportionate share of the net pension liability for the Miscellaneous Plan as of June 30, 2022, and 2023 was as follows:

Proportion - June 30, 2022	-0.33964%
Proportion - June 30, 2023	-0.01498%
Change - Increase/(Decrease)	0.32466%

The City has established a Retiree Healthcare Plan (HC Plan) and participates in an agent multiple employers defined benefit retiree healthcare plan administered by the CalPERS, which acts as a typical investment and administrative agent for its participating member employers. City contracts with the employee associations establish benefit provisions under the HC Plan. In addition, the City participates in the California Employers' Retiree Benefits Fund (CERBT). The City reported a net liability (asset) of (\$745,061) as of June 30, 2023.

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

## Economic Factors and Next Year's Budgets and Rates

Facing rising inflation, the Federal Reserve, tasked with maintaining stable price growth, has repeatedly enacted interest rate increases throughout 2022 to cool the economy and, in turn, slow inflation. The longer inflation persists, the higher the Federal Reserve will increase interest rates in response. The chance that the Federal Reserve can tame inflation without inducing a recession is narrow, especially with an inverted yield curve.

A yield curve inversion, when rates for two-year U.S. Treasury notes rise above those for 10-year notes, has preceded every recession since the 1960s. The first apparent inversion in 15 years happened in July 2022, although there were brief and shallow inversions in August 2019 and April 2022.

All of that is old news. What has happened since July is that the inversion, unlike all others since the early 1980s, has become more profound. The two-year yield is now almost 80 basis points, or 0.8 percentage points, higher than the 10-year yield. This inversion was only exceeded by 1978 to 1982 when the Federal Reserve chairman Paul Volcker ramped up benchmark rates to double digits to reverse high inflation at the cost of two long and deep recessions. Investors are asking whether the next recession will be more prolonged and profound than the previous 40 years.

Despite recent interest rate increases, inflation remains well above the Federal Reserve's stated stability goal. Further, factors that tend to predict future inflation—such as recent changes in consumer spending, incomes, and prices for food and energy—suggest that heightened inflation pressures could remain for some time. These observations indicate that the Federal Reserve will take additional steps to curb inflation in the coming months, raising the risk of a recession.

Before predicting disaster, remember that the current inversion is only 77 basis points, compared with the 241-basis-point peak in 1978-1980 and 170 basis points in 1980-1982. Additionally, federal rate increases of 124 basis points are well below the 194 basis points of 1978-1980, and the stock market decline of 14% is not as severe as the 18% of 1980-1982. So, while the signs are ominous, they're not yet at a level to expect Volcker Shock conditions.

A recession seems likely, but how disruptive it will be to Indian Wells isn't clear. Hotel revenues and occupancy are near record highs, and there is a clear indication that the March 2023 tennis tournament will return to pre-pandemic levels. Moreover, long-term forecasts provided by hotel partners anticipate continued growth through 2023. However, this could all change instantly if the national economy falls into a significant recession.

*Why does Indian Wells care about the national economy?* Tourism! During the fiscal year 2022, tourism revenues (transient occupancy tax, admissions tax, and a portion of sales tax) accounted for approximately 70.0% of all General Fund revenues.

Tourism significantly impacts the Leisure and Hospitality industries of the Coachella Valley; when the economy is in a recession, people travel less. While international tourism has yet to return to pre-pandemic levels in Southern California and the Coachella Valley, much of it has been compensated by Southern Californians traveling to the area even during hot months. Falling into a new recession will cut tourism from the rest of the U.S. and California.

Some early tourism reports indicate that economic concerns have replaced health as the main apprehension for summer and fall travel. Of course, financial concerns will cause some to stay home, but those who plan to travel are prepared to increase their budgets. Nearly three in 10 travelers plan to spend more than they did in 2019, and high airfares and hotel room rates are the number one reason why.

## **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, 2023

	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Cash and investments	\$ 66,015,384	\$ 2,404,795	\$ 68,420,179
Restricted cash and investments	11,820,968	-	11,820,968
Receivables			
Accounts	2,315,187	47,259	2,362,446
Accrued interest	306,000	5,802	311,802
Prepaid costs	112,053	65,846	177,899
Deposits	12,140,000	-	12,140,000
Inventories	-	516,741	516,741
Internal balances	4,389,820	(4,389,820)	-
Notes receivable	1,174,554	-	1,174,554
Due from Successor Agency	14,187,226	-	14,187,226
Net pension asset	680,485	20,251	700,736
Net OPEB asset	745,061	-	745,061
Capital assets not being depreciated	39,901,700	13,910,956	53,812,656
Capital assets, net of depreciation	112,100,431	31,017,094	143,117,525
Total assets	<u>265,888,869</u>	<u>43,598,924</u>	<u>309,487,793</u>
<b>Deferred Outflows of Resources</b>			
Deferred amounts related to pensions	5,487,755	163,316	5,651,071
Deferred amounts related to OPEB	1,806,981	-	1,806,981
Total deferred outflows of resources	<u>7,294,736</u>	<u>163,316</u>	<u>7,458,052</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Accounts payable	3,714,242	545,476	4,259,718
Accrued liabilities	205,638	687,644	893,282
Deposits payable	1,189,638	333,472	1,523,110
Interest payable	188,334	-	188,334
<b>Noncurrent liabilities</b>			
<b>Due within one year</b>			
Compensated absences	119,164	-	119,164
Long-term debt	536,356	139,597	675,953
<b>Due in more than one year</b>			
Compensated absences	515,143	-	515,143
Long-term debt	14,263,340	190,864	14,454,204
Total liabilities	<u>20,731,855</u>	<u>1,897,053</u>	<u>22,628,908</u>
<b>Deferred Inflows of Resources</b>			
Deferred amounts related to pensions	1,485,073	44,196	1,529,269
Deferred amounts related to OPEB	968,612	-	968,612
Total deferred inflows of resources	<u>2,453,685</u>	<u>44,196</u>	<u>2,497,881</u>
<b>Net Position</b>			
Net investment in capital assets	147,924,061	44,597,589	192,521,650
Restricted for			
Community development projects	725,787	-	725,787
Housing	15,429,469	-	15,429,469
Public safety	6,183,630	-	6,183,630
Public works	2,345,243	-	2,345,243
Pension obligations	5,567,799	139,371	5,707,170
OPEB obligations	1,798,141	-	1,798,141
Unrestricted	70,023,935	(2,915,969)	67,107,966
Total Net Position	<u>\$ 249,998,065</u>	<u>\$ 41,820,991</u>	<u>\$ 291,819,056</u>

City of Indian Wells, California

Statement of Activities

Year Ended June 30, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants	Primary Government		
					Governmental Activities	Business-type Activities	Total
<b>Government Activities</b>							
General government	\$ 15,297,837	\$ 107,012	\$ 745,918	\$ -	\$ (14,444,907)	\$ -	\$ (14,444,907)
Public safety	13,309,494	604,356	6,770,475	-	(5,934,663)	-	(5,934,663)
Community development	6,782,254	1,483,981	21,032	-	(5,277,241)	-	(5,277,241)
Public works	11,245,752	23,469	3,719,376	202,766	(7,300,141)	-	(7,300,141)
Interest	457,880	-	-	-	(457,880)	-	(457,880)
Total governmental activities	47,093,217	2,218,818	11,256,801	202,766	(33,414,832)	-	(33,414,832)
<b>Business-type Activities</b>							
Golf resort operations	21,970,857	21,188,761	-	-	-	(782,096)	(782,096)
Total business-type activities	21,970,857	21,188,761	-	-	-	(782,096)	(782,096)
<b>Total Primary Government</b>	<b>\$ 69,064,074</b>	<b>\$ 23,407,579</b>	<b>\$ 11,256,801</b>	<b>\$ 202,766</b>	<b>(33,414,832)</b>	<b>(782,096)</b>	<b>(34,196,928)</b>
<b>General Revenues</b>							
<b>Taxes</b>							
Property taxes, levied for general purpose					3,945,967	-	3,945,967
Transient occupancy taxes					12,450,662	-	12,450,662
Sales taxes					1,766,438	-	1,766,438
Franchise taxes					1,231,605	-	1,231,605
Business licenses taxes					150,396	-	150,396
Admission taxes					3,939,996	-	3,939,996
Investment income (loss)					3,137,278	(9,708)	3,127,570
Other					481,138	26,000	507,138
Total general revenues					27,103,480	16,292	27,119,772
Transfers					(44,606)	44,606	-
Change in Net Position					(6,355,958)	(721,198)	(7,077,156)
Net Position, Beginning of Year					256,354,023	42,542,189	298,896,212
Net Position, End of Year					\$ 249,998,065	\$ 41,820,991	\$ 291,819,056

City of Indian Wells, California  
Balance Sheet - Governmental Funds  
Year Ended June 30, 2023

	Special Revenue Funds			Debt Service	Capital Projects Funds			Nonmajor Governmental Funds	Total Governmental Funds
	General	Housing Authority	Emergency Services Upgrade	Indian Wells Financing Authority	Capital Improvements	City Streets Capital Reserve	Park Facilities In Lieu		
<b>Assets</b>									
Cash and investments	\$ 16,695,987	\$ 3,358,493	\$ 5,297,686	\$ -	\$ 7,517,855	\$ 17,170,499	\$ -	\$ 13,109,589	\$ 63,150,109
Restricted cash and investments	-	-	-	10,721,625	-	-	-	-	10,721,625
Receivables									
Accounts	1,922,627	-	133,352	-	66,745	-	-	192,463	2,315,187
Accrued interest	82,578	57,882	20,804	1	21,387	67,425	-	50,820	300,897
Prepaid costs	111,390	-	-	-	-	-	-	663	112,053
Deposits	-	12,140,000	-	-	-	-	-	-	12,140,000
Due from other funds	5,810,737	-	-	-	537,887	-	-	-	6,348,624
Notes receivable	1,068,879	-	-	-	105,675	-	-	-	1,174,554
Due from Successor Agency	14,187,226	-	-	-	-	-	-	-	14,187,226
<b>Total assets</b>	<b>\$ 39,879,424</b>	<b>\$ 15,556,375</b>	<b>\$ 5,451,842</b>	<b>\$ 10,721,626</b>	<b>\$ 8,249,549</b>	<b>\$ 17,237,924</b>	<b>\$ -</b>	<b>\$ 13,353,535</b>	<b>\$ 110,450,275</b>
<b>Liabilities and Fund Balances</b>									
<b>Liabilities</b>									
Accounts payable	\$ 2,105,917	\$ 94,528	\$ 971,053	\$ -	\$ 90,639	\$ -	\$ 1,667	\$ 448,946	\$ 3,712,750
Accrued liabilities	160,548	32,378	8,253	-	-	-	-	4,459	205,638
Deposits payable	756,416	-	-	-	304,168	-	-	129,054	1,189,638
Due to other funds	208,485	-	-	-	-	-	1,373,646	376,673	1,958,804
<b>Total liabilities</b>	<b>3,231,366</b>	<b>126,906</b>	<b>979,306</b>	<b>-</b>	<b>394,807</b>	<b>-</b>	<b>1,375,313.00</b>	<b>959,132</b>	<b>7,066,830</b>
<b>Fund Balances</b>									
<b>Nonspendable</b>									
Prepaid costs	\$ 111,390	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 663	112,053
Notes and loans	15,256,105	-	-	-	-	-	-	-	15,256,105
<b>Restricted for</b>									
Community development	-	15,429,469	-	-	-	-	-	725,787	16,155,256
Public safety	-	-	4,472,536	-	-	-	-	1,711,094	6,183,630
Public works	-	-	-	-	-	-	-	2,345,243	2,345,243
Debt service	-	-	-	10,721,626	-	-	-	-	10,721,626
<b>Committed to</b>									
Capital projects	-	-	-	-	-	-	-	494,155	494,155
<b>Assigned</b>									
Capital projects	-	-	-	-	7,854,742	17,237,924	-	7,500,670	32,593,336
<b>Unassigned</b>	<b>21,280,563</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,375,313)</b>	<b>(383,209)</b>	<b>19,522,041</b>
<b>Total fund balances</b>	<b>36,648,058</b>	<b>15,429,469</b>	<b>4,472,536</b>	<b>10,721,626</b>	<b>7,854,742</b>	<b>17,237,924</b>	<b>(1,375,313)</b>	<b>12,394,403</b>	<b>103,383,445</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 39,879,424</b>	<b>\$ 15,556,375</b>	<b>\$ 5,451,842</b>	<b>\$ 10,721,626</b>	<b>\$ 8,249,549</b>	<b>\$ 17,237,924</b>	<b>\$ -</b>	<b>\$ 13,353,535</b>	<b>\$ 110,450,275</b>

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

Total fund balances - total governmental funds	\$	103,383,445
Capital assets net of related accumulated depreciation have not been included as financial resources in governmental fund activity.		152,002,131
Compensated absences are not considered due and payable and therefore have not been included in the governmental funds.		(634,307)
Long-term debt is not considered due and payable and therefore has not been included in the governmental funds.		(14,799,696)
Interest payable is not considered due and payable and therefore has not been included in the governmental funds.		(188,334)
Deferred outflows related to pensions		5,487,755
Deferred inflows related to pensions		(1,485,073)
Proportionate share of net pension asset is not a financial resource and, therefore, has not been included in governmental fund activity.		680,485
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.		5,551,659
Net Position of Governmental Activities	\$	<u><u>249,998,065</u></u>

City of Indian Wells, California  
Statement of Revenue, Expenditures and Changes in Fund Balances - Governmental Funds  
Year Ended June 30, 2023

	General	Special Revenue Funds		Debt Service	Capital Projects			Nonmajor Governmental Funds	Total Governmental Funds
		Housing Authority	Emergency Services Upgrade	Indian Wells Financing Authority	Capital Improvements	City Streets Capital Reserve	Park Facilities In Lieu		
<b>Revenues</b>									
Taxes	\$ 23,099,286	\$ -	\$ 4,680,767	\$ -	\$ -	\$ -	\$ -	\$ 385,778	\$ 28,165,831
Licenses and permits	925,135	-	-	-	-	-	-	-	925,135
Intergovernmental	933,561	-	-	-	184,414	-	-	746,364	1,864,339
Charges for services	558,846	-	604,356	-	-	-	-	-	1,163,202
Investment income (loss)	101,144	147,595	(1,691)	379,938	3,484	55,779	-	62,550	748,799
Fines and forfeitures	107,012	-	-	-	-	-	-	23,469	130,481
Rental income	-	-	-	-	-	-	-	2,310,605	2,310,605
Assessments	-	-	611,631	-	-	-	-	3,920,352	4,531,983
Developer fees	-	-	-	-	-	-	111,021	571,456	682,477
Other income	158,635	6,485	10,677	-	-	-	-	5,342	181,139
<b>Total revenues</b>	<b>25,883,619</b>	<b>154,080</b>	<b>5,905,740</b>	<b>379,938</b>	<b>187,898</b>	<b>55,779</b>	<b>111,021</b>	<b>8,025,916</b>	<b>40,703,991</b>
<b>Expenditures</b>									
Current									
General government	10,257,611	1,847,021	-	-	134,511	-	2,822	-	12,241,965
Public safety	5,096,149	-	6,160,835	-	-	-	-	1,536,689	12,793,673
Community development	2,051,675	250,000	-	-	-	-	-	2,367,530	4,669,205
Public works	2,985,140	-	-	-	-	-	-	3,384,604	6,369,744
Capital outlay	-	-	18,397	-	5,147,043	2,500,000	-	710,648	8,376,088
Debt service:									
Principal retirement	-	-	-	380,000	-	-	-	-	380,000
Interest and fiscal charges	-	-	-	586,874	-	-	-	-	586,874
<b>Total expenditures</b>	<b>20,390,575</b>	<b>2,097,021</b>	<b>6,179,232</b>	<b>966,874</b>	<b>5,281,554</b>	<b>2,500,000</b>	<b>2,822</b>	<b>7,999,471</b>	<b>45,417,549</b>
<b>Excess (Deficiency) of Revenues over (under) Expenditures</b>	<b>5,493,044</b>	<b>(1,942,941)</b>	<b>(273,492)</b>	<b>(586,936)</b>	<b>(5,093,656)</b>	<b>(2,444,221)</b>	<b>108,199</b>	<b>26,445</b>	<b>(4,713,558)</b>
<b>Other Financing Sources (Uses)</b>									
Transfers in	18,500	4,442,555	-	966,875	3,772,129	814,000	-	788,398	10,802,457
Transfers out	(4,127,789)	(87,019)	(145,031)	(1,752,399)	-	-	-	(4,734,825)	(10,847,063)
<b>Total other financing sources (uses)</b>	<b>(4,109,289)</b>	<b>4,355,536</b>	<b>(145,031)</b>	<b>(785,524)</b>	<b>3,772,129</b>	<b>814,000</b>	<b>-</b>	<b>(3,946,427)</b>	<b>(44,606)</b>
<b>Net Change in Fund Balances</b>	<b>1,383,755</b>	<b>2,412,595</b>	<b>(418,523)</b>	<b>(1,372,460)</b>	<b>(1,321,527)</b>	<b>(1,630,221)</b>	<b>108,199</b>	<b>(3,919,982)</b>	<b>(4,758,164)</b>
<b>Fund Balances, Beginning of Year</b>	<b>35,264,303</b>	<b>13,016,874</b>	<b>4,891,059</b>	<b>12,094,086</b>	<b>9,176,269</b>	<b>18,868,145</b>	<b>(1,483,512)</b>	<b>16,314,385</b>	<b>108,141,609</b>
<b>Fund Balances, End of Year</b>	<b>\$ 36,648,058</b>	<b>\$ 15,429,469</b>	<b>\$ 4,472,536</b>	<b>\$ 10,721,626</b>	<b>\$ 7,854,742</b>	<b>\$ 17,237,924</b>	<b>\$ (1,375,313)</b>	<b>\$ 12,394,403</b>	<b>\$ 103,383,445</b>

Reconciliation of the Statement of Revenue, Expenditures and Changes in Fund Balances to the Statement of  
 Activities - Governmental Funds  
 Year Ended June 30, 2023

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

Net change in fund balances - total governmental funds	\$ (4,758,164)
<p>Governmental funds report capital projects (outlays) as expenditures. However, in the statement of activities, the costs of those assets are allocated over their estimated useful lives as depreciation expense. Adjustments for capital outlay, net of asset deletions, proceeds from the sale of assets, and the net depreciation expense is reported in the governmental activities.</p>	
	2,881,027
<p>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.</p>	
	61,240
<p>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.</p>	
	(6,686,056)
<p>Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.</p>	
Principal repayments	380,000
Amortization of premium	66,356
<p>Accrued interest for long-term liabilities. This is the net change in accrued interest for the current period.</p>	
	62,638
<p>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.</p>	
	<u>1,637,001</u>
Change in net position of governmental activities	<u><u>\$ (6,355,958)</u></u>

City of Indian Wells, California  
Statement of Net Position - Proprietary Funds  
June 30, 2023

	Business-Type Activities	Governmental Activities
	Golf Resort Operations	Internal Service Funds
<b>Current Assets</b>		
Cash and investments	\$ 2,404,795	\$ 2,865,275
Restricted cash and investments	-	1,099,343
Receivables		
Accounts	47,259	-
Accrued interest	5,802	5,103
Prepaid costs	65,846	-
Inventories	516,741	-
Total current assets	<u>3,248,928</u>	<u>3,969,721</u>
<b>Noncurrent Assets</b>		
Net pension asset	20,251	-
Net OPEB asset	-	745,061
Capital assets, not being depreciated	13,910,956	-
Capital assets, net of depreciation	31,017,094	-
Total noncurrent assets	<u>44,948,301</u>	<u>745,061</u>
Total assets	<u>48,197,229</u>	<u>4,714,782</u>
<b>Deferred Outflows of Resources</b>		
Deferred amounts related to pension	163,316	-
Deferred amounts related to OPEB	-	1,806,981
Total deferred outflows of resources	<u>163,316</u>	<u>1,806,981</u>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Accounts payable	545,476	1,492
Accrued liabilities	687,644	-
Deposits payable	333,472	-
Due to other funds	4,598,305	-
Leases payable	139,597	-
Total current liabilities	<u>6,304,494</u>	<u>1,492</u>
<b>Noncurrent Liabilities</b>		
Lease payable, net of current	190,864	-
Total noncurrent liabilities	<u>190,864</u>	<u>-</u>
Total liabilities	<u>6,495,358</u>	<u>1,492</u>
<b>Deferred Inflows of Resources</b>		
Deferred amounts related to pension	44,196	-
Deferred amounts related to OPEB	-	968,612
Total deferred inflows of resources	<u>44,196</u>	<u>968,612</u>
<b>Net Position</b>		
Net investment in capital assets	44,597,589	-
Restricted for Pension	139,371	884,632
Restricted for OPEB	-	1,798,141
Unrestricted	(2,915,969)	2,868,886
Total Net Position	<u>\$ 41,820,991</u>	<u>\$ 5,551,659</u>



City of Indian Wells, California  
Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds  
Year Ended June 30, 2023

	Business-Type Activities	Governmental Activities
	Golf Resort Operations	Internal Service Funds
Operating Revenues		
Charges for services	\$ 21,233,367	\$ -
Interdepartmental charges	-	2,563,611
Total operating revenues	<u>21,233,367</u>	<u>2,563,611</u>
Operating Expenses		
Operations	18,230,460	-
General and administration	668,571	1,049,090
Depreciation	2,629,613	-
Total operating expenses	<u>21,528,644</u>	<u>1,049,090</u>
Operating Income (Loss)	<u>(295,277)</u>	<u>1,514,521</u>
Nonoperating Revenues (Expenses)		
Investment income (loss)	(9,708)	77,874
Interest expense	(25,416)	-
Loss on disposition of capital assets	(416,797)	-
Other nonoperating revenue	26,000	-
Total nonoperating revenues (expenses)	<u>(425,921)</u>	<u>77,874</u>
Income before transfers	(721,198)	1,592,395
Transfers In	-	44,606
Changes in Net Position	(721,198)	1,637,001
Net Position, Beginning of Year	<u>42,542,189</u>	<u>3,914,658</u>
Net Position, End of Year	<u>\$ 41,820,991</u>	<u>\$ 5,551,659</u>

City of Indian Wells, California  
Statement of Cash Flows - Proprietary Funds  
Year Ended June 30, 2023

	Business-Type Activities	Governmental Activities
	Golf Resort Operations	Internal Service Funds
Operating Activities		
Cash received from customers	\$ 21,272,612	\$ -
Cash received from interfund service provided	-	2,565,336
Cash received from others	26,000	-
Cash payments to suppliers for goods and services	(17,820,465)	(1,352,770)
Cash payments to employees for services	(469,595)	-
Net Cash from (used for) Operating Activities	<u>3,008,552</u>	<u>1,212,566</u>
Non-Capital Financing Activities		
Cash received from other funds	-	44,606
Cash paid to other funds	(1,446,965)	-
Net Cash from (used for) Noncapital Financing Activities	<u>(1,446,965)</u>	<u>44,606</u>
Capital and Related Financing Activities		
Purchase of capital assets	(775,218)	-
Proceeds from leases payable	13,263	-
Repayment of leases payable	(156,073)	-
Net Cash from (used for) Capital and Related Financing Activities	<u>(918,028)</u>	<u>-</u>
Investing Activities		
Gain (loss) on investments	(13,134)	73,638
Net Change in Cash and Cash Equivalents	630,425	1,330,810
Cash and Cash Equivalents, Beginning of Year	<u>1,774,370</u>	<u>2,633,808</u>
Cash and Cash Equivalents, End of Year	<u>\$ 2,404,795</u>	<u>\$ 3,964,618</u>

City of Indian Wells, California  
Statement of Cash Flows - Proprietary Funds  
Year Ended June 30, 2023

	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)	\$ (295,277)	\$ 1,514,521
Adjustments to reconcile operating income (loss) to net cash from (used for) operating activities		
Depreciation	2,629,613	-
Other nonoperating revenue	26,000	-
Changes in		
Accounts receivable	39,245	1,725
Prepaid costs	40,740	-
Inventory	44,847	-
Net OPEB asset and related balances	-	(304,563)
Net pension asset and related balances	198,976	-
Accounts payable	44,155	883
Accrued liabilities	255,223	-
Deposits payable	25,030	-
Net Cash from (used for) operating activities	\$ 3,008,552	\$ 1,212,566
Noncash financing, capital and investing activities for the year ended June 30, 2023:		
Loss on disposal of capital assets	\$ 416,797	\$ -

City of Indian Wells, California  
Statement of Fiduciary Net Position - Fiduciary Funds  
Year Ended June 30, 2023

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	Private-Purpose Trust Fund <hr/> Successor Agency of the Former RDA <hr/>
<b>Assets</b>	
Cash and investments	\$ 7,385,305
Restricted cash and investments	2,523
Receivables	
Accrued interest	28,533
Prepaid costs	<u>103,885</u>
Total assets	<u>7,520,246</u>
<b>Deferred Outflows of Resources</b>	
Deferred loss on refunding	<u>189,202</u>
<b>Liabilities</b>	
Interest payable	781,690
Due to City	14,187,226
Long-term liabilities	
Due in one year	3,425,000
Due in more than one year	<u>56,118,061</u>
Total liabilities	<u>74,511,977</u>
<b>Net Position (Deficit)</b>	
Held in trust for other purposes	<u><u>\$ (66,802,529)</u></u>

City of Indian Wells, California  
Statement of Changes in Fiduciary Net Position - Fiduciary Funds  
Year Ended June 30, 2023

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	Private-Purpose Trust Fund <u>Successor Agency of the Former RDA</u>
Additions	
Taxes	\$ 9,418,295
Investment income	<u>78,621</u>
Total additions	<u>9,496,916</u>
Deductions	
Administrative expenses	300,000
Interest and fiscal charges	<u>1,818,515</u>
Total deductions	<u>2,118,515</u>
Changes in Net Position	7,378,401
Net Position (Deficit), Beginning of the Year	<u>(74,180,930)</u>
Net Position (Deficit), End of the Year	<u><u>\$ (66,802,529)</u></u>

**Note 1 - Significant Accounting Policies****Reporting Entity**

The City of Indian Wells (City) was incorporated during July 1967, under the General Laws of the State of California. 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 *Indian Wells Financing Authority Fund* was created in 2022 to account for the issuance and debt service payments for 2022 Solar and Infrastructure Lease Revenue Bonds.

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 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.

**Note 1 - Significant Accounting Policies (continued)**

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

Building and Improvements	10-50 years
Equipment	3-15 years
Infrastructure	5-60 years
Intangible Assets	Depreciated over contractual life
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 fund types recognize the vested vacation and compensatory time as an expenditure in the current year to the extent it is paid during the year. Accrued vacation and compensatory time relating to governmental funds is included as a liability in the long-term liabilities as those amounts are payable from future resources.

**Fund Balances**

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

- **Nonspendable** include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- **Restricted** include amounts that are constrained on the use of resources by either (a) external creditors, grantors, contributors, or laws or regulations of other governments or (b) by law through constitutional provisions or enabling legislation.
- **Committed** include amounts that can only be used for specific purposes 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.
- **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.

**Note 1 - Significant Accounting Policies (continued)**

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.

Key estimates and judgments include how the district 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.

**Note 1 - Significant Accounting Policies (continued)****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, 2021
Measurement Date	June 30, 2022
Measurement Period	July 1, 2021 to June 30, 2022

**New Accounting Pronouncements**

*Effective in Current Year*

- GASB Statement 96 - "Subscription-Based Information Technology Arrangements", effective for reporting periods beginning after June 30, 2023;
- GASB Statement No. 91, Conduit Debt Obligations, effective for fiscal years beginning after December 31, 2022;

*Effective in Future Years*

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

- GASB Statement 100 - "Accounting Changes and Error Corrections", effective for reporting periods beginning after June 15, 2023;
- GASB Statement 101 - "Compensated Absences", effective for reporting periods beginning after December 15, 2023.



**Note 2 - Cash and Investments**

Cash and investments at June 30, 2023, are classified in the accompanying financial statements as follows:

	Governmental Activities	Business-Type Activities	Fiduciary Activities	Total
Cash and investments	\$ 66,015,384	\$ 2,404,795	\$ 7,385,305	\$ 75,805,484
Restricted assets				
Restricted cash and investments	11,820,968	-	2,523	11,823,491
	\$ 77,836,352	\$ 2,404,795	\$ 7,387,828	\$ 87,628,975

Cash and investments at June 30, 2023, consisted of the following:

Petty cash	\$ 2,000
Demand accounts	1,309,922
Investments	86,317,053
Total cash and investments	\$ 87,628,975

**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	30%		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 5 years from the date of purchase shall be brought to the City Council for review and approval prior to purchase.

**Investments Authorized by Debt Agreements**

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

Type of Investment	Remaining Maturity (in Months)			Total
	12 Months or Less	13 - 36 Months	37 - 60 Months	
Federal Agency Securities	\$ 2,925,560	\$ 27,032,401	\$ 8,305,770	\$ 38,263,731
Negotiable Certificates of Deposit	2,459,214	3,243,903	1,588,101	7,291,218
Local Agency Investment Fund	12,596,369	-	-	12,596,369
Medium Term Corporate Notes	1,986,800	5,366,000	1,859,080	9,211,880
Local Agency Bonds	-	750,439	-	750,439
U.S. Treasury Obligations	5,921,940	-	-	5,921,940
Section 115 Trust				
PARS Balanced Index Investment Pool	1,099,343	-	-	1,099,343
Held by Fiscal Agent				
Money Market Mutual Funds	11,182,133	-	-	11,182,133
Total	\$ 38,171,359	\$ 36,392,743	\$ 11,752,951	\$ 86,317,053

**Note 2 - Cash and Investments (continued)**

**Fair Value Classifications**

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

Investments' fair value measurements are as follows as of June 30, 2023:

Investment	Level 1	Level 2	Level 3	Fair Value
Federal Agency Securities	\$ -	\$ 38,263,731	\$ -	\$ 38,263,731
Medium Term Corporate Notes	-	9,211,880	-	9,211,880
Negotiable Certificates of Deposit	-	7,291,218	-	7,291,218
U.S. Treasury Obligations	-	5,921,940	-	5,921,940
Local Agency Bonds	-	750,439	-	750,439
	<u>\$ -</u>	<u>\$ 61,439,208</u>	<u>\$ -</u>	<u>61,439,208</u>
Local Agency Investment Fund				12,596,369
Section 115 Trust				
PARS Balanced Index Investment Pool				1,099,343
Held by Fiscal Agent				
Money Market Mutual Funds				<u>11,182,133</u>
Total Investment Portfolio				<u>\$ 86,317,053</u>

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

**Note 2 - Cash and Investments (continued)**

**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:

Investment Type	Minimum Legal Rating	Total as of June 30, 2023	Not Rated	AAA	AA+ to AA-	A+ to A-
Federal Agency Securities	N/A	\$ 38,263,731	\$ -	\$ 38,263,731	\$ -	\$ -
Negotiable Certificates of Deposit	N/A	7,291,218	7,291,218	-	-	-
Local Agency Investment Fund	N/A	12,596,369	12,596,369	-	-	-
Medium Term Corporate Notes	A	9,211,880	2,928,130	-	1,737,060	4,546,690
U.S. Treasury Obligations *	N/A	5,921,940	5,921,940	-	-	-
Local Agency Bonds	A	750,439	-	-	-	750,439
Section 115 Trust						
PARS Balanced Index Investment Pool	N/A	1,099,343	1,099,343	-	-	-
Held by Fiscal Agent						
Money Market Mutual Funds	A	11,182,133	-	-	-	11,182,133
Total		<u>\$ 86,317,053</u>	<u>\$ 29,837,000</u>	<u>\$ 38,263,731</u>	<u>\$ 1,737,060</u>	<u>\$ 16,479,262</u>

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	\$ 20,930,911	24%
Federal Farm Credit Bank	Federal Agency Securities	9,881,580	11%

**Note 2 - Cash and Investments (continued)****Custodial Credit Risk**

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

**Investment in State Investment Pool**

The City is a voluntary participant in the Local Agency Investment Fund (LAIF), 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, 2023, are composed of the following:

	Other Receivable	Taxes Receivable	Interest	Total
Governmental Activities:				
General Fund	\$ 222,358	\$ 1,700,269	\$ 82,578	\$ 2,005,205
Housing Authority Fund	-	-	57,882	57,882
Emergency Services Upgrade Fund	115,056	18,296	20,804	154,156
Indian Wells Financing Authority	-	-	1	1
Capital Improvements Fund	66,745	-	21,387	88,132
City Streets Capital Reserve Fund	-	-	67,425	67,425
Nonmajor Governmental Funds	13,658	178,805	50,820	243,283
Internal Service Funds	-	-	5,103	5,103
	<u>\$ 417,817</u>	<u>\$ 1,897,370</u>	<u>\$ 306,000</u>	<u>\$ 2,621,187</u>
Business-type Activities				
Golf Course Operations	<u>\$ 47,259</u>	<u>\$ -</u>	<u>\$ 5,802</u>	<u>\$ 53,061</u>

**Note 4 - Notes Receivable**

	Outstanding at June 30, 2023
Governmental Activities	
Indian Wells Village Utility Undergrounding	\$ 105,675
Club Drive Property Sale	1,068,879
	<u>\$ 1,174,554</u>

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.

**Note 4 - Notes Receivable (continued)**

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, 2023, are as follows:

<u>Due to Other Funds</u>	<u>Due From Other Funds</u>	<u>Amount</u>
Park Facilities in Lieu Fund	General Fund	\$ 835,759
Transportation Facilities Fees Fund	General Fund	61,670
Recreation Facilities Fees Fund	General Fund	257,894
Citywide Public Improvement Fee Fund	General Fund	57,109
Park Facilities in Lieu Fund	Capital Improvements Fund	537,887
Golf Resort Fund	General Fund	4,598,305
		<u>\$ 6,348,624</u>

The General Fund Receivable from the Park Facilities in Lieu Fund of \$835,759 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 six years based on the development of certain commercial projects along the Highway 111 corridor.

The General Fund Receivable from the Transportation Facilities Fees Fund of \$61,670 represents monies advanced to the Transportation Facilities Fees Fund to fund contributions for annual debt obligations. The advance is estimated to be paid as fees are collected, anticipated with the next fiscal year.

The General Fund Receivable from the Recreation Facilities Fees Fund of \$257,894 represents monies advanced to the Recreation Facilities Fees Fund to fund contributions for annual debt obligations. The advance is estimated to be paid as fees are collected, anticipated within the next fiscal year.

The General Fund Receivable from the Citywide Public Improvement Fees Fund of \$57,109 represents monies advanced to the Citywide Public Improvement Fees Fund to fund contributions for annual debt obligations. The advance is estimated to be paid as fees are collected, anticipated with the next fiscal year.

The Capital Improvements Fund Receivable from the Park Facilities in Lieu Fund of \$537,887 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 six years based on the development of certain commercial projects along the Highway 111 corridor.

The General Fund Receivable from the Golf Resort Operations Fund of \$4,598,305 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.



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

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

<u>Due to</u>	<u>Due from</u>	<u>Amount</u>
General Fund	Successor Agency	<u>\$ 14,187,226</u>

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, 2023, are as follows:

<u>Transfer Out of Fund</u>	<u>Transfer In to Fund</u>	<u>Amount</u>
Indian Wells Financing Authority Fund	General Fund	\$ 18,500
General Fund	Housing Authority Fund	4,442,555
Housing Authority	Indian Wells Financing Authority Fund	87,019
Emergency Services Upgrade Fund	Indian Wells Financing Authority Fund	145,031
Transportation Facilities Fund	Indian Wells Financing Authority Fund	150,000
Recreation Facilities Fund	Indian Wells Financing Authority Fund	434,825
Citywide Public Improvement Fund	Indian Wells Financing Authority Fund	150,000
General Fund	Capital Improvements Fund	2,038,230
Indian Wells Financing Authority Fund	Capital Improvements Fund	1,733,899
General Fund	City Streets Capital Reserve Fund	814,000
General Fund	Non-major Governmental Funds	788,398
General Fund	Compensated Absences Reserve Fund	44,606
		<u>\$ 10,847,063</u>

The Indian Wells Financing Authority transferred \$18,500 to the General Fund for reimbursement of cost of issuance costs paid for the 2022 Lease Revenue Bonds.

The General Fund transferred \$4,442,555 to the Housing Authority Fund for the 20% set aside portion of the Redevelopment Property Tax Trust Fund (RPTTF) revenues for the year and to fund Housing capital needs.

The Housing Authority Fund transferred \$87,019 to the Indian Wells Financing Authority Debt Service Fund for the annual debt service contribution.

The Transportation Facilities Fund, the Recreation Facilities Fund and the Citywide Public Improvement Fund transferred \$734,825 to the Indian Wells Financing Authority Debt Service Fund for the annual debt service contribution.

The Emergency Services Upgrade Fund transferred \$145,031 to the Indian Wells Financing Authority Debt Service Fund for the annual debt service contribution.

**Note 6 - Interfund Transfers (continued)**

The General Fund transferred \$2,038,230 to the Capital Improvements Fund for the annual contribution for future city streets projects.

The Indian Wells Financing Authority Debt Service Fund transferred \$1,733,899 to the Capital Improvements Fund to reimburse the Capital Improvements Fund for the Energy Efficiency and various capital projects.

The General Fund transferred \$814,000 to the City Streets Capital Reserve Fund for the annual contribution for future city streets projects.

The General Fund transferred \$788,398 to various Non-major Governmental Funds (capital project funds) for future capital outlay needs.

The General Fund transferred \$44,606 to the Compensated Absences Fund to fully fund the fiscal year 2022-23 liability.

**Note 7 - Capital Assets**

Capital asset activity for the year ended June 30, 2023, was as follows:

	Balance at July 1, 2022	Additions	Deletions	Balance at June 30, 2023
<b>Governmental Activities</b>				
Capital assets, not being depreciated				
Land	\$ 33,289,388	\$ -	\$ -	\$ 33,289,388
Construction in progress	3,268,022	3,442,166	(97,876)	6,612,312
Total capital assets, not being depreciated	<u>36,557,410</u>	<u>3,442,166</u>	<u>(97,876)</u>	<u>39,901,700</u>
Capital assets, being depreciated				
Intangible	2,500,000	2,500,000	(2,500,000)	2,500,000
Buildings and improvements	67,605,378	265,455	(584,762)	67,286,071
Equipment	2,184,084	80,544	(230,825)	2,033,803
Infrastructure	114,705,473	1,292,589	(6,280)	115,991,782
Total capital assets, not being depreciated	<u>186,994,935</u>	<u>4,138,588</u>	<u>(3,321,867)</u>	<u>187,811,656</u>
Less accumulated depreciation				
Intangible	(2,375,000)	(250,000)	2,375,000	(250,000)
Buildings and improvements	(31,216,725)	(1,577,629)	88,429	(32,705,925)
Equipment	(1,733,905)	(144,057)	230,825	(1,647,137)
Infrastructure	(39,105,611)	(2,008,832)	6,280	(41,108,163)
Total accumulated depreciation	<u>(74,431,241)</u>	<u>(3,980,518)</u>	<u>2,700,534</u>	<u>(75,711,225)</u>
Total capital assets being depreciated, net	<u>112,563,694</u>	<u>158,070</u>	<u>(621,333)</u>	<u>112,100,431</u>
Governmental activities capital assets, net	<u>\$ 149,121,104</u>	<u>\$ 3,600,236</u>	<u>\$ (719,209)</u>	<u>\$ 152,002,131</u>

**Note 7 - Capital Assets (continued)**

	Balance at July 1, 2022	Additions	Deletions	Balance at June 30, 2023
Business-type Activities				
Capital assets, not being depreciated				
Land	\$ 13,910,956	\$ -	\$ -	\$ 13,910,956
Construction in progress	121,421	-	(121,421)	-
Total capital assets, not being depreciated	14,032,377	-	(121,421)	13,910,956
Capital assets, being depreciated				
Buildings and improvements	85,279,178	480,372	(45,778)	85,713,772
Equipment	7,531,178	406,182	(3,441,138)	4,496,222
Infrastructure	433,390	-	-	433,390
Right to use asset	545,025	13,263	(3,179)	555,109
Total capital assets, not being depreciated	93,788,771	899,817	(3,490,095)	91,198,493
Less accumulated depreciation				
Buildings and improvements	(54,681,867)	(1,895,232)	20,255	(56,556,844)
Equipment	(5,716,121)	(592,206)	3,046,686	(3,261,641)
Infrastructure	(115,569)	(7,224)	-	(122,793)
Right to use asset	(108,349)	(134,951)	3,179	(240,121)
Total accumulated depreciation	(60,621,906)	(2,629,613)	3,070,120	(60,181,399)
Total capital assets being depreciated, net	33,166,865	(1,729,796)	(419,975)	31,017,094
Business-type activities capital assets, net	\$ 47,199,242	\$ (1,729,796)	\$ (541,396)	\$ 44,928,050

**Note 7 - Capital Assets (continued)**

**Depreciation Expense**

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

Governmental Activities	
General government	\$ 322,366
Community development	1,391,681
Public safety	151,297
Public works	<u>2,115,174</u>
Total governmental activities	<u>\$ 3,980,518</u>
Business-type Activities	
Golf resort operations	<u>\$ 2,629,613</u>

**Note 8 - Long-Term Liabilities**

The changes in long-term liabilities for the year ended June 30, 2023, were as follows:

	Balance at July 1, 2022	Additions	Reductions	Balance at June 30, 2023	Due Within One Year
Governmental activities:					
Compensated absences	\$ 695,547	\$ 504,718	\$ (565,958)	\$ 634,307	\$ 119,164
2022 Lease revenue bonds	13,930,000	-	(380,000)	13,550,000	470,000
Premium	1,316,052	-	(66,356)	1,249,696	66,356
	<u>\$ 15,941,599</u>	<u>\$ 504,718</u>	<u>\$ (1,012,314)</u>	<u>\$ 15,434,003</u>	<u>\$ 655,520</u>
	Balance at July 1, 2022	Additions	Reductions	Balance at June 30, 2023	Due Within One Year
Business-type activities:					
Lease payable	\$ 447,855	\$ 13,263	\$ (130,657)	\$ 330,461	\$ 139,597
	<u>\$ 447,855</u>	<u>\$ 13,263</u>	<u>\$ (130,657)</u>	<u>\$ 330,461</u>	<u>\$ 139,597</u>

**Note 8 - Long-Term Liabilities (continued)****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, 2023, the net position of the Compensated Absences Reserve Fund was \$627,068.

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, 2023, including the unamortized bond premium of \$1,249,696 amounted to \$14,799,696. The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2023, including interest, are as follows:

Year Ending June 30,	Principal	Interest	Total
2024	\$ 470,000	\$ 495,050	\$ 965,050
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
2029-2033	3,305,000	1,518,200	4,823,200
2034-2038	4,020,000	796,150	4,816,150
2039-2043	3,630,000	229,625	3,859,625
	13,550,000	4,772,225	18,322,225
Bond Premium	1,249,696	-	1,249,696
	\$ 14,799,696	\$ 4,772,225	\$ 19,571,921

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.

**Note 8 - Long-Term Liabilities (continued)****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 a discount rates ranging from 5.49% to 7.00%. As of June 30, 2023, the value of the lease payable is \$330,461. Future lease payable requirements are as follows:

Year Ending June 30,	Principal	Interest	Total
2024	\$ 139,597	\$ 17,017	\$ 156,614
2025	81,732	9,417	91,149
2026	65,757	4,633	70,390
2027	43,024	957	43,981
2028	351	6	357
	<u>\$ 330,461</u>	<u>\$ 32,030</u>	<u>\$ 362,491</u>

**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.

**Note 9 - Defined Benefit Pension Plan (continued)***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 PEPRAs 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, 2023 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%	7.25%
Required employer contribution rates*	14.90%	7.76%

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

*For the classic plan, the annual UAL prepayment option was \$1,569. For illustrative purposes only, the combined normal cost rate and the UAL payment reflected as a percentage of payroll equals as total of 14.90%.*

*For the PEPRA plan, the annual UAL prepayment option was \$322. For illustrative purposes only, the combined normal cost rate and the UAL payment reflected as a percentage of payroll equals as total of 7.76%.*



**Note 9 - Defined Benefit Pension Plan (continued)**

*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, 2023, in the amount of \$(700,736).

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, 2022, 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, 2021, rolled forward to June 30, 2022 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, 2022 and 2023 measurement dates was as follows:

Proportion - June 30, 2022	(0.33964%)
Proportion - June 30, 2023	<u>(0.01498%)</u>
Change - Increase/(Decrease)	0.32466%

**Note 9 - Defined Benefit Pension Plan (continued)**

For the year ended June 30, 2023, the City recognized pension expense of \$8,275,889 for the Miscellaneous Plan. At June 30, 2023, 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	\$ 1,390,856	\$ -
Changes of Assumptions	-	71,805
Changes in proportion and difference between City's contributions and proportionate share of contributions	4,250,790	-
Net difference between projected and actual earnings on pension plan investments	-	128,356
Difference between expected and actual experience	9,425	14,072
Difference between employer's contributions and proportionate share of contributions	-	1,315,036
	\$ 5,651,071	\$ 1,529,269

The amount of \$1,390,856 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, 2024. 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
2024	\$ 936,179
2025	1,090,048
2026	783,226
2027	(78,507)
	\$ 2,730,946

**Actuarial Assumptions**

The total pension liabilities in the June 30, 2021, actuarial valuation was determined using the following actuarial assumptions.

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
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 <sup>1</sup>	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)**

<sup>1</sup>- The mortality table was developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP 2020 published by the Society of Actuaries. For more details on this table, please refer to the 2021 Experience Study Report that can be found on the CalPERS website.

All other actuarial assumptions used in the June 30, 2021 valuation were based on the results of the 2021 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 <sup>(1)</sup>	Assumed Asset Allocation	Real Return <sup>(1,2)</sup>
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%

<sup>1</sup> An expected inflation of 2.30% used for this period

<sup>2</sup> Figures are based on the 2021 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)	\$ 4,272,124	\$ (700,736)	\$ (4,792,166)

*Pension Plan Fiduciary Net Position*

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

**Note 9 - Defined Benefit Pension Plan (continued)***Subsequent Events*

On July 12, 2021, CalPERS reported a preliminary 21.3% net return on investments for fiscal year 2021-22. Based on the thresholds specified in CalPERS Funding Risk Mitigation policy, the excess return of 14.3% prescribes a reduction in investment volatility that corresponds to a reduction in the discount rate used for funding purposes of 0.20%, from 7.00% to 6.80%. Since CalPERS was in the final stages of the four-year Asset Liability Management (ALM) cycle, the board elected to defer any changes to the asset allocation until the ALM process concluded, and the board could make its final decision on the asset allocation in November 2021.

On November 17, 2021, the board adopted a new strategic asset allocation. The new asset allocation along with the new capital market assumptions, economic assumptions and administrative expense assumption support a discount rate of 6.90% (net of investment expense but without a reduction for administrative expense) for financial reporting purposes. This includes a reduction in the price inflation assumption from 2.50% to 2.30% as recommended in the November 2021 CalPERS Experience Study and Review of Actuarial Assumptions. This study also recommended modifications to retirement rates, termination rates, mortality rates and rates of salary increases that were adopted by the board. These new assumptions will be reflected in the GASB 68 accounting valuation reports for the June 30, 2022, measurement date.

**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 \$3,852,881 compared with a total payroll of \$4,176,150 for the fiscal year ended June 30, 2023. 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 \$115,822. 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 \$22,500 in 2023. Employees aged fifty or older may contribute up to an additional \$7,500 in 2022 for a total of \$30,000. 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.

**Note 11 - Deferred Compensation Payable (continued)**

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 a multiple employer Section 115 governmental trust.

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

Net OPEB Liability (Asset)	\$	(745,061)
Deferred Outflows Related to OPEB		1,806,981
Deferred Inflows Related to OPEB		(968,612)
OPEB Expense (Income)		234,633

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 2023 is \$151 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:
  - o 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.

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

- 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.

*Employees Covered by Benefit Terms*

At June 30, 2023, the most recent measurement date, the following current and former employees were covered by the benefit terms of the plan:

Active employees	33
Inactive employees or beneficiaries currently receiving benefits	37
	70
	70

*Contributions*

The annual contribution to the City’s OPEB Account is based on the actuarially determined contribution. Employees do not make contributions to the OPEB Account but are responsible for the share of retiree health coverage that exceeds the value of the allowance. Contributions to the OPEB Account by the City for the year ended June 30, 2023 were \$459,025. 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.

*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, 2023, using an annual actuarial valuation as of June 30, 2021. 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, 2021, 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 - 6.50% for 2023, decreasing to an ultimate rate of 3.75% in 2076 and later years
	Medicare - 5.65% for 2023, decreasing to an ultimate 3.75% 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, 2021, 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.

- Discount rate was updated based on an updated CERBT asset allocation and resulting an updated discount rate to 5.75% from 5.50%
- Decreased medical trend rate for Kaiser Senior Advantage
- Inflation was decreased from 2.75% to 2.50%, which decreased the discount rate, medical trend and aggregate salary increases by 0.25%
- Family coverage at retirement updated to 40% for future retirees until age 65
- Demographic assumptions updated to the 2000-2019 CalPERS Experience Study
- Updated assumption for Medicare eligible implied subsidy
- Mortality improvement scale was updated to Scale MP-2021



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

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%	

**Note 12 - Other Post Employment Benefit Plan (OPEB) (continued)***Changes in Net OPEB Liability (Asset)*

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability (Asset)
Balance at June 30, 2022	\$ 9,011,840	\$ 11,208,427	\$ (2,196,587)
Changes in the year:			
Service cost	282,966	-	282,966
Interest on the total OPEB liability	498,483	-	498,483
Assumption changes	(279,230)	-	(279,230)
Contributions - employer	-	466,353	(466,353)
Net investment income	-	(1,409,406)	1,409,406
Benefit payments	(462,932)	(462,932)	-
Administrative expenses	-	(6,254)	6,254
Net changes	39,287	(1,412,239)	1,451,526
Balance at June 30, 2023	\$ 9,051,127	\$ 9,796,188	\$ (745,061)

*Sensitivity of the Net OPEB Liability (Asset) to 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)	\$ 259,706	\$ (945,061)	\$ (1,937,664)

*Sensitivity of the 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)	\$ (2,120,598)	\$ (945,061)	\$ 513,891

*OPEB Plan Fiduciary Net Position*

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

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

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Employer contributions made subsequent to measurement date	\$ 459,025	\$ -
Changes in assumptions	418,081	227,521
Net difference between projected and actual earnings on plan investments	885,901	-
Difference between expected and actual experience	43,974	741,091
	\$ 1,806,981	\$ 968,612

For the year ended June 30, 2023, the City recognized OPEB expense of \$234,633. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

The \$459,025 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the fiscal year ended June 30, 2024. 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
2024	\$ 56,902
2025	11,388
2026	(879)
2027	332,618
2028	(20,685)
	\$ 379,344

**Note 13 - PARS Section 115 Trust**

In June 2018, the City Council approved the creation of a Section 115 Trust Agreement with U.S. Bank National Association and Public Agency Retirement Services (PARS), Trust Administrator. The Section 115 Trust was established as a means to set aside monies to fund the City's pension and OPEB obligations. Contributions to the Section 115 Trust are irrevocable, the assets provide benefits to plan members, and the assets are protected from creditors of the City.

**Note 13 - PARS Section 115 Trust (continued)**

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

The balance in the Trust's pension assets for the fiscal year ended June 30, 2023, was \$884,632. During the fiscal year, the Trust earned \$66,562 in interest income, and plan costs totaled \$4,849.

The balance in the Trust's OPEB assets for the fiscal year ended June 30, 2023, was \$214,711. During the fiscal year, the Trust earned \$16,153 in interest income, and plan costs totaled \$1,120.

**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 124 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.

**Note 14 - Risk Management (continued)**

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/>.

**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 2022-23, 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 \$113,710,167. 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 \$109,209,988. 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.

**Note 14 - Risk Management (continued)**

**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 2022-23.

**Note 15 - Other Required Disclosures**

**Deficit Fund Balance and Net Position**

The following funds reported a deficit fund balance at June 30, 2023:

Park Facilities in Lieu Capital Projects Fund	\$ 1,375,313
Transportation Facilities Fee Fund	63,628
Recreation Facilities Fees Fund	261,816
Citywide Public Improvement Fund	57,765
Successor Agency of the Former Redevelopment Agency Private Purpose Trust Fund	66,802,529

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.

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

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

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

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

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

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	\$ 7,385,305
Cash and investments with fiscal agent	<u>2,523</u>
	<u>\$ 7,387,828</u>

**Due to City**

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

In a letter dated November 22, 2013, from the California Department of Finance, the loan between the Successor Agency and the City of Indian Wells for \$16,400,000 was determined to be for legitimate redevelopment purposes and therefore, approved as an enforceable obligation.	<u>\$ 14,187,226</u>
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**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, 2022	Additions	Repayments	Balance at June 30, 2023	Due Within One Year
2014A-T Tax Allocation Bonds	\$ 4,275,000	\$ -	\$ 4,275,000	\$ -	\$ -
2015 Refunding Tax Allocation Bonds	12,760,000	-	1,695,000	11,065,000	2,000,000
2016 A Tax Allocation Bonds	36,550,000	-	115,000	36,435,000	960,000
2020 A Tax Allocation Bonds	6,770,000	-	455,000	6,315,000	465,000
	<u>\$ 60,355,000</u>	<u>\$ -</u>	<u>\$ 6,540,000</u>	\$ 53,815,000	<u>\$ 3,425,000</u>
Adjustments:					
Unamortized net original issue (discount) or Premium				5,728,061	
Net Long-term Debt				<u>\$ 59,543,061</u>	

A description of long-term debt outstanding of the Successor Agency as of June 30, 2023, 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, 2023 were \$11,065,000.

Future debt service requirements on these bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2024	\$ 2,000,000	\$ 503,250	\$ 2,503,250
2025	2,105,000	400,625	2,505,625
2026	2,205,000	292,875	2,497,875
2027	2,320,000	179,750	2,499,750
2028	2,435,000	60,875	2,495,875
	11,065,000	1,437,375	12,502,375
Bond Premium	1,021,987	-	1,021,987
	<u>\$ 12,086,987</u>	<u>\$ 1,437,375</u>	<u>\$ 13,524,362</u>

**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, 2023 were \$36,435,000.

Future debt service requirements on these bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2024	\$ 960,000	\$ 1,664,350	\$ 2,624,350
2025	1,010,000	1,615,100	2,625,100
2026	1,055,000	1,563,475	2,618,475
2027	1,110,000	1,509,350	2,619,350
2028	1,165,000	1,452,475	2,617,475
2029-2033	21,285,000	4,745,975	26,030,975
2034-2035	9,850,000	498,750	10,348,750
	<u>36,435,000</u>	<u>13,049,475</u>	<u>49,484,475</u>
Bond Premium	4,706,074	-	4,706,074
	<u>\$ 41,141,074</u>	<u>\$ 13,049,475</u>	<u>\$ 54,190,549</u>

**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, 2023 were \$6,315,000.

**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
2024	\$ 465,000	\$ 130,774	\$ 595,774
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
2029-2033	2,705,000	273,534	2,978,534
2034-2035	1,170,000	25,262	1,195,262
	\$ 6,315,000	\$ 848,659	\$ 7,163,659

**Insurance**

The Successor Agency of the former redevelopment agency is covered under the insurance policy of the City of Indian Wells at June 30, 2023.

**Commitments and Contingencies**

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

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## **Required Supplementary Information**

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

### **General Fund**

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

### **Special Revenue Funds**

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

Housing Authority - This fund is used to account for the housing activity of the former Redevelopment Agency for the benefit of providing low- and moderate-income housing in Indian Wells. The Housing Authority was created to promote and encourage the retention, rehabilitation, and development of affordable housing units.

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

City of Indian Wells, California  
Schedule of the City's Proportionate Share of the Net Pension Liability - Miscellaneous Plan  
Last 10 Fiscal Years\*

Measurement period	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%	-0.0072%	-0.0119%	0.0008%	0.0154%	0.0480%	0.0695%	0.1456%
Plan's proportionate share of the net pension liability (asset)	\$ (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	\$ 3,241,802	\$ 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	-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	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 a 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, 2021 valuation date, unless the liability impact is deemed to be material to the Public Agency Pool.

**Changes in assumptions**

Effective with the June 30, 2021 valuation date (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 flows. Projected returns for all asset classes are estimated, combined with risk estimates, and are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return. In addition, demographic assumptions and the inflation rate assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. There were no changes in 2020 and 2019. In 2018, demographic assumptions and the inflation rate were changed in accordance with CalPERS Experience Study and Review of Actuarial Assumptions. In 2017, the accounting discount rate was reduced from 7.65 percent to 7.15 percent.

\*Fiscal Year 2014-15 was the first year of implementation; therefore, only nine years of information are shown.

City of Indian Wells, California  
Schedule of Plan Contributions - Miscellaneous Plan  
Last 10 Fiscal Years\*

Fiscal Year	<u>2022-23</u>	<u>2021-22</u>	<u>2020-21</u>	<u>2019-20</u>	<u>2018-19</u>	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>
Actuarially determined contributions	\$ 452,975	\$ 408,794	\$ 455,250	\$ 475,302	\$ 430,310	\$ 974,198	\$ 544,107	\$ 566,489	\$ -
Contributions in relation to the actuarially determined contributions	<u>(1,390,856)</u>	<u>(1,300,007)</u>	<u>(428,319)</u>	<u>(428,319)</u>	<u>(358,582)</u>	<u>(1,334,875)</u>	<u>(3,731,723)</u>	<u>(2,566,489)</u>	<u>(455,850)</u>
<b>Contribution deficiency (excess)</b>	<u>\$ (937,881)</u>	<u>\$ (891,213)</u>	<u>\$ 26,931</u>	<u>\$ 46,983</u>	<u>\$ 71,728</u>	<u>\$ (360,677)</u>	<u>\$ (3,187,616)</u>	<u>\$ (2,000,000)</u>	<u>\$ (455,850)</u>
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
Contributions as a percentage of covered payroll	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, 2023  
Valuation Date: June 30, 2020

**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	Fair Value of Assets
Inflation	2.50%
Projected salary increases	Varies by entry age and service
Payroll growth	2.75%
Discount rate	7.00% (net of investment and administrative expenses)

\*Fiscal Year 2014-15 was the first year of implementation; therefore, only nine years of information are shown.

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

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

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



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

Fiscal Year	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	(459,025)	(386,181)	(677,553)	(1,190,919)	(389,962)	(573,377)
<b>Contribution deficiency (excess)</b>	<b>\$ (459,025)</b>	<b>\$ 35,820</b>	<b>\$ (265,679)</b>	<b>\$ (836,919)</b>	<b>\$ 217,038</b>	<b>\$ 40,623</b>
Covered employee payroll**	\$ 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	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 2022-23 were from the June 30, 2021 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 - 6.5% for 2023, decreasing to an ultimate 3.75% in 2076 and later years
Investment rate of return	5.50%
Retirement age	55
Mortality	CalPERS 2000-2019 experience study

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

\*\* Contributions are made on an ad hoc basis.

City of Indian Wells, California  
 Budgetary Comparison Schedule - General Fund  
 Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 17,605,080	\$ 17,605,080	\$ 23,099,286	\$ 5,494,206
Licenses and permits	487,970	487,970	925,135	437,165
Intergovernmental	827,050	926,335	933,561	7,226
Charges for services	477,630	477,630	558,846	81,216
Investment income (loss)	375,050	375,050	101,144	(273,906)
Fines and forfeitures	47,480	47,480	107,012	59,532
Other income	193,950	193,950	158,635	(35,315)
Total revenues	20,014,210	20,113,495	25,883,619	5,770,124
Expenditures				
Current				
General government	7,869,156	9,723,434	10,257,611	(534,177)
Public safety	5,628,350	5,038,150	5,096,149	(57,999)
Community development	1,699,653	1,766,454	2,051,675	(285,221)
Public works	2,754,599	2,706,006	2,985,140	(279,134)
Total expenditures	17,951,758	19,234,044	20,390,575	(1,156,531)
Other financing sources (uses)				
Transfers in	-	-	18,500	18,500
Transfers out	(4,101,958)	(4,083,958)	(4,127,789)	(43,831)
Total other financing sources (uses)	(4,101,958)	(4,083,958)	(4,109,289)	(25,331)
Net change in fund balance	(2,039,506)	(3,204,507)	1,383,755	4,588,262
Fund balance, beginning	35,264,303	35,264,303	35,264,303	-
Fund balance, ending	<u>\$ 33,224,797</u>	<u>\$ 32,059,796</u>	<u>\$ 36,648,058</u>	<u>\$ 4,588,262</u>

City of Indian Wells, California  
 Budgetary Comparison Schedule - Housing Authority Special Revenue Fund  
 Year Ended 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Investment income (loss)	\$ 200,000	\$ 200,000	\$ 147,595	\$ (52,405)
Other income	-	-	6,485	6,485
<b>Total revenues</b>	<b>200,000</b>	<b>200,000</b>	<b>154,080</b>	<b>(45,920)</b>
<b>Expenditures</b>				
<b>Current</b>				
General government	1,719,905	4,502,147	1,847,021	2,655,126
Community development	250,000	250,000	250,000	-
<b>Total expenditures</b>	<b>1,969,905</b>	<b>4,752,147</b>	<b>2,097,021</b>	<b>2,655,126</b>
<b>Other financing sources (uses)</b>				
Transfers in	-	-	4,442,555	4,442,555
Transfers out	-	-	(87,019)	(87,019)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>4,355,536</b>	<b>4,355,536</b>
<b>Net change in fund balance</b>	<b>(1,769,905)</b>	<b>(4,552,147)</b>	<b>2,412,595</b>	<b>6,964,742</b>
Fund balance, beginning	13,016,874	13,016,874	13,016,874	-
<b>Fund balance, ending</b>	<b>\$ 11,246,969</b>	<b>\$ 8,464,727</b>	<b>\$ 15,429,469</b>	<b>\$ 6,964,742</b>

City of Indian Wells, California  
 Budgetary Comparison Schedule - Emergency Services Upgrade Special Revenue Fund  
 Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 3,739,286	\$ 3,739,286	\$ 4,680,767	\$ 941,481
Charges for services	563,750	563,750	604,356	40,606
Investment income (loss)	112,750	112,750	(1,691)	(114,441)
Assessments	625,250	625,250	611,631	(13,619)
Other income	15,380	15,380	10,677	(4,703)
Total revenues	<u>5,056,416</u>	<u>5,056,416</u>	<u>5,905,740</u>	<u>849,324</u>
Expenditures				
Current				
Public safety	5,219,122	5,219,122	6,160,835	(941,713)
Capital outlay	<u>65,000</u>	<u>725,000</u>	<u>18,397</u>	<u>706,603</u>
Total expenditures	<u>5,284,122</u>	<u>5,944,122</u>	<u>6,179,232</u>	<u>(235,110)</u>
Other financing sources (uses)				
Transfers out	<u>-</u>	<u>-</u>	<u>(145,031)</u>	<u>(145,031)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(145,031)</u>	<u>(145,031)</u>
Net change in fund balance	(227,706)	(887,706)	(418,523)	614,214
Fund balance, beginning	<u>4,891,059</u>	<u>4,891,059</u>	<u>4,891,059</u>	<u>-</u>
Fund balance, ending	<u>\$ 4,663,353</u>	<u>\$ 4,003,353</u>	<u>\$ 4,472,536</u>	<u>\$ 614,214</u>

**Note 1 - Budgets and Budgetary Accounting**

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

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

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

The Finance Director is authorized by City Council to transfer any amounts within a fund between administrative control accounts, as well as budget adjustments between departments and programs within a fund. The transfer of appropriations between funds or between capital projects in the capital budget must be approved by City Council. Any subsequent appropriations of additional amounts of moneys for the fiscal year ended June 30, 2023, 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, 2023:

	Final Budget	Actual	Excess Over Appropriation
General Fund	\$ 19,234,044	20,390,575	(1,156,531)
Emergency Services Upgrade Special Revenue Fund	\$ 5,944,122	6,179,232	(235,110)
Solid Waste Fund	\$ 1,225,908	1,234,124	(8,216)
Affordable Housing Operations Fund	\$ 2,124,989	2,367,530	(242,541)

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, 2023. 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.



### **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, 2023

	Special Revenue Funds								
	Traffic Safety	Public Safety 1/2% Tax	Measure "A" Transportation	Fire Access Maintenance District No. 1	South Coast AQMD Vehicle Registration	Citizens Option for Public Safety Program	Gas Tax	AB 939 Recycling	Solid Waste
<b>Assets</b>									
Cash and investments	\$ 6,112	\$ 5,464	\$ 14,917	\$ 1,831,554	\$ 15,621	\$ 11,405	\$ 107,623	\$ 318,730	\$ 140,319
Receivables									
Accounts	4,002	2,840	52,067	35,098	1,588	-	20,499	7,280	35,495
Accrued interest	24	21	59	7,192	61	45	423	-	1,838
Prepaid costs	-	-	-	663	-	-	-	-	-
<b>Total assets</b>	<b>\$ 10,138</b>	<b>\$ 8,325</b>	<b>\$ 67,043</b>	<b>\$ 1,874,507</b>	<b>\$ 17,270</b>	<b>\$ 11,450</b>	<b>\$ 128,545</b>	<b>\$ 326,010</b>	<b>\$ 177,652</b>
<b>Liabilities and Fund Balances</b>									
<b>Liabilities</b>									
Accounts payable	\$ -	\$ -	\$ -	\$ 182,500	\$ 3,688	\$ -	\$ -	\$ 5,640	\$ 35,518
Accrued liabilities	-	-	-	-	-	-	-	2,994	1,465
Deposits payable	-	-	-	25	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>182,525</b>	<b>3,688</b>	<b>-</b>	<b>-</b>	<b>8,634</b>	<b>36,983</b>
<b>Fund Balances</b>									
<b>Nonspendable</b>									
Prepaid costs	-	-	-	663	-	-	-	-	-
<b>Restricted for</b>									
Community development	-	-	-	-	-	-	-	-	-
Public safety	-	8,325	-	1,691,319	-	11,450	-	-	-
Public works	10,138	-	67,043	-	13,582	-	128,545	317,376	140,669
<b>Committed to</b>									
Capital projects	-	-	-	-	-	-	-	-	-
<b>Assigned</b>									
Capital projects	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-
<b>Total fund balances</b>	<b>10,138</b>	<b>8,325</b>	<b>67,043</b>	<b>1,691,982</b>	<b>13,582</b>	<b>11,450</b>	<b>128,545</b>	<b>317,376</b>	<b>140,669</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 10,138</b>	<b>\$ 8,325</b>	<b>\$ 67,043</b>	<b>\$ 1,874,507</b>	<b>\$ 17,270</b>	<b>\$ 11,450</b>	<b>\$ 128,545</b>	<b>\$ 326,010</b>	<b>\$ 177,652</b>

City of Indian Wells, California  
Combining Balance Sheet - Nonmajor Governmental Funds  
June 30, 2023

	Special Revenue Funds			Capital Projects Funds					
	Consolidated	Street Lighting	Affordable	Hwy 111	Park Facilities	Transportation	Recreation	Citywide	Art in Public
	LLMD	District 2001-1	Housing	Circulation	Fees	Facilities	Facilities	Public	Places
		Operations	Improvement			Fees	Improvement		
<b>Assets</b>									
Cash and investments	\$ 1,673,187	\$ 16,704	\$ 944,110	\$ 37,153	\$ 21,297	\$ -	\$ -	\$ -	\$ 494,061
<b>Receivables</b>									
Accounts	25,595	24	7,975	-	-	-	-	-	-
Accrued interest	6,570	66	3,013	146	84	-	-	-	1,940
Prepaid costs	-	-	-	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 1,705,352</b>	<b>\$ 16,794</b>	<b>\$ 955,098</b>	<b>\$ 37,299</b>	<b>\$ 21,381</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 496,001</b>
<b>Liabilities and Fund Balances</b>									
<b>Liabilities</b>									
Accounts payable	\$ 91,555	\$ -	\$ 121,185	\$ -	\$ 478	\$ 1,958	\$ 3,922	\$ 656	\$ 1,846
Accrued liabilities	-	-	-	-	-	-	-	-	-
Deposits payable	-	-	129,029	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	61,670	257,894	57,109	-
<b>Total liabilities</b>	<b>91,555</b>	<b>-</b>	<b>250,214</b>	<b>-</b>	<b>478</b>	<b>63,628</b>	<b>261,816</b>	<b>57,765</b>	<b>1,846</b>
<b>Fund Balances</b>									
<b>Nonspendable</b>									
Prepaid costs	-	-	-	-	-	-	-	-	-
<b>Restricted for</b>									
Community development	-	-	704,884	-	20,903	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-
Public works	1,613,797	16,794	-	37,299	-	-	-	-	-
<b>Committed to</b>									
Capital projects	-	-	-	-	-	-	-	-	494,155
<b>Assigned</b>									
Capital projects	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	(63,628)	(261,816)	(57,765)	-
<b>Total fund balances</b>	<b>1,613,797</b>	<b>16,794</b>	<b>704,884</b>	<b>37,299</b>	<b>20,903</b>	<b>(63,628)</b>	<b>(261,816)</b>	<b>(57,765)</b>	<b>494,155</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 1,705,352</b>	<b>\$ 16,794</b>	<b>\$ 955,098</b>	<b>\$ 37,299</b>	<b>\$ 21,381</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 496,001</b>

City of Indian Wells, California  
Combining Balance Sheet - Nonmajor Governmental Funds  
June 30, 2023

	Capital Projects Funds								Total Nonmajor Governmental 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	
<b>Assets</b>									
Cash and investments	\$ 1,790,016	\$ 1,990,617	\$ 1,424,895	\$ 719,746	\$ 590,920	\$ 539,633	\$ 123,655	\$ 291,850	\$ 13,109,589
Receivables									
Accounts	-	-	-	-	-	-	-	-	192,463
Accrued interest	7,029	7,817	5,595	2,826	2,320	2,119	486	1,146	50,820
Prepaid costs	-	-	-	-	-	-	-	-	663
<b>Total assets</b>	<b>\$ 1,797,045</b>	<b>\$ 1,998,434</b>	<b>\$ 1,430,490</b>	<b>\$ 722,572</b>	<b>\$ 593,240</b>	<b>\$ 541,752</b>	<b>\$ 124,141</b>	<b>\$ 292,996</b>	<b>\$ 13,353,535</b>
<b>Liabilities and Fund Balances</b>									
<b>Liabilities</b>									
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 448,946
Accrued liabilities	-	-	-	-	-	-	-	-	4,459
Deposits payable	-	-	-	-	-	-	-	-	129,054
Due to other funds	-	-	-	-	-	-	-	-	376,673
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>959,132</b>
<b>Fund Balances</b>									
<b>Nonspendable</b>									
Prepaid costs	-	-	-	-	-	-	-	-	663
<b>Restricted for</b>									
Community development	-	-	-	-	-	-	-	-	725,787
Public safety	-	-	-	-	-	-	-	-	1,711,094
Public works	-	-	-	-	-	-	-	-	2,345,243
<b>Committed to</b>									
Capital projects	-	-	-	-	-	-	-	-	494,155
<b>Assigned</b>									
Capital projects	1,797,045	1,998,434	1,430,490	722,572	593,240	541,752	124,141	292,996	7,500,670
Unassigned	-	-	-	-	-	-	-	-	(383,209)
<b>Total fund balances</b>	<b>1,797,045</b>	<b>1,998,434</b>	<b>1,430,490</b>	<b>722,572</b>	<b>593,240</b>	<b>541,752</b>	<b>124,141</b>	<b>292,996</b>	<b>12,394,403</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 1,797,045</b>	<b>\$ 1,998,434</b>	<b>\$ 1,430,490</b>	<b>\$ 722,572</b>	<b>\$ 593,240</b>	<b>\$ 541,752</b>	<b>\$ 124,141</b>	<b>\$ 292,996</b>	<b>\$ 13,353,535</b>

City of Indian Wells, California

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

Year Ended June 30, 2023

	Special Revenue Funds								
	Traffic Safety	Public Safety 1/2% Tax	Measure "A" Transportation	Fire Access Maintenance District No. 1	South Coast AQMD Vehicle Registration	Citizens Option for Public Safety Program	Gas Tax	AB 939 Recycling	Solid Waste
Revenues									
Taxes	\$ -	\$ -	\$ -	\$ 385,778	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-	-
Intergovernmental	-	37,055	296,540	1,655	6,286	165,271	239,557	-	-
Investment income (loss)	(31)	(6)	(30)	806	(1)	(18)	(355)	-	2,974
Fines and forfeitures	23,469	-	-	-	-	-	-	-	-
Rental income	-	-	-	-	-	-	-	-	-
Assessments	-	-	-	1,202,039	-	-	-	110,674	1,164,638
Developer fees	-	-	-	-	-	-	-	-	-
Other income	-	-	-	2,963	-	-	-	-	2,379
<b>Total revenues</b>	<b>23,438</b>	<b>37,049</b>	<b>296,510</b>	<b>1,593,241</b>	<b>6,285</b>	<b>165,253</b>	<b>239,202</b>	<b>110,674</b>	<b>1,169,991</b>
Expenditures									
Current									
General government	-	-	-	-	-	-	-	-	-
Public safety	-	35,000	-	1,341,689	-	160,000	-	-	-
Community development	-	-	-	-	-	-	-	-	-
Public works	17,000	-	300,000	-	6,053	-	124,142	218,796	1,234,124
Capital outlay	-	-	-	710,648	-	-	-	-	-
<b>Total expenditures</b>	<b>17,000</b>	<b>35,000</b>	<b>300,000</b>	<b>2,052,337</b>	<b>6,053</b>	<b>160,000</b>	<b>124,142</b>	<b>218,796</b>	<b>1,234,124</b>
Excess (Deficiency) of Revenues over (under) Expenditures	6,438	2,049	(3,490)	(459,096)	232	5,253	115,060	(108,122)	(64,133)
Other Financing Sources (Uses)									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>6,438</b>	<b>2,049</b>	<b>(3,490)</b>	<b>(459,096)</b>	<b>232</b>	<b>5,253</b>	<b>115,060</b>	<b>(108,122)</b>	<b>(64,133)</b>
Fund Balances, Beginning of Year	3,700	6,276	70,533	2,151,078	13,350	6,197	13,485	425,498	204,802
<b>Fund Balances, End of Year</b>	<b>\$ 10,138</b>	<b>\$ 8,325</b>	<b>\$ 67,043</b>	<b>\$ 1,691,982</b>	<b>\$ 13,582</b>	<b>\$ 11,450</b>	<b>\$ 128,545</b>	<b>\$ 317,376</b>	<b>\$ 140,669</b>

City of Indian Wells, California

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

Year Ended June 30, 2023

	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
<b>Revenues</b>									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-
Investment income (loss)	3,236	8	42,901	61	(129)	220	441	359	11
Fines and forfeitures	-	-	-	-	-	-	-	-	-
Rental income	-	-	2,310,605	-	-	-	-	-	-
Assessments	1,440,767	2,234	-	-	-	-	-	-	-
Developer fees	-	-	-	17,550	21,032	86,152	172,568	91,745	182,409
Other income	-	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<b>1,444,003</b>	<b>2,242</b>	<b>2,353,506</b>	<b>17,611</b>	<b>20,903</b>	<b>86,372</b>	<b>173,009</b>	<b>92,104</b>	<b>182,420</b>
<b>Expenditures</b>									
Current									
General government	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-
Community development	-	-	2,367,530	-	-	-	-	-	-
Public works	1,484,288	201	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>1,484,288</b>	<b>201</b>	<b>2,367,530</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess (Deficiency) of Revenues over (under) Expenditures</b>	<b>(40,285)</b>	<b>2,041</b>	<b>(14,024)</b>	<b>17,611</b>	<b>20,903</b>	<b>86,372</b>	<b>173,009</b>	<b>92,104</b>	<b>182,420</b>
<b>Other Financing Sources (Uses)</b>									
Transfers in	102,398	-	-	-	-	-	-	-	-
Transfers out	-	-	(4,000,000)	-	-	(150,000)	(434,825)	(150,000)	-
<b>Total other financing sources (uses)</b>	<b>102,398</b>	<b>-</b>	<b>(4,000,000)</b>	<b>-</b>	<b>-</b>	<b>(150,000)</b>	<b>(434,825)</b>	<b>(150,000)</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>62,113</b>	<b>2,041</b>	<b>(4,014,024)</b>	<b>17,611</b>	<b>20,903</b>	<b>(63,628)</b>	<b>(261,816)</b>	<b>(57,896)</b>	<b>182,420</b>
<b>Fund Balances, Beginning of Year</b>	<b>1,551,684</b>	<b>14,753</b>	<b>4,718,908</b>	<b>19,688</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>131</b>	<b>311,735</b>
<b>Fund Balances, End of Year</b>	<b>\$ 1,613,797</b>	<b>\$ 16,794</b>	<b>\$ 704,884</b>	<b>\$ 37,299</b>	<b>\$ 20,903</b>	<b>\$ (63,628)</b>	<b>\$ (261,816)</b>	<b>\$ (57,765)</b>	<b>\$ 494,155</b>

City of Indian Wells, California

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

Year Ended June 30, 2023

	Capital Projects Funds							Total Nonmajor Governmental 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
Revenues									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 385,778
Licenses and permits	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	746,364
Investment income (loss)	1,111	2,767	3,432	2,201	1,019	833	85	655	62,550
Fines and forfeitures	-	-	-	-	-	-	-	-	23,469
Rental income	-	-	-	-	-	-	-	-	2,310,605
Assessments	-	-	-	-	-	-	-	-	3,920,352
Developer fees	-	-	-	-	-	-	-	-	571,456
Other income	-	-	-	-	-	-	-	-	5,342
<b>Total revenues</b>	<b>1,111</b>	<b>2,767</b>	<b>3,432</b>	<b>2,201</b>	<b>1,019</b>	<b>833</b>	<b>85</b>	<b>655</b>	<b>8,025,916</b>
Expenditures									
Current									
General government	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	1,536,689
Community development	-	-	-	-	-	-	-	-	2,367,530
Public works	-	-	-	-	-	-	-	-	3,384,604
Capital outlay	-	-	-	-	-	-	-	-	710,648
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,999,471</b>
Excess (Deficiency) of Revenues over (under) Expenditures	1,111	2,767	3,432	2,201	1,019	833	85	655	26,445
Other Financing Sources (Uses)									
Transfers in	30,000	74,000	322,000	59,000	24,000	22,000	5,000	150,000	788,398
Transfers out	-	-	-	-	-	-	-	-	(4,734,825)
<b>Total other financing sources (uses)</b>	<b>30,000</b>	<b>74,000</b>	<b>322,000</b>	<b>59,000</b>	<b>24,000</b>	<b>22,000</b>	<b>5,000</b>	<b>150,000</b>	<b>(3,946,427)</b>
<b>Net Change in Fund Balances</b>	<b>31,111</b>	<b>76,767</b>	<b>325,432</b>	<b>61,201</b>	<b>25,019</b>	<b>22,833</b>	<b>5,085</b>	<b>150,655</b>	<b>(3,919,982)</b>
Fund Balances, Beginning of Year	691,461	1,720,278	1,673,002	1,369,289	568,221	518,919	119,056	142,341	16,314,385
Fund Balances, End of Year	\$ 722,572	\$ 1,797,045	\$ 1,998,434	\$ 1,430,490	\$ 593,240	\$ 541,752	\$ 124,141	\$ 292,996	\$ 12,394,403



City of Indian Wells, California  
 Budgetary Comparison Schedule - Traffic Safety  
 Year Ended June 30, 2023

	Budgeted Amounts	Actual	Variance with Budget Positive (Negative)
Revenues			
Investment income (loss)	\$ 10	\$ (31)	\$ (41)
Fines and forfeitures	17,100	23,469	6,369
<b>Total revenues</b>	<b>17,110</b>	<b>23,438</b>	<b>6,328</b>
Expenditures			
Current			
Public works	17,000	17,000	-
<b>Total expenditures</b>	<b>17,000</b>	<b>17,000</b>	<b>-</b>
<b>Net change in fund balance</b>	<b>110</b>	<b>6,438</b>	<b>6,328</b>
Fund balance, beginning	3,700	3,700	-
<b>Fund balance, ending</b>	<b>\$ 3,810</b>	<b>\$ 10,138</b>	<b>\$ 6,328</b>

City of Indian Wells, California  
 Budgetary Comparison Schedule - Public Safety 1/2% Tax  
 Year Ended June 30, 2023

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	Budgeted Amounts	Actual	Variance with Budget Positive (Negative)
Revenues			
Intergovernmental	\$ 24,600	\$ 37,055	\$ 12,455
Investment income (loss)	<u>1,440</u>	<u>(6)</u>	<u>(1,446)</u>
Total revenues	<u>26,040</u>	<u>37,049</u>	<u>11,009</u>
Expenditures			
Current			
Public safety	<u>35,000</u>	<u>35,000</u>	<u>-</u>
Total expenditures	<u>35,000</u>	<u>35,000</u>	<u>-</u>
Net change in fund balance	(8,960)	2,049	11,009
Fund balance, beginning	<u>6,276</u>	<u>6,276</u>	<u>-</u>
Fund balance, ending	<u>\$ (2,684)</u>	<u>\$ 8,325</u>	<u>\$ 11,009</u>

City of Indian Wells, California  
 Budgetary Comparison Schedule - Measure "A" Transportation  
 Year Ended June 30, 2023

	Budgeted Amounts	Actual	Variance with Budget Positive (Negative)
Revenues			
Intergovernmental	\$ 279,650	\$ 296,540	\$ 16,890
Investment income	1,230	(30)	(1,260)
<b>Total revenues</b>	<b>280,880</b>	<b>296,510</b>	<b>15,630</b>
Expenditures			
Current			
Public works	300,000	300,000	-
<b>Total expenditures</b>	<b>300,000</b>	<b>300,000</b>	<b>-</b>
<b>Net change in fund balance</b>	<b>(19,120)</b>	<b>(3,490)</b>	<b>15,630</b>
Fund balance, beginning	70,533	70,533	-
<b>Fund balance, ending</b>	<b>\$ 51,413</b>	<b>\$ 67,043</b>	<b>\$ 15,630</b>

City of Indian Wells, California  
 Budgetary Comparison Schedule - Fire Access Maintenance District No. 1  
 Year Ended June 30, 2023

	Budgeted Amounts	Actual	Variance with Budget Positive (Negative)
<b>Revenues</b>			
Taxes	\$ 361,780	\$ 385,778	\$ 23,998
Licenses and permits	1,180	-	(1,180)
Intergovernmental	1,640	1,655	15
Investment income (loss)	92,250	806	(91,444)
Assessments	1,200,000	1,202,039	2,039
Other income	3,330	2,963	(367)
<b>Total revenues</b>	<b>1,660,180</b>	<b>1,593,241</b>	<b>(66,939)</b>
<b>Expenditures</b>			
<b>Current</b>			
Public safety	1,426,623	1,341,689	84,934
Capital outlay	706,061	710,648	(4,587)
<b>Total expenditures</b>	<b>2,132,684</b>	<b>2,052,337</b>	<b>80,347</b>
<b>Net change in fund balance</b>	<b>(472,504)</b>	<b>(459,096)</b>	<b>13,408</b>
Fund balance, beginning	2,151,078	2,151,078	-
Fund balance, ending	<u>\$ 1,678,574</u>	<u>\$ 1,691,982</u>	<u>\$ 13,408</u>

City of Indian Wells, California  
 Budgetary Comparison Schedule - South Coast AQMD Vehicle Registration  
 Year Ended June 30, 2023

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	<u>Budgeted Amounts</u>	<u>Actual</u>	<u>Variance with Budget Positive (Negative)</u>
Revenues			
Intergovernmental	\$ 7,160	\$ 6,286	\$ (874)
Investment income (loss)	<u>310</u>	<u>(1)</u>	<u>(311)</u>
Total revenues	<u>7,470</u>	<u>6,285</u>	<u>(1,185)</u>
Expenditures			
Current			
Public works	<u>7,500</u>	<u>6,053</u>	<u>1,447</u>
Total expenditures	<u>7,500</u>	<u>6,053</u>	<u>1,447</u>
Net change in fund balance	(30)	232	262
Fund balance, beginning	<u>13,350</u>	<u>13,350</u>	<u>-</u>
Fund balance, ending	<u>\$ 13,320</u>	<u>\$ 13,582</u>	<u>\$ 262</u>

City of Indian Wells, California  
 Budgetary Comparison Schedule - Citizens Option for Public Safety Program  
 Year Ended June 30, 2023

	Budgeted Amounts	Actual	Variance with Budget Positive (Negative)
Revenues			
Intergovernmental	\$ 157,390	\$ 165,271	\$ 7,881
Investment income (loss)	3,900	(18)	(3,918)
Total revenues	<u>161,290</u>	<u>165,253</u>	<u>3,963</u>
Expenditures			
Current			
Public safety	190,000	160,000	30,000
Total expenditures	<u>190,000</u>	<u>160,000</u>	<u>30,000</u>
Net change in fund balance	(28,710)	5,253	33,963
Fund balance, beginning	<u>6,197</u>	<u>6,197</u>	-
Fund balance, ending	<u>\$ (22,513)</u>	<u>\$ 11,450</u>	<u>\$ 33,963</u>

City of Indian Wells, California  
 Budgetary Comparison Schedule - Gas Tax  
 Year Ended June 30, 2023

	Budgeted Amounts	Actual	Variance with Budget Positive (Negative)
Revenues			
Intergovernmental	\$ 235,230	\$ 239,557	\$ 4,327
Investment income	4,230	(355)	(4,585)
<b>Total revenues</b>	<b>239,460</b>	<b>239,202</b>	<b>(258)</b>
Expenditures			
Current			
General government	110,000	-	110,000
Public works	136,030	124,142	11,888
<b>Total expenditures</b>	<b>246,030</b>	<b>124,142</b>	<b>121,888</b>
<b>Net change in fund balance</b>	<b>(6,570)</b>	<b>115,060</b>	<b>121,630</b>
Fund balance, beginning	13,485	13,485	-
Fund balance, ending	<u>\$ 6,915</u>	<u>\$ 128,545</u>	<u>\$ 121,630</u>

City of Indian Wells, California  
 Budgetary Comparison Schedule - AB 939 Recycling  
 Year Ended June 30, 2023

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	<u>Budgeted Amounts</u>	<u>Actual</u>	Variance with Budget Positive (Negative)
Revenues			
Assessments	\$ 94,300	\$ 110,674	\$ 16,374
Total revenues	<u>94,300</u>	<u>110,674</u>	<u>16,374</u>
Expenditures			
Current			
Public works	<u>321,359</u>	<u>218,796</u>	<u>102,563</u>
Total expenditures	<u>321,359</u>	<u>218,796</u>	<u>102,563</u>
Net change in fund balance	(227,059)	(108,122)	118,937
Fund balance, beginning	<u>425,498</u>	<u>425,498</u>	<u>-</u>
Fund balance, ending	<u>\$ 198,439</u>	<u>\$ 317,376</u>	<u>\$ 118,937</u>



City of Indian Wells, California  
 Budgetary Comparison Schedule - Solid Waste  
 Year Ended June 30, 2023

	Budgeted Amounts	Actual	Variance with Budget Positive (Negative)
<b>Revenues</b>			
Investment income (loss)	\$ 35,880	\$ 2,974	\$ (32,906)
Assessments	1,050,630	1,164,638	114,008
Other income	2,560	2,379	(181)
<b>Total revenues</b>	<b>1,089,070</b>	<b>1,169,991</b>	<b>80,921</b>
<b>Expenditures</b>			
<b>Current</b>			
Public works	1,225,908	1,234,124	(8,216)
<b>Total expenditures</b>	<b>1,225,908</b>	<b>1,234,124</b>	<b>(8,216)</b>
<b>Net change in fund balance</b>	<b>(136,838)</b>	<b>(64,133)</b>	<b>72,705</b>
Fund balance, beginning	204,802	204,802	-
Fund balance, ending	<u>\$ 67,964</u>	<u>\$ 140,669</u>	<u>\$ 72,705</u>

City of Indian Wells, California  
 Budgetary Comparison Schedule - Consolidating LLMD  
 Year Ended June 30, 2023

	Budgeted Amounts	Actual	Variance with Budget Positive (Negative)
<b>Revenues</b>			
Investment income (loss)	\$ 51,580	\$ 3,236	\$ (48,344)
Assessments	<u>1,417,800</u>	<u>1,440,767</u>	<u>22,967</u>
<b>Total revenues</b>	<u>1,469,380</u>	<u>1,444,003</u>	<u>(25,377)</u>
<b>Expenditures</b>			
<b>Current</b>			
Public works	<u>1,669,830</u>	<u>1,484,288</u>	<u>185,542</u>
<b>Total expenditures</b>	<u>1,669,830</u>	<u>1,484,288</u>	<u>185,542</u>
<b>Other financing sources (uses)</b>			
Transfers in	<u>177,090</u>	<u>102,398</u>	<u>(74,692)</u>
<b>Total other financing sources (uses)</b>	<u>177,090</u>	<u>102,398</u>	<u>(74,692)</u>
<b>Net change in fund balance</b>	(23,360)	62,113	85,473
Fund balance, beginning	<u>1,551,684</u>	<u>1,551,684</u>	-
Fund balance, ending	<u>\$ 1,528,324</u>	<u>\$ 1,613,797</u>	<u>\$ 85,473</u>

City of Indian Wells, California  
 Budgetary Comparison Schedule - Street Lighting District 2001-1  
 Year Ended June 30, 2023

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	Budgeted Amounts	Actual	Variance with Budget Positive (Negative)
Revenues			
Investment income (loss)	\$ 380	\$ 8	\$ (372)
Assessments	<u>1,410</u>	<u>2,234</u>	<u>824</u>
Total revenues	<u>1,790</u>	<u>2,242</u>	<u>452</u>
Expenditures			
Current			
Public works	<u>1,730</u>	<u>201</u>	<u>1,529</u>
Total expenditures	<u>1,730</u>	<u>201</u>	<u>1,529</u>
Net change in fund balance	60	2,041	1,981
Fund balance, beginning	<u>14,753</u>	<u>14,753</u>	<u>-</u>
Fund balance, ending	<u>\$ 14,813</u>	<u>\$ 16,794</u>	<u>\$ 1,981</u>

City of Indian Wells, California  
 Budgetary Comparison Schedule - Affordable Housing Operations  
 Year Ended June 30, 2023

	Budgeted Amounts	Actual	Variance with Budget Positive (Negative)
<b>Revenues</b>			
Investment income (loss)	\$ 116,850	\$ 42,901	\$ (73,949)
Rental income	<u>2,124,980</u>	<u>2,310,605</u>	<u>185,625</u>
<b>Total revenues</b>	<u>2,241,830</u>	<u>2,353,506</u>	<u>111,676</u>
<b>Expenditures</b>			
<b>Current</b>			
Community development	<u>2,124,989</u>	<u>2,367,530</u>	<u>(242,541)</u>
<b>Total expenditures</b>	<u>2,124,989</u>	<u>2,367,530</u>	<u>(242,541)</u>
<b>Other financing sources (uses):</b>			
Transfers out	<u>-</u>	<u>(4,000,000)</u>	<u>(4,000,000)</u>
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>(4,000,000)</u>	<u>(4,000,000)</u>
<b>Net change in fund balance</b>	116,841	(4,014,024)	(4,130,865)
Fund balance, beginning	<u>4,718,908</u>	<u>4,718,908</u>	<u>-</u>
Fund balance, ending	<u>\$ 4,835,749</u>	<u>\$ 704,884</u>	<u>\$ (4,130,865)</u>

City of Indian Wells, California  
 Budgetary Comparison Schedule - Capital Improvements  
 Year Ended June 30, 2023

	Budgeted Amounts	Actual	Variance with Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$ 500,000	\$ 184,414	\$ (315,586)
Investment income (loss)	410,000	3,484	(406,516)
Other income	10,000	-	(10,000)
<b>Total revenues</b>	<b>920,000</b>	<b>187,898</b>	<b>(732,102)</b>
<b>Expenditures</b>			
<b>Current</b>			
General government	262,490	134,511	127,979
Capital outlay	16,261,116	5,147,043	11,114,073
<b>Total expenditures</b>	<b>16,523,606</b>	<b>5,281,554</b>	<b>11,242,052</b>
<b>Other financing sources (uses)</b>			
Transfers in	2,480,785	3,772,129	1,291,344
<b>Total other financing sources (uses)</b>	<b>2,480,785</b>	<b>3,772,129</b>	<b>1,291,344</b>
<b>Net change in fund balance</b>	<b>(13,122,821)</b>	<b>(1,321,527)</b>	<b>11,801,294</b>
Fund balance, beginning	9,176,269	9,176,269	-
<b>Fund balance, ending</b>	<b>\$ (3,946,552)</b>	<b>\$ 7,854,742</b>	<b>\$ 11,801,294</b>

City of Indian Wells, California  
 Budgetary Comparison Schedule - City Streets Capital Reserve  
 Year Ended June 30, 2023

	<u>Budgeted Amounts</u>	<u>Actual</u>	Variance with Budget Positive (Negative)
Revenues			
Investment income (loss)	\$ 640,630	\$ 55,779	\$ (584,851)
Total revenues	<u>640,630</u>	<u>55,779</u>	<u>(584,851)</u>
Other financing sources (uses)			
Transfers in	162,500	814,000	651,500
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>162,500</u>	<u>814,000</u>	<u>651,500</u>
Net change in fund balance	803,130	869,779	66,649
Fund balance, beginning	<u>18,868,145</u>	<u>18,868,145</u>	<u>-</u>
Fund balance, ending	<u>\$ 19,671,275</u>	<u>\$ 19,737,924</u>	<u>\$ 66,649</u>

City of Indian Wells, California  
 Budgetary Comparison Schedule - Highway 111 Circulation Improvements  
 Year Ended June 30, 2023

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	<u>Budgeted Amounts</u>	<u>Actual</u>	Variance with Budget Positive (Negative)
Revenues			
Investment income (loss)	\$ -	\$ 61	\$ 61
Developer fees	<u>100</u>	<u>17,550</u>	<u>17,450</u>
Total revenues	<u>100</u>	<u>17,611</u>	<u>17,511</u>
Net change in fund balance	100	17,611	17,511
Fund balance, beginning	<u>19,688</u>	<u>19,688</u>	<u>-</u>
Fund balance, ending	<u><u>\$ 19,788</u></u>	<u><u>\$ 37,299</u></u>	<u><u>\$ 17,511</u></u>

City of Indian Wells, California  
 Budgetary Comparison Schedule - Park Facilities Fees  
 Year Ended June 30, 2023

	Budgeted Amounts	Actual	Variance with Budget Positive (Negative)
Revenues			
Investment income (loss)	\$ -	\$ (129)	\$ (129)
Developer fees	-	21,032	21,032
Total revenues	-	20,903	20,903
Net change in fund balance	-	20,903	20,903
Fund balance, beginning	-	-	-
Fund balance, ending	\$ -	\$ 20,903	\$ 20,903



City of Indian Wells, California  
 Budgetary Comparison Schedule - Transportation Facilities Fees  
 Year Ended June 30, 2023

	Budgeted Amounts	Actual	Variance with Budget Positive (Negative)
Revenues			
Investment income (loss)	\$ -	\$ 220	\$ 220
Developer fees	151,575	86,152	(65,423)
Total revenues	151,575	86,372	(65,203)
Other financing sources (uses)			
Transfers out	(150,000)	(150,000)	-
Total other financing sources (uses)	(150,000)	(150,000)	-
Net change in fund balance	1,575	(63,628)	(65,203)
Fund balance, beginning	-	-	-
Fund balance, ending	\$ 1,575	\$ (63,628)	\$ (65,203)

City of Indian Wells, California  
 Budgetary Comparison Schedule - Recreation Facilities Fees  
 Year Ended June 30, 2023

	Budgeted Amounts	Actual	Variance with Budget Positive (Negative)
Revenues			
Investment income (loss)	\$ 2,500	\$ 441	\$ (2,059)
Developer fees	-	172,568	172,568
<b>Total revenues</b>	<b>2,500</b>	<b>173,009</b>	<b>170,509</b>
Other financing sources (uses)			
Transfers out	(434,825)	(434,825)	-
<b>Total other financing sources (uses)</b>	<b>(434,825)</b>	<b>(434,825)</b>	<b>-</b>
<b>Net change in fund balance</b>	<b>(432,325)</b>	<b>(261,816)</b>	<b>170,509</b>
Fund balance, beginning	-	-	-
<b>Fund balance, ending</b>	<b>\$ (432,325)</b>	<b>\$ (261,816)</b>	<b>\$ 170,509</b>

City of Indian Wells, California  
 Budgetary Comparison Schedule - City Wide Public Improvements  
 Year Ended June 30, 2023

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	Budgeted Amounts	Actual	Variance with Budget Positive (Negative)
Revenues			
Investment income (loss)	\$ 2,050	\$ 359	\$ (1,691)
Developer fees	131,200	91,745	(39,455)
Total revenues	133,250	92,104	(41,146)
Other financing sources (uses)			
Transfers out	(150,000)	(150,000)	-
Total other financing sources (uses)	(150,000)	(150,000)	-
Net change in fund balance	(16,750)	(57,896)	(41,146)
Fund balance, beginning	131	131	-
Fund balance, ending	\$ (16,619)	\$ (57,765)	\$ (41,146)

City of Indian Wells, California  
 Budgetary Comparison Schedule - Art in Public Places  
 Year Ended June 30, 2023

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	Budgeted Amounts	Actual	Variance with Budget Positive (Negative)
Revenues			
Investment income (loss)	\$ 4,920	\$ 11	\$ (4,909)
Developer fees	<u>14,860</u>	<u>182,409</u>	<u>167,549</u>
Total revenues	<u>19,780</u>	<u>182,420</u>	<u>162,640</u>
Fund balance, beginning	<u>311,735</u>	<u>311,735</u>	<u>-</u>
Fund balance, ending	<u>\$ 331,515</u>	<u>\$ 494,155</u>	<u>\$ 162,640</u>

City of Indian Wells, California  
 Budgetary Comparison Schedule - Bridges Capital Reserve  
 Year Ended June 30, 2023

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	<u>Budgeted Amounts</u>	<u>Actual</u>	<u>Variance with Budget Positive (Negative)</u>
Revenues			
Investment income (loss)	\$ 59,450	\$ 2,767	\$ (56,683)
Total revenues	<u>59,450</u>	<u>2,767</u>	<u>(56,683)</u>
Other financing sources (uses)			
Transfers in	<u>162,500</u>	<u>74,000</u>	<u>(88,500)</u>
Total other financing sources (uses)	<u>162,500</u>	<u>74,000</u>	<u>(88,500)</u>
Net change in fund balance	221,950	76,767	(145,183)
Fund balance, beginning	<u>1,720,278</u>	<u>1,720,278</u>	<u>-</u>
Fund balance, ending	<u>\$ 1,942,228</u>	<u>\$ 1,797,045</u>	<u>\$ (145,183)</u>

City of Indian Wells, California  
 Budgetary Comparison Schedule - Buildings Capital Reserve  
 Year Ended June 30, 2023

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	<u>Budgeted</u> <u>Amounts</u>	<u>Actual</u>	<u>Variance with</u> <u>Budget</u> <u>Positive</u> <u>(Negative)</u>
Revenues			
Investment income (loss)	\$ 49,200	\$ 3,432	\$ (45,768)
Total revenues	<u>49,200</u>	<u>3,432</u>	<u>(45,768)</u>
Other financing sources (uses)			
Transfers in	<u>1,537,500</u>	<u>322,000</u>	<u>(1,215,500)</u>
Total other financing sources (uses)	<u>1,537,500</u>	<u>322,000</u>	<u>(1,215,500)</u>
Net change in fund balance	1,586,700	325,432	(1,261,268)
Fund balance, beginning	<u>1,673,002</u>	<u>1,673,002</u>	<u>-</u>
Fund balance, ending	<u>\$ 3,259,702</u>	<u>\$ 1,998,434</u>	<u>\$ (1,261,268)</u>

City of Indian Wells, California  
 Budgetary Comparison Schedule - Medians & Parkways Capital Reserve  
 Year Ended June 30, 2023

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	<u>Budgeted</u> <u>Amounts</u>	<u>Actual</u>	<u>Variance with</u> <u>Budget</u> <u>Positive</u> <u>(Negative)</u>
Revenues			
Investment income (loss)	\$ 48,690	\$ 2,201	\$ (46,489)
Total revenues	<u>48,690</u>	<u>2,201</u>	<u>(46,489)</u>
Other financing sources (uses)			
Transfers in	<u>162,500</u>	<u>59,000</u>	<u>(103,500)</u>
Total other financing sources (uses)	<u>162,500</u>	<u>59,000</u>	<u>(103,500)</u>
Net change in fund balance	211,190	61,201	(149,989)
Fund balance, beginning	<u>1,369,289</u>	<u>1,369,289</u>	<u>-</u>
Fund balance, ending	<u>\$ 1,580,479</u>	<u>\$ 1,430,490</u>	<u>\$ (149,989)</u>

City of Indian Wells, California  
 Budgetary Comparison Schedule - Storm Drains Capital Reserve  
 Year Ended June 30, 2023

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	Budgeted Amounts	Actual	Variance with Budget Positive (Negative)
Revenues			
Investment income (loss)	\$ 24,090	\$ 1,111	\$ (22,979)
Total revenues	24,090	1,111	(22,979)
Other financing sources (uses)			
Transfers in	162,500	30,000	(132,500)
Total other financing sources (uses)	162,500	30,000	(132,500)
Net change in fund balance	186,590	31,111	(155,479)
Fund balance, beginning	691,461	691,461	-
Fund balance, ending	\$ 878,051	\$ 722,572	\$ (155,479)



City of Indian Wells, California  
 Budgetary Comparison Schedule - Traffic Signals Capital Reserve  
 Year Ended June 30, 2023

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	<u>Budgeted Amounts</u>	<u>Actual</u>	<u>Variance with Budget Positive (Negative)</u>
Revenues			
Investment income (loss)	\$ 21,010	\$ 1,019	\$ (19,991)
Total revenues	<u>21,010</u>	<u>1,019</u>	<u>(19,991)</u>
Other financing sources (uses)			
Transfers in	<u>162,500</u>	<u>24,000</u>	<u>(138,500)</u>
Total other financing sources (uses)	<u>162,500</u>	<u>24,000</u>	<u>(138,500)</u>
Net change in fund balance	183,510	25,019	(158,491)
Fund balance, beginning	<u>568,221</u>	<u>568,221</u>	<u>-</u>
Fund balance, ending	<u>\$ 751,731</u>	<u>\$ 593,240</u>	<u>\$ (158,491)</u>

City of Indian Wells, California  
 Budgetary Comparison Schedule - Technology Capital Reserve  
 Year Ended June 30, 2023

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	<u>Budgeted</u> <u>Amounts</u>	<u>Actual</u>	<u>Variance with</u> <u>Budget</u> <u>Positive</u> <u>(Negative)</u>
Revenues			
Investment income (loss)	\$ 18,960	\$ 833	\$ (18,127)
Total revenues	<u>18,960</u>	<u>833</u>	<u>(18,127)</u>
Other financing sources (uses)			
Transfers in	<u>162,500</u>	<u>22,000</u>	<u>(140,500)</u>
Total other financing sources (uses)	<u>162,500</u>	<u>22,000</u>	<u>(140,500)</u>
Net change in fund balance	181,460	22,833	(158,627)
Fund balance, beginning	<u>518,919</u>	<u>518,919</u>	<u>-</u>
Fund balance, ending	<u>\$ 700,379</u>	<u>\$ 541,752</u>	<u>\$ (158,627)</u>

City of Indian Wells, California  
 Budgetary Comparison Schedule - City Vehicles Capital Reserve  
 Year Ended June 30, 2023

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	<u>Budgeted Amounts</u>	<u>Actual</u>	<u>Variance with Budget Positive (Negative)</u>
Revenues			
Investment income (loss)	\$ 4,610	\$ 85	\$ (4,525)
Total revenues	<u>4,610</u>	<u>85</u>	<u>(4,525)</u>
Other financing sources (uses)			
Transfers in	<u>162,500</u>	<u>5,000</u>	<u>(157,500)</u>
Total other financing sources (uses)	<u>162,500</u>	<u>5,000</u>	<u>(157,500)</u>
Net change in fund balance	167,110	5,085	(162,025)
Fund balance, beginning	<u>119,056</u>	<u>119,056</u>	<u>-</u>
Fund balance, ending	<u>\$ 286,166</u>	<u>\$ 124,141</u>	<u>\$ (162,025)</u>

City of Indian Wells, California  
 Budgetary Comparison Schedule - Disaster Recovery Reserve  
 Year Ended June 30, 2023

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	<u>Budgeted Amounts</u>	<u>Actual</u>	<u>Variance with Budget Positive (Negative)</u>
Revenues			
Investment income (loss)	\$ -	\$ 655	\$ 655
Total revenues	<u>-</u>	<u>655</u>	<u>655</u>
Other financing sources (uses)			
Transfers in	<u>150,000</u>	<u>150,000</u>	<u>-</u>
Total other financing sources (uses)	<u>150,000</u>	<u>150,000</u>	<u>-</u>
Net change in fund balance	150,000	150,655	655
Fund balance, beginning	<u>142,341</u>	<u>142,341</u>	<u>-</u>
Fund balance, ending	<u>\$ 292,341</u>	<u>\$ 292,996</u>	<u>\$ 655</u>

City of Indian Wells, California  
 Budgetary Comparison Schedule - Park Facilities in Lieu Capital Projects Fund  
 Year Ended June 30, 2023

	Budgeted Amounts	Actual	Variance with Budget Positive (Negative)
Revenues			
Developer fees	\$ 61,500	\$ 111,021	\$ 49,521
Total revenues	61,500	111,021	49,521
Expenditures			
Current			
General government	-	2,822	(2,822)
Total expenditures	-	2,822	(2,822)
Net change in fund balance	61,500	108,199	46,699
Fund balance, beginning	(1,483,512)	(1,483,512)	-
Fund balance, ending	\$ (1,422,012)	\$ (1,375,313)	\$ 46,699

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City of Indian Wells, California  
Combining Statement of Net Position - Internal Service Funds  
June 30, 2023

	Governmental Activities - Internal Service Funds		Totals
	Employee Benefits	Compensated Absences	
<b>Assets</b>			
<b>Current Assets</b>			
Cash and investments	\$ 2,240,488	\$ 624,787	\$ 2,865,275
Restricted Section 115 Trust cash and investments	1,099,343	-	1,099,343
Receivables			
Accrued interest	2,822	2,281	5,103
Total current assets	<u>3,342,653</u>	<u>627,068</u>	<u>3,969,721</u>
<b>Noncurrent Assets</b>			
Net OPEB Asset	745,061	-	745,061
Total assets	<u>4,087,714</u>	<u>627,068</u>	<u>4,714,782</u>
<b>Deferred Outflows of Resources</b>			
Deferred amounts related to OPEB	1,806,981	-	1,806,981
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accounts payable	1,492	-	1,492
Total liabilities	<u>1,492</u>	<u>-</u>	<u>1,492</u>
<b>Deferred Inflows of Resources</b>			
Deferred amounts related to OPEB	968,612	-	968,612
<b>Net Position</b>			
Restricted for OPEB	2,682,773	-	2,682,773
Unrestricted	2,241,818	627,068	2,868,886
Total net position	<u>\$ 4,924,591</u>	<u>\$ 627,068</u>	<u>\$ 5,551,659</u>

City of Indian Wells, California

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

Year Ended June 30, 2023

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	Governmental Activities - Internal Service Funds		Totals
	Employee Benefits	Compensated Absences	
Operating Revenues			
Interdepartmental charges	\$ 2,563,611	\$ -	\$ 2,563,611
Total operating revenues	<u>2,563,611</u>	<u>-</u>	<u>2,563,611</u>
Operating Expenses			
Administration and general	1,049,090	-	1,049,090
Total operating expenses	<u>1,049,090</u>	<u>-</u>	<u>1,049,090</u>
Operating Income (Loss)	<u>1,514,521</u>	<u>-</u>	<u>1,514,521</u>
Nonoperating Revenue (Expenses)			
Investment income (loss)	77,682	192	77,874
Total nonoperating revenues (expenses)	<u>77,682</u>	<u>192</u>	<u>77,874</u>
Transfers In	<u>-</u>	<u>44,606</u>	<u>44,606</u>
Changes in Net Position	1,592,203	44,798	1,637,001
Net Position, Beginning of Year	<u>3,332,388</u>	<u>582,270</u>	<u>3,914,658</u>
Net Position, End of Year	<u>\$ 4,924,591</u>	<u>\$ 627,068</u>	<u>\$ 5,551,659</u>



City of Indian Wells, California  
Combining Statement of Cash Flows - Internal Service Funds  
Year Ended June 30, 2023

	Governmental Activities - Internal Service Funds		Totals
	Employee Benefits	Compensated Absences	
Operating Activities			
Cash received from interfund services provided	\$ 2,565,336	\$ -	\$ 2,565,336
Cash paid to suppliers for goods and services	(1,352,770)	-	(1,352,770)
Net Cash from (used for) Operating Activities	<u>1,212,566</u>	<u>-</u>	<u>1,212,566</u>
Non-Capital Financing Activities			
Cash received from other funds	-	44,606	44,606
Net Cash from (used for) Non-Capital Financing Activities	<u>-</u>	<u>44,606</u>	<u>44,606</u>
Investing Activities			
Interest gain (loss)	74,860	(1,222)	73,638
Net Cash from (used for) Investing Activities	<u>74,860</u>	<u>(1,222)</u>	<u>73,638</u>
Net Change in Cash and Cash Equivalents	1,287,426	43,384	1,330,810
Cash, Restricted Cash, and Cash Equivalents, Beginning of Year	<u>2,052,405</u>	<u>581,403</u>	<u>2,633,808</u>
Cash, Restricted Cash, and Cash Equivalents, End of Year	<u>\$ 3,339,831</u>	<u>\$ 624,787</u>	<u>\$ 3,964,618</u>
Reconciliation of Operating Income to Net Cash from (used for) Operating Activities			
Operating income (loss)	\$ 1,514,521	\$ -	\$ 1,514,521
Changes in			
Accounts receivable	1,725	-	1,725
Net OPEB asset and related balances	(304,563)	-	(304,563)
Accounts payable	883	-	883
Net Cash from (used for) Operating Activities	<u>\$ 1,212,566</u>	<u>\$ -</u>	<u>\$ 1,212,566</u>

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

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**Operating Information** – These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the activities it performs.

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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									
	2023	2022	2021**	2020	2019	2018	2017	2016	2015	2014
Governmental activities:										
Net investment in capital assets	\$ 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	\$ 250,043,785
Restricted for:										
Community development	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	3,420,280
Housing	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	14,412,791
Public safety	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	5,558,075
Public works	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	1,967,998
Debt service	-	-	-	-	-	-	-	-	-	-
Section 115 Trust	-	-	937,402	-	-	-	-	-	-	-
Pension obligations	5,567,799	11,369,223	-	-	-	-	-	-	-	-
OPEB obligations	1,798,141	2,301,464	-	-	-	-	-	-	-	-
Unrestricted	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	51,276,256
Total governmental activities net position	<u>249,998,065</u>	<u>256,354,023</u>	<u>244,479,478</u>	<u>259,744,527</u>	<u>263,916,555</u>	<u>258,719,094</u>	<u>261,059,861</u>	<u>253,078,731</u>	<u>317,535,741</u>	<u>326,679,185</u>
Business-type activities:										
Net investment in capital assets**	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	139,371	338,347	-	-	-	-	-	-	-	-
Unrestricted	(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	<u>41,820,991</u>	<u>42,542,189</u>	<u>41,588,280</u>	<u>43,864,165</u>	<u>48,011,924</u>	<u>52,222,910</u>	<u>54,415,923</u>	<u>59,296,686</u>	<u>-</u>	<u>-</u>
Primary government:										
Net investment in capital assets	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	250,043,785
Restricted	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	25,359,144
Unrestricted	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	51,276,256
Total primary government net position	<u>\$ 291,819,056</u>	<u>\$ 298,896,212</u>	<u>\$ 286,067,758</u>	<u>\$ 303,608,692</u>	<u>\$ 311,928,479</u>	<u>\$ 310,942,004</u>	<u>\$ 315,475,784</u>	<u>\$ 312,375,417</u>	<u>\$ 317,535,741</u>	<u>\$ 326,679,185</u>

\*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									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Expenses:										
Governmental activities:										
General government	\$ 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	\$ 8,528,905
Public safety	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	7,689,486
Community development	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	4,114,707
Public works	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	11,284,095
Golf resort	-	-	-	-	-	-	-	-	13,564,356	12,945,121
Interest on long-term debt	457,880	463,970	-	-	-	-	-	-	-	-
Total governmental activities expenses	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	44,562,314
Business-type activities:										
Golf resort	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	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	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	44,562,314
Program revenues:										
Governmental activities:										
Charges for services:										
General government	107,012	47,687	41,412	58,587	43,100	39,584	35,873	48,263	35,971	46,282
Public safety	604,356	603,773	485,403	525,383	600,091	199,095	134	4,522	8,599	6,883
Community development	1,483,981	1,568,875	817,102	969,257	990,040	1,038,569	1,121,873	968,377	1,003,232	854,755
Public works	23,469	17,203	14,463	9,288	12,124	21,064	22,884	27,412	22,723	28,038
Golf resort	-	-	-	-	-	-	-	-	13,179,508	12,429,070
Operating grants and contributions:										
General government	745,918	759,541	523,214	485,587	478,269	444,372	430,718	456,491	524,526	386,696
Public safety	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	4,436,574
Community development	21,032	-	-	-	-	-	52,738	-	60,559	-
Public works	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	2,362,409
Capital grants and contributions:										
General government	-	-	-	-	-	-	-	-	1,050,000	500,000
Public works	202,766	954,966	119,842	487,500	236,175	215,870	143,993	104,869	775,943	2,352,481
Total governmental activities program revenue	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	23,403,188
Business-type activities:										
Charges for services:										
Golf resort	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	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	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	23,403,188

**City of Indian Wells**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Net revenues (expenses):										
Governmental activities	(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)	(21,159,126)
Business-type activities	(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)	<u>(34,196,928)</u>	<u>(10,455,539)</u>	<u>(30,828,271)</u>	<u>(23,493,700)</u>	<u>(22,538,356)</u>	<u>(20,842,719)</u>	<u>(24,190,415)</u>	<u>(25,462,606)</u>	<u>(22,557,595)</u>	<u>(21,159,126)</u>
General revenues and other changes in net position:										
Governmental activities:										
Taxes:										
Property taxes	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	2,820,856
Transient occupancy taxes	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	6,407,454
Sales taxes	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	1,016,141
Franchise taxes	1,231,605	1,108,065	993,257	995,921	992,865	929,551	941,938	922,074	924,869	886,891
Other taxes	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	2,375,414
Investment income	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	3,297,078
Gain on sale of asset	-	404,376.00	-	-	-	-	-	-	-	-
Extraordinary gain/(loss) on	-	-	-	-	-	-	-	-	-	16,400,000
Other	481,138	550,703	861,005	685,064	785,799	909,895	659,280	908,638	1,082,274	1,012,035
Transfers	-	-	-	-	-	-	6,139,623	(831,713)	-	-
Total governmental activities	<u>27,103,480</u>	<u>22,107,485</u>	<u>13,289,559</u>	<u>15,157,415</u>	<u>23,516,825</u>	<u>19,484,819</u>	<u>25,049,107</u>	<u>17,617,317</u>	<u>17,886,613</u>	<u>34,215,869</u>
Business-type activities:										
Investment income	(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	<u>16,292</u>	<u>1,176,508</u>	<u>(2,222)</u>	<u>16,498</u>	<u>8,006</u>	<u>404,947</u>	<u>2,241,675</u>	<u>2,684,964</u>	<u>-</u>	<u>-</u>
Total primary government	<u>27,119,772</u>	<u>23,283,993</u>	<u>13,287,337</u>	<u>15,173,913</u>	<u>23,524,831</u>	<u>19,889,766</u>	<u>27,290,782</u>	<u>20,302,281</u>	<u>17,886,613</u>	<u>34,215,869</u>
Changes in net position:										
Governmental activities	(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)	13,056,743
Business-type activities	(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	<u>\$ (7,077,156)</u>	<u>\$ 12,828,454</u>	<u>\$ (17,540,934)</u>	<u>\$ (8,319,787)</u>	<u>\$ 986,475</u>	<u>\$ (952,953)</u>	<u>\$ 3,100,367</u>	<u>\$ (5,160,325)</u>	<u>\$ (4,670,982)</u>	<u>\$ 13,056,743</u>

\*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									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General fund:										
Nonspendable:										
Prepaid items	\$ 111,390	\$ 41,691	\$ 15,086	\$ 51,660	\$ 7,738	\$ 1,911	\$ 24,666	\$ 5,740	\$ 950	\$ 3,715
Notes and loans	15,256,105	17,497,027	18,878,164	18,917,870	18,945,867	17,739,192	17,739,192	17,889,192	17,889,192	17,889,192
Committed to:										
Emergency reserve	-	-	-	-	-	-	-	-	2,500,000	2,250,000
Unassigned	-	-	-	-	-	19,397,674	18,859,826	10,727,499	7,442,635	5,841,717
Total general fund	<u>\$ 15,367,495</u>	<u>\$ 17,538,718</u>	<u>\$ 18,893,250</u>	<u>\$ 18,969,530</u>	<u>\$ 18,953,605</u>	<u>\$ 37,138,777</u>	<u>\$ 36,623,684</u>	<u>\$ 28,622,431</u>	<u>\$ 27,832,777</u>	<u>\$ 25,984,624</u>
All other governmental funds										
Nonspendable										
Inventory	-	-	-	-	-	-	-	-	728,323	695,998
Prepaid items	663	-	-	-	-	-	-	-	230,059	108,542
Notes	643,562	650,462	-	-	-	-	-	-	-	-
Restricted for:										
Community development	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	16,414,450
Public safety	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	5,558,075
Parks and recreation	-	-	-	-	-	-	-	-	-	-
Public works	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	1,967,998
Debt service	10,721,626	12,094,086	-	-	-	-	-	-	-	-
Committed to:										
Capital projects	494,155	311,735	5,664,949	5,648,955	5,659,190	144,213	676,363	354,335	22,913,539	23,805,825
Golf Resort	-	-	-	-	-	-	-	-	1,347,155	-
Assigned to:										
Capital projects	31,949,774	34,196,650	33,914,872	34,045,927	30,525,572	23,325,122	23,643,770	23,199,044	-	-
Unassigned	19,522,041	16,242,073	7,150,948	9,346,368	14,785,317	(1,306,134)	(1,345,970)	(1,387,826)	(1,420,514)	(1,853,153)
Total all other governmental funds	<u>\$ 88,015,950</u>	<u>\$ 90,602,891</u>	<u>\$ 75,997,865</u>	<u>\$ 75,190,071</u>	<u>\$ 76,097,890</u>	<u>\$ 46,989,776</u>	<u>\$ 46,388,577</u>	<u>\$ 74,703,141</u>	<u>\$ 47,432,143</u>	<u>\$ 46,697,735</u>

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

	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Revenues:</b>										
Taxes	\$ 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	\$ 16,031,054
Licenses and permits	925,135	918,431	499,929	542,715	504,876	465,327	642,162	466,550	479,296	426,382
Intergovernmental	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	3,151,753
Contribution from property owners	-	-	-	-	-	-	-	-	1,050,000	500,000
Charges for services	1,163,202	1,254,217	802,576	951,925	1,085,255	772,337	480,245	503,429	13,705,848	12,857,977
Investment income	748,799	(3,200,198)	314,893	2,316,373	2,492,431	212,021	225,978	727,908	527,212	1,623,137
Fines and forfeitures	130,481	64,890	55,875	67,875	55,224	60,648	58,359	78,595	64,889	80,669
Rental income	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	1,651,498
Assessments	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	3,737,258
Development fees	682,477	608,782	135,471	260,616	168,798	149,631	448,419	129,054	139,614	124,851
Other	181,139	211,802	744,391	685,064	785,799	909,895	659,280	908,638	1,082,274	1,012,035
<b>Total revenues</b>	<b>40,703,991</b>	<b>36,460,031</b>	<b>23,638,081</b>	<b>25,695,003</b>	<b>33,648,772</b>	<b>28,999,254</b>	<b>27,930,760</b>	<b>27,026,169</b>	<b>41,356,713</b>	<b>41,196,614</b>
<b>Expenditures</b>										
<b>Current:</b>										
General government	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	8,573,662
Public safety	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	7,685,383
Community development	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	2,820,027
Public works	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	4,135,007
Golf resort	-	-	-	-	-	-	-	-	13,564,356	12,945,121
Bond Issuance Costs	-	235,117	-	-	-	-	-	-	-	-
Capital outlay	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	8,678,100
<b>Debt service:</b>										
Principal retirement	380,000	-	-	-	-	-	-	-	-	-
Interest and fiscal charges	586,874	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>45,417,549</b>	<b>39,002,708</b>	<b>26,548,389</b>	<b>26,586,897</b>	<b>29,080,679</b>	<b>27,882,962</b>	<b>24,597,647</b>	<b>24,227,212</b>	<b>38,774,152</b>	<b>44,837,300</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(4,713,558)</b>	<b>(2,542,677)</b>	<b>(2,910,308)</b>	<b>(891,894)</b>	<b>4,568,093</b>	<b>1,116,292</b>	<b>3,333,113</b>	<b>2,798,957</b>	<b>2,582,561</b>	<b>(3,640,686)</b>
<b>Other financing sources (uses):</b>										
Transfers in	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	64,112
Transfers out	(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)	(140,112)
Issuance of bonds	-	13,930,000	-	-	-	-	-	-	-	-
Premium (discount) on bonds	-	1,338,171	-	-	-	-	-	-	-	-
Extraordinary gain/(loss) on dissolution of RDA	-	-	-	-	-	-	-	-	-	16,400,000
Sale of property	-	525,000	3,641,822	-	4,351,849	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>(44,606)</b>	<b>15,793,171</b>	<b>3,641,822</b>	<b>-</b>	<b>6,356,460</b>	<b>-</b>	<b>4,976,007</b>	<b>(831,713)</b>	<b>-</b>	<b>16,324,000</b>
<b>Net change in fund balances</b>	<b>\$ (4,758,164)</b>	<b>\$ 13,250,494</b>	<b>\$ 731,514</b>	<b>\$ (891,894)</b>	<b>\$ 10,924,553</b>	<b>\$ 1,116,292</b>	<b>\$ 8,309,120</b>	<b>\$ 1,967,244</b>	<b>\$ 2,582,561</b>	<b>\$ 12,683,314</b>



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

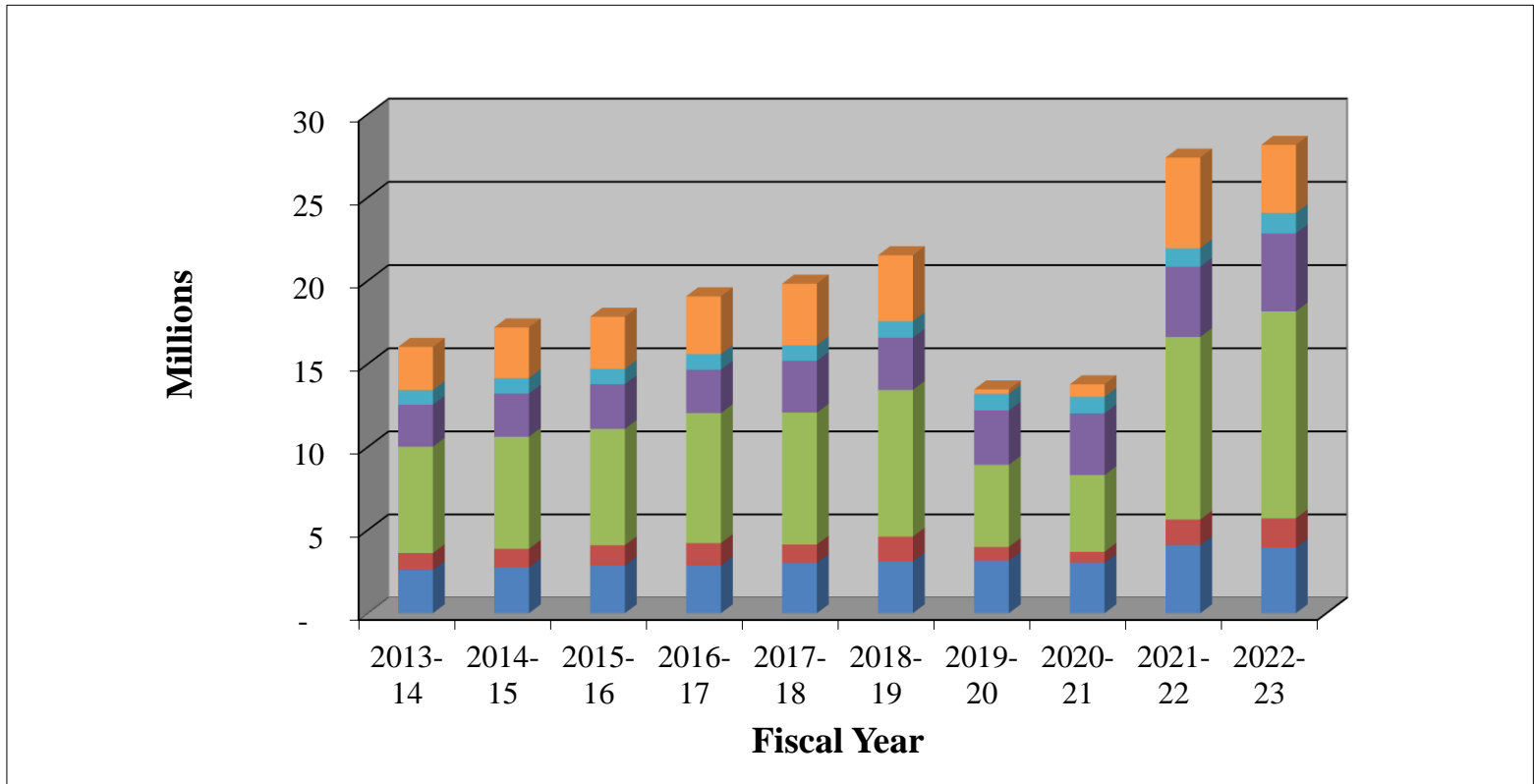
	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Debt service as a percentage of noncapital expenditures	2.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Capital outlay (Recon of Rev & Exp)	4,161,011	4,734,914	(11,576,784)	868,327	(1,681,711)	3,456,064	588,717	(102,981)	695,864	8,627,428
Total governmental expenditures	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	44,837,300
Less: Principal	(380,000)	-	-	-	-	-	-	-	-	-
Less: Interest	(586,874)	-	-	-	-	-	-	-	-	-
	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	44,837,300
Less: Capital Asset Additions	(4,161,011)	(4,734,914)	11,576,784	(868,327)	1,681,711	(3,456,064)	(588,717)	102,981	(695,864)	(8,627,428)
Non Capital Expenditures	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	36,209,872
Total Debt Service Payments	966,874	-	-	-	-	-	-	-	-	-
Debt Service as % of Non Capital Exp.	2.4%	0.0%	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)**

<b>Fiscal Year End</b>	<b>Property Tax</b>	<b>Sales</b>	<b>Transient Occupancy</b>	<b>Emergency Services</b>	<b>Franchise</b>	<b>Other</b>	<b>Total</b>
2013-14	2,602,881	1,016,141	6,407,454	2,524,298	886,890	2,593,389	16,031,053
2014-15	2,757,592	1,121,191	6,742,840	2,604,590	924,868	3,045,175	17,196,256
2015-16	2,876,532	1,217,570	7,000,096	2,692,279	922,074	3,131,820	17,840,371
2016-17	2,873,141	1,347,804	7,826,154	2,607,921	941,937	3,470,131	19,067,088
2017-18	3,025,593	1,111,159	7,942,995	3,111,773	929,551	3,704,319	19,825,390
2018-19	3,113,540	1,493,254	8,835,433	3,139,323	992,866	3,959,902	21,534,317
2019-20	3,166,437	821,533	4,944,773	3,277,041	995,921	268,326	13,474,031
2020-21	3,039,148	656,060	4,622,778	3,714,412	993,258	754,545	13,780,201
2021-22	4,099,818	1,539,776	10,987,345	4,217,707	1,108,065	5,448,912	27,401,623
2022-23	3,945,967	1,766,438	12,450,662	4,680,767	1,231,605	4,090,393	28,165,832

Percentage change:

2014-2023      51.6%              73.8%              94.3%              85.4%              38.9%              57.7%              75.7%



**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)			Redevelopment Agency			City's Direct Tax Rate
	Secured	Unsecured	Taxable Assessed Value	Secured	Unsecured	Taxable Assessed Value	
2013-14	857,895,036	4,330,282	862,225,318	3,863,716,982	28,639,321	3,892,356,303	1.22949
2014-15	963,012,088	8,006,824	971,018,912	4,010,096,483	26,674,312	4,036,770,795	1.23309
2015-16	1,067,731,252	7,803,011	1,075,534,263	4,142,943,142	21,086,098	4,164,029,240	1.23002
2016-17	1,078,783,335	8,645,905	1,087,429,240	4,244,054,809	21,150,335	4,265,205,144	1.20635
2017-18	1,216,459,774	7,719,195	1,224,178,969	4,356,466,470	17,947,116	4,374,413,586	1.21281
2018-19	1,323,102,487	10,855,110	1,333,957,597	4,606,551,347	20,122,839	4,626,674,186	1.21396
2019-20	1,424,021,370	9,989,753	1,434,011,123	4,729,044,820	31,487,665	4,760,532,485	1.21364
2020-21	1,505,059,403	13,164,761	1,518,224,164	4,868,974,853	21,852,265	4,890,827,118	1.21396
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

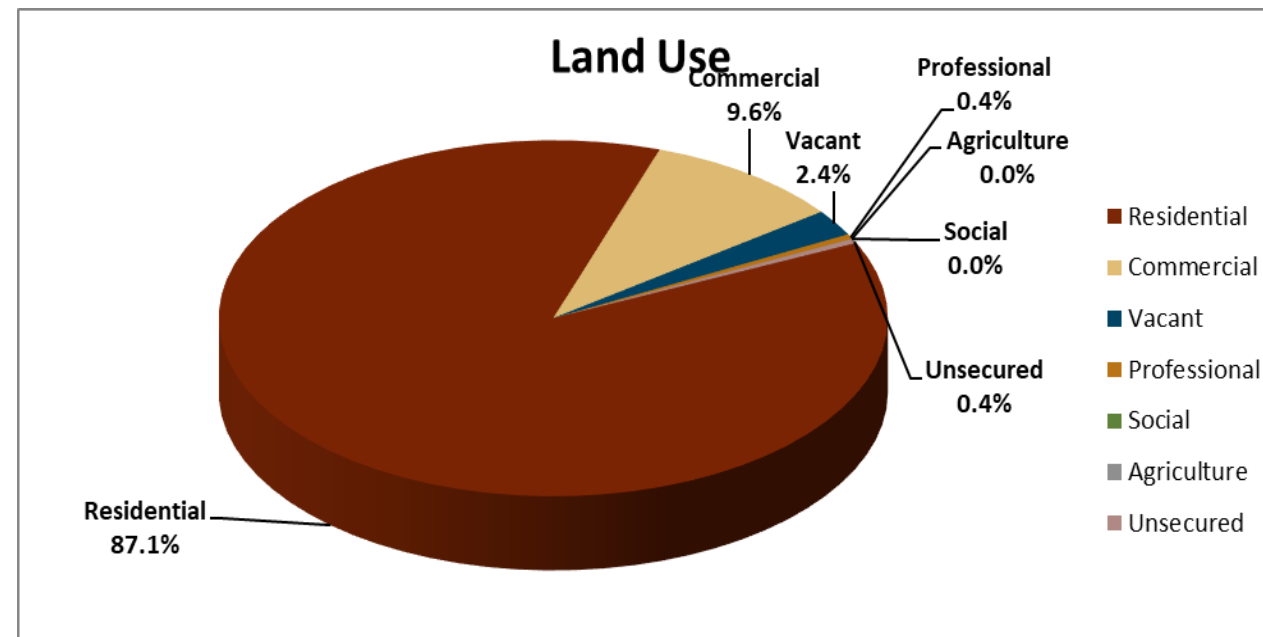
Source: Riverside County Assessor Data, Avenu Insights & Analytics

(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**

<b>Category</b>	<b>2013-14</b>	<b>2014-15*</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>
Residential	4,121,937,903	4,329,962,569	4,509,106,870	4,636,416,971	4,787,212,021	5,046,143,990	5,225,907,189	5,482,677,084	5,737,097,740	6,182,418,185
Commercial	66,962,561	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
Vacant	170,302,487	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
Professional	0	0	0	0	0	0	0	35,928,381	26,455,998	31,596,435
Social	0	0	0	0	0	0	0	0	0	386,666
Agriculture	0	0	0	0	0	0	0	0	9,650	9,732
Institutional	0	0	0	0	0	0	0	375,198	379,085	0
Unknown	362,409,067	0	0	0	0	0	0	0	0	0
Net Secured Value	4,721,612,018	4,973,108,571	5,210,674,394	5,322,838,144	5,518,872,281	5,874,726,868	6,097,333,872	6,317,640,195	6,558,733,862	7,068,266,414
Unsecured	32,969,603	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
Net Taxable Value	4,754,581,621	5,007,789,707	5,239,563,503	5,352,634,384	5,544,538,592	5,905,704,817	6,138,811,290	6,352,657,221	6,590,413,898	7,097,951,610



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**

		2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
<b>City Direct Rates:</b>											
City Basic Rate	#	0.00649751	0.00649751	0.00649751	0.00649751	0.00649751	0.00649751	0.00649751	0.00779246	0.00779246	0.00779246
Agency Basic Rate	#	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000
Low & Mod 20% Set-aside	#	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000
<b>Total City Direct Rate</b>	#	0.00649751	0.00649751	0.00649751	0.00649751	0.00649751	0.00649751	0.00649751	0.00779246	0.00779246	0.00779246
<b>Overlapping Rates:</b>											
General	#	0.15716188	0.15716188	0.15716188	0.15716188	0.15716188	0.15716188	0.15716348	0.31458170	0.31458170	0.31458170
Riverside County General & Fire	#	0.06556884	0.06556884	0.06556884	0.06556884	0.06556884	0.06556884	0.06556119	0.06556922	0.06556922	0.06556922
Coachella Valley Water District	#	0.03055245	0.03055245	0.03055245	0.03055245	0.03055245	0.03055245	0.03055245	0.03055245	0.03055245	0.03055245
Desert Sands Unified School District	#	0.40439065	0.40439065	0.40439065	0.40439065	0.40439065	0.40439065	0.40439065	0.40439065	0.40439065	0.40439065
Riverside County Superintendent of Schools	#	0.04571713	0.04571713	0.04571713	0.04571713	0.04571713	0.04571713	0.04571713	0.04571713	0.04571713	0.04571713
College of Desert	#	0.08403091	0.08403091	0.08403091	0.08403091	0.08403091	0.08403091	0.08403091	0.08403091	0.08403091	0.08403091
Coachella Valley Parks & Recreation District	#	0.01321243	0.01321243	0.01321243	0.01321243	0.01321243	0.01321243	0.01321243	0.02312834	0.02312834	0.02312834
CV Mosquito & Vector Control District	#	0.01091312	0.01091312	0.01091312	0.01091312	0.01091312	0.01091312	0.01091312	0.01529179	0.01529179	0.01529179
Riverside County Regional Park & Open Space	-	0.00387930	0.00387930	0.00387930	0.00387930	0.00387930	0.00387930	0.00387930	0.00475859	0.00475859	0.00475859
Coachella Valley Public Cemetery	-	0.00256659	0.00256659	0.00256659	0.00256659	0.00256659	0.00256659	0.00256659	0.00379506	0.00379506	0.00379506
Desert Regional Medical Center	-	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000
Coachella Valley Resource Conservation	#	0.00039170	0.00039170	0.00039170	0.00039170	0.00039170	0.00039170	0.00039170	0.00039170	0.00039170	0.00039170
Education Revenue Augmentation Fund	-	0.17511749	0.17511749	0.17511749	0.17511749	0.17511749	0.17511749	0.17512353	0.00000000	0.00000000	0.00000000
<b>TOTAL</b>	#	1.00000000	1.00000000	1.00000000	1.00000000	1.00000000	1.00000000	1.00000000	1.00000000	1.00000000	1.00000000
<b>Override Assessments</b>											
Coachella Valley Water District	#	0.10000000	0.10000000	0.10000000	0.10000000	0.10000000	0.10000000	0.10000000	0.10000000	0.11000000	0.11000000
Desert Community College	-	0.01995000	0.02325000	0.02087000	0.02036000	0.04030000	0.03978000	0.03983000	0.03978000	0.03950000	0.03950000
Desert Sands Unified School District	#	0.10954000	0.10984000	0.10915000	0.08599000	0.07251000	0.07418000	0.07381000	0.07418000	0.07500000	0.07500000
<b>TOTAL</b>	#	0.22949000	0.23309000	0.23002000	0.20635000	0.21281000	0.21396000	0.21364000	0.21396000	0.22450000	0.22450000
<b>TOTAL TAX RATE</b>	#	1.22949000	1.23309000	1.23002000	1.20635000	1.21281000	1.21396000	1.21364000	1.21396000	1.22450000	1.22450000

Source: Riverside County Auditor data, Avenu Insights & Analytics

Source: 2012-13 and prior, previously published ACFR Report

(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**

<b>Taxpayer</b>	<b>2022-23</b>		<b>2013-14</b>	
	<b>Taxable Value (\$)</b>	<b>Percent of Total City Taxable Value (%)</b>	<b>Taxable Value (\$)</b>	<b>Percent of Total City Taxable Value (%)</b>
Garden of Champions	286,502,147	4.04%	113,370,367	2.38%
H E Indian Wells	129,237,578	1.82%		
BBC Esmeralda	77,382,653	1.09%		
Vintage Club	72,105,057	1.02%	26,828,353	0.56%
Lennar Homes of Calif Inc	26,886,058	0.38%		
Village Shopping Center at Indian Wells	24,656,283	0.35%	15,065,470	0.32%
Toscana Country Club Inc	21,999,742	0.31%		
PCG & RGG General Partnership	20,477,182	0.29%		
Brinson Gary P Trust Dtd	20,158,441	0.28%	9,910,000	0.21%
IW Golf Club	19,360,913	0.27%		
Eldorado Country Club	18,757,779	0.26%	21,568,341	0.45%
Carletti Christopher M	18,118,180	0.26%		
Indian Wells Prop	16,320,000	0.23%		
Toscana Homes	15,068,340	0.21%		
Cook Leo W	14,959,132	0.21%	12,891,348	0.27%
Blondie Trust Est	14,889,035	0.21%		
47355 Las Cascadas	14,201,021	0.20%		
Schmid Inv	14,013,268	0.20%	13,185,314	0.28%
Indian Wells Village II	13,804,812	0.19%	11,896,586	0.25%
Jonagold Holdings	13,537,902	0.19%		
DRW Desert Holdings	13,265,904	0.19%		
Redlich Christopher R Jr Revocable Trust Dtd	12,110,922	0.17%		
Targoff Michael B	10,864,257	0.15%		
Modern Dev	10,610,606	0.15%		
DMA Inv	10,479,680	0.15%		
Grand Champions			58,552,001	1.23%
Toscana Land			56,758,371	1.19%
Felcor Esmeralda			47,600,000	1.00%
LH Indian Wells Holding			19,798,732	0.42%
IWCC Acquisition Corp			13,940,255	0.29%
Reserve Club			13,076,414	0.28%
Standard Pacific Corp			12,459,004	0.26%
Marion Anne W			12,355,000	0.26%
Gilleland Richard A			12,273,692	0.26%
Ryan Oil Co			11,369,414	0.24%
Johnson Ralph William			10,000,000	0.21%
Neptune			9,575,000	0.20%
Argyros George L			9,558,651	0.20%
Gilliland Gloria J			9,418,334	0.20%
Macmillan Donna J			8,790,974	0.18%
Soret Ltd.			8,764,521	0.18%
Walters William T			8,764,092	0.18%
<b>Total Top 25 Taxpayers</b>	<b>909,766,892</b>	<b>12.82%</b>	<b>547,770,234</b>	<b>11.52%</b>
<b>Total Taxable Value</b>	<b>7,097,951,610</b>	<b>100.00%</b>	<b>4,754,581,621</b>	<b>100.00%</b>

Source: County Assessor data, Avenu Insights & Analytics

**City of Indian Wells**

**Principal Sales Tax Producers  
Last Fiscal Year and Nine Years Ago**

<b>2022-23</b>		<b>2013-14</b>	
<b>Taxpayer</b>	<b>Business Type</b>	<b>Taxpayer</b>	<b>Business Type</b>
Audio Visual Services Group	Light Industry	American Audio Visual Center	Miscellaneous Retail
Christies	Miscellaneous Other	Cafe Italia	Restaurants
CVS Pharmacy	Drug Stores	Creative Pipe	Misc. Vehicle Sales
Don Diego Restaurante	Restaurants	CVS Pharmacy	Drug Stores
Donna Diamond Interior Design	Miscellaneous Retail	Desert Horizons Country Club	Restaurants
Eldorado Country Club	Miscellaneous Retail	Don Diegos	Restaurants
Eureka! Burger	Restaurants	Donna Diamond Designer	Miscellaneous Retail
Hyatt Hotel	Restaurants	Eldorado Country Club	Restaurants
Hyatt Regency Indian Wells	Restaurants	Eureka!	Restaurants
Indian Wells Country Club & Hotel	Miscellaneous Retail	Hotel Indian Wells	Restaurants
Indian Wells Golf Resort	Miscellaneous Retail	Hyatt Grand Champions Resort	Restaurants
Indian Wells Tennis Garden	Miscellaneous Retail	Indian Wells Country Club	Restaurants
IW Coffee	Food Markets	Indian Wells Golf Resort	Restaurants
Karen Harlow For The Home	Miscellaneous Retail	Indian Wells Tennis Garden	Recreation Products
Levy Premium Foodservice	Restaurants	Karen Harlow For The Home	Furniture/Appliance
Miramonte Resort & Spa	Restaurants	Miramonte Resort & Spa	Restaurants
Monique Stolle-Lemon	Miscellaneous Retail	Ralph's Grocery Company	Food Markets
Renaissance Esmeralda Resort & Spa	Restaurants	Renaissance Esmeralda Resort	Restaurants
Reserve Club	Miscellaneous Retail	Reserve Club	Restaurants
The Nest Restaurant & Piano Bar	Restaurants	Tennis Warehouse	Recreation Products
The Sands Hotel & Spa	Restaurants	Terry Beardsley Golf Shop	Recreation Products
The Vintage Club	Miscellaneous Retail	The Nest	Restaurants
Toscana Country Club	Miscellaneous Retail	Toscana Country Club	Restaurants
Vicky's of Santa Fe	Restaurants	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
2014	2,184,854	2,583,498	118.25%	19,383	2,602,881	119.13%
2015	2,330,206	2,665,988	114.41%	91,604	2,757,592	118.34%
2016	2,329,290	2,807,108	120.51%	69,424	2,876,532	123.49%
2017	2,420,606	2,802,166	115.76%	70,974	2,873,141	118.70%
2018	2,494,755	2,965,260	118.86%	60,334	3,025,594	121.28%
2019*	2,555,040	3,104,015	121.49%	9,525	3,113,540	121.86%
2020*	2,556,217	3,153,150	123.35%	13,287	3,166,437	123.87%
2021	2,704,296	3,039,148	112.38%	-	3,039,148	112.38%
2022	2,741,036	4,056,589	147.99%	43,229	4,099,818	149.57%
2023	2,824,394	3,906,790	138.32%	39,177	3,945,967	139.71%

**NOTE:**

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

\*FY2019 & FY2020 revised per Riverside County Reporting Data



**City of Indian Wells**

**Transient Occupancy Tax Collections  
Last Ten Fiscal Years**

	<b>2013-14</b>	<b>2014-15*</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>
Resort Hotels	6,374,616	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
Short-term Rentals	32,838	117,552	281,039	229,213	226,660	199,582	133,174	171,091	287,408	285,394
Total	6,407,454	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
Transient Occupancy Tax Rate in effect	11.25%	11.25%	11.25%	11.25%	11.25%	12.25%	12.25%	12.25%	12.25%	12.25%

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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				Percentage of Personal Income	Per Capita
	Tax Allocation Bonds	Notes Payable	Lease Revenue Bonds	Total		
2014	- 1	-	-	-	0.00%	-
2015	- 1	-	-	-	0.00%	-
2016	- 1	-	-	-	0.00%	-
2017	- 1	-	-	-	0.00%	-
2018	- 1	-	-	-	0.00%	-
2019	- 1	-	-	-	0.00%	-
2020	- 1	-	-	-	0.00%	-
2021	- 1	-	-	-	0.00%	-
2022	- 1	-	15,246,052.00	15,246,052	0.00279%	125,401
2023	- 1	-	14,799,696.00	14,799,696	0.00248%	146,267

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

**City of Indian Wells**

**Ratio of General Bonded Debt Outstanding and Legal Debt Margin**

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

<b>Fiscal Year End</b>	<b>Outstanding Tax Allocation Bonds</b>	<b>% of Assessed Value <sup>1</sup></b>	<b>Per Capita</b>	<b>Less: Amounts Set Aside To Repay Debt</b>	<b>Total Net Debt Applicable To Debt Limit</b>	<b>Legal Debt Limit</b>	<b>Legal Debt Margin</b>	<b>Legal Debt Margin as a % of Limit</b>
2014	-	0.0%	-	-	-	713,187	713,187	100.0%
2015	-	0.0%	-	-	-	754,736	754,736	100.0%
2016	-	0.0%	-	-	-	781,696	781,696	100.0%
2017	-	0.0%	-	-	-	805,313	805,313	100.0%
2018	-	0.0%	-	-	-	833,007	833,007	100.0%
2019	-	0.0%	-	-	-	887,084	887,084	100.0%
2020	-	0.0%	-	-	-	922,223	922,223	100.0%
2021	-	0.0%	-	-	-	954,148	954,148	100.0%
2022	-	0.0%	-	-	-	989,800	989,800	100.0%
2023	-	0.0%	-	-	-	1,062,939	1,062,939	100.0%

Legal Debt Margin Calculation for Fiscal Year 2023:

Assessed Value (From Assessor's net 02-2441)	FY 2022/23 \$ 7,086,257,275
Legal Debt limit (15% of total assessed value)	1,062,938,591

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.

<sup>1</sup> 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, 2023**

2022-23 Assessed Valuation: \$7,104,277,352

	Total Debt 6/30/2023	%	City Share of Debt 6/30/23
		Applicable (1)	
<b><u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</u></b>			
Desert Community College District	\$ 486,615,000	7.019%	\$ 34,155,507
Desert Sands Unified School District	365,405,000	14.605	53,367,400
Desert Sands Unified School District Community Facilities District No. 1	445,000	11.088	49,342
<b>City of Indian Wells</b>	<b>-</b>	<b>100</b>	<b>-</b>
<b>TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT</b>			<b>\$ 87,572,249</b>
<b><u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u></b>			
Riverside County General Fund Obligations	\$ 686,776,829	1.962% 1	\$ 13,474,561
Riverside County Pension Obligation Bonds	748,540,000	1.962	14,686,355
Desert Sands Unified School District Certificates of Participation	13,785,000	14.605	2,013,299
<b>City of Indian Wells Lease Revenue Bonds</b>	<b>13,550,000</b>	<b>100.000</b>	<b>13,550,000</b>
Desert Recreation District General Fund Obligations	1,389,522	11.419	158,670
<b>TOTAL GROSS OVERLAPPING GENERAL FUND DEBT</b>			<b>43,882,885</b>
<b><u>OVERLAPPING TAX INCREMENT DEBT:</u></b>	<b>197,785,000</b>	<b>0.182-100%</b>	<b>\$ 54,077,025</b>
<b>TOTAL DIRECT DEBT</b>			<b>\$ 13,550,000</b>
<b>TOTAL OVERLAPPING DEBT</b>			<b>\$ 171,982,159</b>
<b>COMBINED TOTAL DEBT</b>			<b>\$ 185,532,159 <sup>(2)</sup></b>

(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 2022-23 Assessed Valuation:

<b>Direct Debt (\$13,550,000)</b>	<b>0.19%</b>
Total Direct and Overlapping Tax and Assessment Debt	1.23%
Combined Total Debt	2.61%

Ratios to Redevelopment Successor Agencies Incremental Valuation (\$5,013,742,012):

Total Overlapping Tax Increment Debt	1.08%
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Source: Avenu Insights & Analytics, California Municipal Statistics, Inc.

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

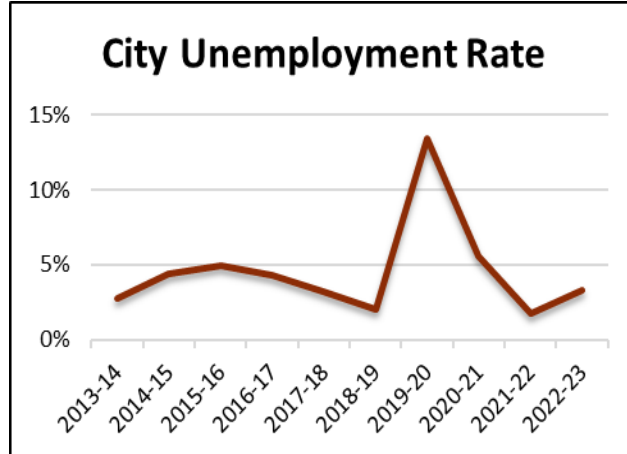
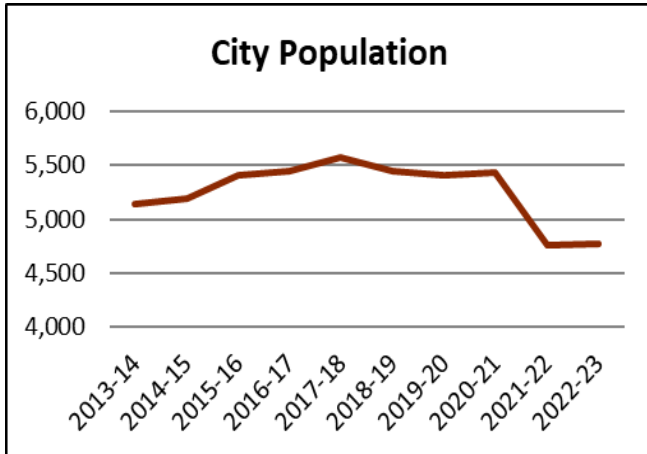
<b>Fiscal Year</b>	<b>Tax Allocation Bonds</b>				
	<b>Ended</b>	<b>Tax</b>	<b>Debt Service</b>		<b>Coverage</b>
			<b>June 30</b>	<b>Increment</b>	
2014	-	-	-	-	-
2015	-	-	-	-	-
2016	-	-	-	-	-
2017	-	-	-	-	-
2018	-	-	-	-	-
2019	-	-	-	-	-
2020	-	-	-	-	-
2021	-	-	-	-	-
2022	-	-	-	-	-
2023	-	-	-	-	-

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

<b>Fiscal Year</b>	<b>Population (1)</b>	<b>Personal Income</b>	<b>Per Capita Personal Income (2)</b>	<b>Median Age</b>	<b>Public School Enrollment (3)</b>	<b>City Unemployment Rate (%) (4)</b>
2013-14	5,137	474,294,073	92,329	68.3	29,156	2.8%
2014-15	5,194	469,484,673	90,390	68.5	28,999	4.4%
2015-16	5,412	447,589,123	82,703	68.9	28,719	4.9%
2016-17	5,450	472,424,421	86,683	68.2	28,958	4.3%
2017-18	5,574	513,911,206	92,198	68.5	28,708	3.2%
2018-19	5,445	529,521,295	97,249	67.8	28,610	2.0%
2019-20	5,403	546,486,273	101,145	67.9	27,963	13.4%
2020-21	5,428	592,602,660	109,175	67.9	26,982	5.6%
2021-22	4,762	597,158,324	125,401	67.2	26,698	1.8%
2022-23	4,774	598,280,138	146,267	67.4	26,379	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**

<b>Business Name</b>	<b>2022-23</b>		<b>2013-14</b>	
	<b>Number of Employees</b>	<b>Percent of Total Employment (%)</b>	<b>Number of Employees</b>	<b>Percent of Total Employment (%)</b>
Hyatt Regency Resort & Spa	460	27.06%	465	25.83%
Renaissance Esmeralda Resort	424	24.94%	499	27.72%
Toscana Country Club	299	17.59%	172	9.56%
Indian Wells Golf Resort (1)	198	11.65%	233	12.94%
Miramonte Resort and Spa	160	9.41%	207	11.50%
El Dorado Country Club (1)	135	7.94%	206	11.44%
Desert Horizons Country Club* (1)	123	7.24%	84	4.67%
Indian Wells Country Club	68	4.00%	128	7.11%
Indian Wells Resort Hotel	66	3.88%	79	4.39%
Gerald Ford Elementary School	65	3.82%		0.00%
Merrill Lynch Wealth Management			50	2.78%
Total Top Employers	1,998	117.53%	2,123	117.94%
Total City Employment (2)	1,700		1,800	

Source: Avenu Insights & Analytics

Source: 2014, previously published ACFR

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

\* No response from business, prior year count applied.

(1) Includes Seasonal Employees

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

**City of Indian Wells**

**Full-time Equivalent City Government Employees  
by Function**

**Last Ten Fiscal Years**

<b><u>Function</u></b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
City Manager/Clerk	4.75	4.52	4.48	4.48	5.05	5.05	5.75	5.85	4.30	4.25
Economic Development	-	-	-	-	-	-	-	-	-	0.35
Advertising/Marketing	2.00	1.97	1.97	1.97	-	-	-	0.95	0.95	1.05
Community Services	-	-	-	-	1.95	1.95	1.40	0.55	0.55	0.35
Risk Management	0.125	0.150	0.150	0.15	0.30	0.30	0.30	0.30	0.30	0.30
Personnel	0.125	0.450	0.450	0.45	0.55	0.55	0.45	0.45	0.40	0.35
City Attorney	0.25	0.05	0.09	0.09	0.20	0.20	0.20	0.10	0.10	0.25
Community Development	6.50	6.27	6.27	6.77	5.45	5.45	6.35	5.45	6.35	7.35
Finance Department	6.00	5.47	5.33	5.33	4.41	4.41	3.42	3.19	2.94	4.45
Public Safety	1.25	1.60	1.60	1.10	1.10	1.10	1.15	1.50	1.50	1.10
Public Works	8.00	7.53	7.44	7.44	7.44	7.51	8.47	8.63	9.61	10.15
Housing Authority	-	0.99	0.99	0.99	1.64	1.64	1.72	2.24	3.49	2.65
Golf Resort	-	-	0.18	0.18	0.84	0.84	0.79	0.79	0.51	0.40
Club Drive	-	-	0.05	0.05	0.07	-	-	-	-	-
<b>Total</b>	<b>29.00</b>	<b>29.00</b>	<b>29.00</b>	<b>29.00</b>	<b>29.00</b>	<b>29.00</b>	<b>30.00</b>	<b>30.00</b>	<b>31.00</b>	<b>33.00</b>

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**

<u>Function</u>	<b>Fiscal Year</b>									
	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Police</b>										
Violent Crime	-	3	6	6	2	8	8	14	8	8
Thefts	97	87	91	96	89	101	101	67	108	90
Burglaries	39	29	45	39	34	49	49	19	35	29
Traffic Collisions	125	136	104	116	98	101	102	108	118	129
Traffic Citations	1,251	971	1,101	1,248	1,231	853	393	949	1,011	1,417
<b>Fire</b>										
Medical Aid Calls	659	751	794	818	934	951	1,135	766	918	980
Public Service Assists	90	102	76	79	69	59	65	56	69	93
Structure Fires	4	4	3	1	5	2	2	-	2	1
Vegetation Fires	-	-	-	2	2	-	-	-	3	-
<b>Building Activity</b>										
Permits Issued	914	845	887	774	764	758	722	751	682	1,167
Inspections Performed	4,927	5,438	4,607	3,319	3,686	3,841	4,209	3,576	4,751	6,044
New Dwelling Units	33	37	32	33	39	46	61	38	85	45
<b>Public Works</b>										
Lot Line Adjustments	3	4	2	4	-	2	6	8	3	1
Parcel Mergers	3	5	4	1	3	2	1	1	1	1
Encroachment Permits	84	59	70	82	71	86	82	56	66	86
Tract Maps	-	1	-	-	-	2	-	-	2	4
<b>Golf Resort</b>										
Golf rounds played	81,696	78,829	77,613	74,358	74,828	74,589	56,402	64,968	76,500	78,522
<b>Administration</b>										
City Council Meetings	20	18	15	8	10	9	21	20	27	33
Public Hearings	23	18	14	15	11	9	18	17	16	33
Adopted Resolutions	53	49	42	49	41	39	50	43	39	12

**City of Indian Wells**

**Capital Asset Statistics  
by Function**

**Last Ten Fiscal Years**

Function	Units of Measure	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Public safety</b>											
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
<b>Highways, Streets, Bridges, &amp; Infrastructure</b>											
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
<b>Parks and recreation</b>											
Parks	Each	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
18-Hole Public Golf Courses	Each	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Golf Course Clubhouse	Each	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
<b>City Vehicles</b>											
City-Owned Fleet Motor Vehicles	Each	10.00	10.00	10.00	11.00	11.00	11.00	11.00	11.00	12.00	12.00
City-Owned Ambulances	Each	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
<b>Affordable Housing</b>											
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

**INDEPENDENT ACCOUNTANT'S REPORT**

Kevin McCarthy, Finance Director  
City of Indian Wells  
Indian Wells, California

We have performed the procedures enumerated below, in reviewing the County of Riverside's ("County") compliance with the Agreement for Law Enforcement Services ("Agreement") with respect to the services performed by the County as outlined in the Agreement for the fiscal year ending June 30, 2023.

The City of Indian Wells ("City") has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of evaluating compliance by the County for the period July 1, 2022 through June 30, 2023. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures performed, and the results of those procedures, are as follows:

1. We obtained an understanding of the Agreement for Law Enforcement Services between the City of Indian Wells and the County of Riverside, dated July 1, 2022.

Results: No exceptions were noted as a result of our procedures.

2. We obtained the hourly rates for Sheriff's Department personnel, vehicle mileage rates, facility use rates, RMS transaction fees and CAL-ID fees established by the County Board of Supervisors for the fiscal year ended June 30, 2023.

Results: We obtained the hourly rates for both fiscal years ending June 30, 2022 and June 30, 2023. Invoices for billing periods 1-10 were billed at rates from fiscal year 2022, while the new rates were applied to the remaining billing periods 11-13. At the end of the fiscal year, a reconciling invoice of \$67,073 was sent to the City to adjust the previous invoices to reflect the new rates.

Section 7.2 of the Agreement states that "the newly approved rates will take effect on the same date that the County starts incurring costs for providing the services." However, the Agreement does not explicitly mention retroactively adjusting invoices that were billed at the previous rate. We noted the fiscal year ending June 30, 2023 rates were not approved by the County until May 2, 2023.

3. We obtained the monthly invoices from the County and performed the following:
  - a. Recalculated the mathematical accuracy of the invoices.
  - b. Compared the personnel rates to the County Board of Supervisors rate schedule.

- c. Determine if additional charges are allowable and consistent with the Agreement.

Results: We obtained all 13 invoices billed to the City during the fiscal year totaling \$4,968,079 and noted the following:

- a. All invoices were recalculated without exception.
  - b. Personnel rates charged agreed to the rates approved by the Board of Supervisors.
  - c. No additional charges were noted. As such, this procedure is not applicable.
4. We summarized the criminal justice administrative fees charged for the fiscal year ended June 30, 2023. We recalculated the fees and obtained documentation supporting the number of arrests.

Results: We inquired with the County regarding any billed justice administrative fees, however the County stated that they have not been charging such fees to the City for several years. As such, this procedure was not performed.

5. We summarized the facility rate charges for the fiscal year ended June 30, 2023. We obtained the calculation of the facility rate charges and verified the accuracy of the total facility costs and number of positions in accordance with Section 7.3 of the Agreement.

Results: We obtained the facility billing invoice for the fiscal year totaling \$99,447 from the County. The billing methodology for each facility is determined based on estimated usage, which is calculated using both utilized and total square footage. We verified that the amounts billed were based on actual costs incurred by the County.

Total facility cost is divided by number of filled positions to obtain cost per position. There are a total of 21.01 positions designated for the City consisting of 13.92 filled sworn positions and 7.09 filled classified positions. The summarized facility rate charges are as follows:

<u>Facility</u>	<b>Cost per Position</b>	<b>Positions Chargeable to Contract</b>	<b>Cost</b>
Palm Desert Station	\$4,048.61	21.01	85,061.30
Dispatch	478.68	13.92	6,663.23
Professional Standards Bureau (Admin)	37.54	21.01	788.72
Accounting & Finance	45.49	21.01	955.74
Information Services Bureau	122.07	13.92	1,699.21
Personnel	74.02	21.01	1,555.16
Technical Services Bureau	18.72	21.01	393.31
Major Crimes Bureau	151.44	13.92	2,108.04
Grants	10.59	21.01	222.50
			<u>\$ 99,447.21</u>

6. We selected three months of County invoices and performed the following:
  - a. We compared the titles and number of positions charged to the positions listed in Attachment A of the Agreement.
  - b. We obtained the payroll register for the three selected months and compared the hours per the payroll register, for each County employee, to the hours billed to the City.
  - c. We summarized the total overtime hours billed to the City as a percentage of regular hours for informational purposes.
  - d. We obtained an understanding of extra charges, if any, and inquired with City staff regarding knowledge of the activity resulting in the extra charges.

Results: We obtained detailed payroll registers for billing periods 2, 6, and 8 and observed the following:

- a. The titles and number of positions charged in the invoices agreed to the level of service indicated for dedicated and nondedicated positions in Attachment A.
  - b. The hours recorded in each payroll register agreed to the hours billed to the City for each County employee.
  - c. We calculated the total overtime hours billed to the City to be 1.68% of all hours billed to the City. Total hours were 30,069, including overtime hours of 506.
  - d. We did not identify any extra charges billed to the City per our review of the invoices.
7. For a sample of the County employees in the previous procedure, we:
    - a. Compared the payroll register to the employee's timesheet and personnel action form.
    - b. Obtained information about the employee's benefit elections.
    - c. Extrapolated the annual payroll cost to the County (including pension, medical benefits, and taxes). We compared the County's cost to the County Board of Supervisors rate schedule for the position for informational purposes.

Results: The County indicated that the payroll charges are not tied to specific personnel, but instead based on an annual calculation of average cost per position. We received approval from the City to modify our procedure to summarize the methodology of the calculation and perform limited testing instead of performing employee timesheet and personnel testing.

We noted the County's calculation of average cost per productive hour per position is derived from the average salary and benefit elections for each position. Average salary represents the per-title departmental cost calculated from each filled position's actual fiscal year costs. This includes estimated merit raises, MOU adjustments, and benefit percentages provided by the County.

"Other compensation" includes bilingual pay differentials, overtime/shift differentials, flexible and compensatory time off, standby pay, uniform, holiday pay, and education incentives.

“Supplies and services” accounts for clothing and gear, communication devices, IT and Technology costs, insurance (liability, property), maintenance costs, professional services (legal, photography, etc.), equipment and rentals, law enforcement equipment, media/publications, and payroll services.

The sum of salary and benefits, other compensation, and supplies and services is then divided by the total productive patrol hours. Total productive hours are calculated by multiplying the number of included positions by either 80 or 84-hours per pay period (1,787 or 1,891 total productive hours per year). The resulting ratio is the cost per productive hour for each rate component.

We selected the Patrol Officers productive cost per hour of \$114.59 and recalculated the cost per productive patrol hour without exception. For this position, the amount billed to the City is \$209.35. The additional \$94.76 cost per hour includes the sworn support personnel, classified support personnel, and administrative personnel costs assigned to the Patrol Officers. The largest component (\$56.37/hour for sworn support personnel) is calculated using average salaries of Lieutenants, Sergeants, and Investigators from 13 patrol stations. Per inquiry, the County explained that the Lieutenants, Sergeants, and Investigators are the supervisors and managers of the Patrol Officers, so a portion of their salaries are allocated to the Patrol Officers. Because the productive cost per hour for each position includes allocated costs from other positions, it is unclear whether or not a County employee could be more than 100% funded.

8. We calculated the total patrol service hours billed on the monthly invoices for the fiscal year ending June 30, 2023, and compared the total to the level of service annual productive hours in Attachment A of the Agreement.

Results: Total hours per the invoices billed to the City is presented below. Positive difference indicates the actual invoiced hours exceeded their service level commitment.

	<b>Total Hours from Invoices</b>	<b>Service Level per Agreement</b>	<b>Difference</b>
Sheriff's Patrol Officer	13,368.43	13,188.00	180.43
COP Deputy	1,910.16	1,884.00	26.16
Burglary Suppression Team	2,080.63	1,884.00	196.63
Sheriff's Investigator	37.50	-	37.50
CHU Investigator	-	-	-
Lieutenant	2,090.00	1,884.00	206.00
Motor Team	1,987.94	1,884.00	103.94
Forensic Technician II	2,042.00	1,884.00	158.00
Community Services Officer II	6,406.81	7,536.00	(1,129.19)
Crime Analyst	145.60	385.47	(239.87)
	<u>30,069.07</u>	<u>30,529.47</u>	<u>(460.40)</u>

9. For nondedicated and dedicated positions identified in Attachment A of the Agreement, we summarized the total hours billed on the monthly invoices for the fiscal year ending June 30, 2023.

Results: The total hours billed for both nondedicated and dedicated positions as follows:

Non-Dedicated:	
COP Deputy	1,910
Burglary Suppression Team	<u>2,081</u>
Total Non-Dedicated	3,991

Dedicated:	
Lieutenant	2,090
Motor Team	1,988
Forensic Technician II	2,042
Community Services Officer II	6,407
Crime Analyst	<u>146</u>
Total Dedicated	<u>12,672</u>

There is no service level for these positions identified in the Agreement.

10. We compared the quarterly statistical data provided by the County related to activities in the City to the total hours billed during those quarters for informational purposes.

Results: The following data was obtained from the quarterly Riverside Sheriff presentations to City Council for the fiscal year ended June 30, 2023:

Calls for service	3,032
Reports written	462
Total arrests	113
Area checks conducted	7,497
Traffic citations	1,876

We were engaged by the City to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the County's accounting records. Accordingly, we do not express such an opinion or conclusion.

Law Enforcement Services  
Page Six

Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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

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

A handwritten signature in blue ink that reads "Davis Fan" followed by a stylized flourish.

Irvine, California  
October 20, 2023



**INDEPENDENT ACCOUNTANT'S REPORT**

Kevin McCarthy, Finance Director  
City of Indian Wells  
Indian Wells, California

We have performed the procedures enumerated below, in reviewing Vintage Associates, Inc.'s ("Contractor") compliance with the Agreement for Citywide Landscaping Maintenance ("Agreement") and the City of Indian Wells ("City") with respect to the services performed by the Contractor as outlined in the Agreement for the fiscal year ending June 30, 2023.

The City has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of evaluating compliance by the Contractor for the period July 1, 2022 through June 30, 2023. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures performed, and the results of those procedures, are as follows:

1. We obtained an understanding of the Agreement and subsequent Amendments to the Agreement.

Results: We obtained the City of Indian Wells Agreement for Citywide Landscape Maintenance Services Agreement dated June 9, 2020 and Amendment No. 1 to the Citywide Landscape Maintenance Services Agreement dated October 21, 2021. No exceptions were noted as a result of our procedures.

2. We verified that the Contractor is in good standing with the Attorney General of the State of California, has a current landscape contractors (C-27) license with Contractors State License Board, and has a current active business license with the City.

Results: We confirmed the Contractor is in good standing with the Attorney General and holds an active C-27 license. In addition, the City provided us with an active business license certificate of operation. No exceptions were noted as a result of our procedures.

3. We obtained evidence of insurance as of December 31, 2022, including general liability, automobile liability, worker's compensation and employer's liability. We verified the following:
  - a. The insurance levels met the requirements of the Agreement
  - b. The insurers had a current AM Best rating no less than A:VIII
  - c. If subcontractors were used during the fiscal year ended June 30, 2023, the subcontractors met the insurance requirements of the Agreement.

Results: We acquired certificates of insurance from the Contractor and can confirm the following:

- a. All insurance policies satisfy the minimum limits specified in the Agreement.

- b. The Contractor holds insurance from three distinct companies, each with AM Best Ratings of A+/A++/A+. All insurers belong to the Class XV financial size category.
- c. No subcontractors were engaged in services related to the Agreement during the fiscal year. As such, no further testing was performed.

No exceptions were noted as a result of our procedures.

4. We obtained evidence of the Contractor's electronic verification of work authorization in accordance with section 3.2.10.1 of the Agreement. If the Contractor used subcontractors, we obtained evidence of the subcontractor's electronic verification.

Results: We inquired about the Contractor's participation in an electronic work authorization program. The Contractor confirmed they comply with this requirement through USCIS Form I-9, which verifies the employee's right to work in the United States. We acquired a listing of 63 employees who provided services related to the Agreement during the fiscal year, from which we selected a sample of 15 and requested copies of their I-9 forms. We examined the provided documentation to ensure that each employee possessed valid work authorization without exception. Contractor stated that no subcontractors were engaged in services related to the Agreement during the fiscal year.

Upon performing procedure 7 related to extra work billed to the City, we identified 7 additional employees that were not part of the original listing of 63 employees provided to us. The contractor explained that the original listing of 63 employees was "only our base contract employees". We requested and examined I-9 forms for the additional 7 employees without exception.

5. We requested a schedule of costs and expenses incurred under the Agreement.

Results: Section 3.2.14 of the Agreement requires the "contractor shall maintain complete and accurate records with respect to all costs and expense incurred under this Agreement". We obtained a schedule of costs and expenses incurred from the Contractor for the period July 1, 2022 through May 31, 2023 totaling \$63,850, which included \$33,107 of labor. Although some labor charges were included in the schedule, it appears that the schedule does not include all labor costs incurred nor does it include other known expenses such as insurance.

The Contractor is not in compliance with section 3.2.14 of the Agreement.

6. We obtained the monthly invoices submitted to the City by the Contractor for the fiscal year ended June 30, 2023. We performed the following procedures:
  - a. We recalculated the invoices to verify mathematical accuracy.
  - b. We compared the work completed to Exhibit C of the Agreement to determine if all facilities were included in the work completed during the fiscal year.
  - c. We compared the amount billed by the facility to Exhibit C of the Agreement.

Results: We obtained 12 invoices billed to City during the fiscal year totaling \$737,712 and noted the following:

- a. All invoices were recalculated without exception.

- b. The work completed in each invoice indicated that the Contractor fulfilled the minimum maintenance obligation for each facility listed in Exhibit C of the Agreement.
- c. The total amount billed for each facility did not exceed the lump sum yearly cost per facility. In aggregate, the total amounts billed during the fiscal year did not exceed the total annual compensation specified in Exhibit C.

No exceptions were noted as a result of our procedures.

- 7. We identified and summarized any extra work billed to the City during the fiscal year ended June 30, 2023.
  - a. We obtained evidence of written authorization from the Public Works Director to perform extra work.
  - b. We compared the amount billed for the extra work to the terms and amounts authorized.

Results: The City paid \$195,210 for extra work billed for the fiscal year ended June 30, 2023. We summarized the charges for the extra work billed as follows:

<b>Task</b>	<b>Amount</b>	<b>Per</b>	<b>Number</b>	<b>Total Amount</b>
Irrigation/planning	45	Hour	3,408	\$ 153,360
Acacia tree removal	750	Tree	3	2,250
African Sumac tree removal	400	Tree	1	400
African Sumac tree removal	500	Tree	3	1,500
African Sumac tree removal	600	Tree	1	600
African Sumac branch removal	300	Tree	1	300
CA Pepper tree removal	350	Tree	1	350
CA Pepper tree removal	500	Tree	2	1,000
Carolina Cherry tree removal	450	Tree	1	450
Small Date Palm tree removal	300	Tree	4	1,200
Date Palm tree removal	500	Tree	2	1,000
Date Palm tree removal	800	Tree	4	3,200
Date Palm tree removal	850	Tree	1	850
Date Palm tree removal	900	Tree	3	2,700
Large Date Palm tree removal	1,100	Tree	6	6,600
Oak tree removal	220	Tree	8	1,760
Pine tree removal	700	Tree	2	1,400
Robusta Palm tree removal	500	Tree	1	500
Tipuana tree removal	450	Tree	8	3,600
Tipuana tree removal	600	Tree	2	1,200
Pruning	95	Tree	10	950
Stump grinding	100	Stump	12	1,200
Crane rental	3,350	Crane	1	3,350
Miles Ave tree replacement	4,155	unknown	1	4,155
Miles Ave tree replacement	1,335	unknown	1	1,335
<b>Total</b>				<b>\$ 195,210</b>

Per the Agreement, "Contractor shall not perform, nor be compensated for, extra work without written authorization from City's representative". Although we were provided with the City's approval of the extra work, the approval almost always signed after the work had been performed, which is in violation of the terms of the Agreement.

The rates for extra work are not defined in the Agreement. We noted multiple examples where different rates were charged for what appears to be the same task. For example, while some invoices identified small Date Palm tree removal at \$300 per tree, medium Date Palm tree removal at \$800 per tree, and large Date Palm tree removal at \$1,100 a tree, it is unclear why other Date Palm removals during the fiscal year would be charged at \$500, \$850 or \$900. There appears to be inconsistency in the amounts charged for extra work.

The largest extra work charges were for labor for "irrigation/planning". The monthly charges for labor ranged from \$15,480 to \$21,870 covering a team of 3 three employees, 8 hours a day, for approximately 20 days each month. The extra work is charged at \$45/hr. However, the amount paid to the employees ranged from \$16/hr to \$20/hr. It is unclear why irrigation/planning is considered extra work when the Agreement covers "maintenance of City landscaping" and specifies that extra work would be for projects "by which the parties did not reasonably anticipate would be necessary at the execution of this Agreement".

Additionally, we requested payroll registers and timesheets supporting the extra billing for the months of January 2023 and April 2023. For the month of January 2023, out of 439 hours billed, 151.67 were not supported by employee timesheets resulting in overbilling of \$6,825. In April 2023, out of 460 hours billed, 28.58 were not supported by employee timesheets resulting in overbilling of \$1,286.25. The Contractor explained "Unfortunately we were not accurate with the employee names that worked on site for a few days".

Section 3.3.3 allows for reimbursement of expenses. On the October 17, 2022 extra work invoice, the Contractor billed the City \$3,350 for crane rental. Per review of expenses incurred by the Contractor, the Contractor paid \$2,920 to a company which comprised of \$1,200 for crane rental with an operator and \$1,720 for labor associated with the removal of two Date Palms. The Contractor verified that the expenses were billed to the City at a markup. However, the Agreement only allows for reimbursement of expenses, not expenses plus a markup. Additionally, on the same extra work invoice, the Contractor billed the City an additional \$1,750 for Date Palm removal, which was already at least partially included in the crane rental charge of \$3,350. The City appears to have been overcharged by \$2,150 for the crane rental expense reimbursement.

8. We physically inspected each facility identified in Exhibit C of the Agreement and photographed the area maintained. We labelled and provided the pictures of the landscaping to the City's Public Works Director. We obtained the Public Works Director's evaluation of whether each maintained area meets standards, needs improvement, or exceeds standards.

Results: The Public Works Director’s evaluation of the facilities we observed are as follows:

<b>Facility/Zone</b>	<b>Evaluation</b>
GF-1	Meets Standard
GF-2	Meets Standard
GF-3	Meets Standard
GF-4	Meets Standard
GF-5	Meets Standard
GF-6	Meets Standard
GF-7	Meets Standard
GF-8	Meets Standard
GF-9	Meets Standard
GF-10	Meets Standard
GF-11	Meets Standard
GF-14	Meets Standard
GF-15	Meets Standard
GF-17	Meets Standard
GF-20	Meets Standard
GF-22	Meets Standard
GF-23	Meets Standard
GF-24	Meets Standard
GF-26	Meets Standard
GF-27	Meets Standard
GF-28	Meets Standard
Zone A Combined	Meets Standard
Zone C	Meets Standard
Zone D	Meets Standard
Bus Shelters	Meets Standard

9. We obtained a written report from the Contractor detailing the number of specific plants, flowers, irrigation materials, fertilizers, and other products used by the Contractor or Subcontractor. We compared the report to the month invoices to determine if the City was billed consistently with the materials used. We obtained written verification from the Public Works Director that the products were delivered and installed at the City facilities in Exhibit C of the Agreement.

Results: Per inquiry, we noted that the City purchased plants and flowers directly from Armstrong Growers in the amount of \$57,717.53 for the fiscal year ended June 30, 2023. The Agreement with the Contractor states “Contractor will perform work and furnish all labor, materials, and equipment”. Per follow up with the City’s Public Works Director, the request for qualifications dated May 4, 2020 states the following “flowers will be provided by the City”. The contract appears to have conflicting language.

City staff inspects the plants and flowers purchased from Armstrong Growers and returns any materials that do not meet the City’s standards. The Contractor plants the flowers and the City visual inspects the process. The Contractor does not maintain detail of the number of specific plants, flowers, irrigation materials, fertilizers, or other projects used. As such, we did not obtain written verification from the Public Works Director that the products were delivered and installed.

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

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

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

A handwritten signature in blue ink that reads "Davis Fan" followed by a stylized flourish.

Irvine, California  
October 2, 2023

# INDIAN WELLS CITY COUNCIL

## December 7, 2023



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**To:** City Council  
**From:** Finance Department  
**Prepared by:** Ruby D. Walla, Assistant Finance Director  
**Subject:** **City Treasurer's Report for September 2023**

### RECOMMENDED ACTIONS:

Council **RECEIVES** and **FILES** the City Treasurer's Report for September 2023.

### DISCUSSION:

This report comprehensively analyzes the City of Indian Wells' cash and investment position as of September 30, 2023. The city maintains a robust investment strategy, focusing on prudence, liquidity, and compliance with legal requirements. The Treasurer's certification ensures adherence to the city's investment policy and compliance with the State of California Government Code section 53600.

#### Financial Snapshot:

As of September 30, 2023:

- Total cash and investments: \$66,363,471.69
- Portfolio rate of return: 2.045%

#### Treasurer's Certification:

The City Treasurer certifies:

- Compliance with the city's investment policy and legal requirements.
- Adequate liquidity to meet financial obligations for the next six months, ensuring static and dynamic liquidity.

#### Fiscal Prudence:

Aligned with the fiduciary duty, the city adheres to a prudent investment approach, considering economic conditions and anticipated needs. Investments are guided by a written policy emphasizing safety, liquidity, and yield.

## **BACKGROUND:**

The Treasurer's Report provides a monthly update on cash activity and the investment portfolio, ensuring reconciliation with the General Ledger. Investments align with the city's investment policy and State legislation, covering U.S. treasuries, federal agency securities, corporate notes, municipal bonds, CDs, and overnight cash investments.

### Investment Strategy:

The city's investment portfolio is designed to achieve a market rate of return within risk constraints. Diversification across institutions, security types, and maturities maximizes safety and yield amid changing market conditions.

## **FISCAL IMPACT:**

The investment portfolio generated \$88,920.03 in earnings for September 2023. The investment strategy aims for consistent returns throughout budgetary and economic cycles, reflecting prudent risk management. Moreover, the strategy's success in consistently generating returns reflects its adaptability to changing market conditions. As economic cycles fluctuate, the city's investment approach remains resilient, adjusting to dynamic financial landscapes to optimize safety and yield.

## **ATTACHMENTS:**

1. City Treasurer's Report



**NET CASH & INVESTMENT SUMMARY SEPTEMBER 2023**

<b><u>UNRESTRICTED FUNDS</u></b>	<b>September 2023</b>	<b>September 2022</b>
<b>GENERAL FUND</b>		
101- GENERAL	\$ 12,846,135.99	\$ 8,560,105.96
<b>TOTAL GENERAL FUND</b>	<b>12,846,135.99</b>	<b>8,560,105.96</b>
<b><u>RESTRICTED FUNDS</u></b>		
<b>SPECIAL REVENUE FUNDS</b>		
202 - TRAFFIC SAFETY	11,699.78	3,696.07
203 - PUBLIC SAFETY 1/2 CENT SALES TAX	14,845.80	12,930.12
204 - MEASURE "A"	92,427.67	93,144.52
209 - F.A.M.D. #1	1,515,457.17	1,980,303.89
210 - SCAQMD (VEHICLE REG.)	14,798.85	14,608.28
211 - AB 3229 COPS FUNDING	11,405.10	6,191.85
214 - GAS TAX 2103 MAINTENANCE	12,531.95	10,752.63
215 - GAS TAX 2105 MAINTENANCE	7,009.43	6,659.51
216 - GAS TAX 2106 CONSTRUCT/MAINT	5,645.12	5,409.72
217 - GAS TAX 2107 MAINTENANCE	9,731.61	9,230.70
218 - GAS TAX 2107.5 ENG./ADMIN	1,000.00	1,000.00
219 - GAS TAX RMRA	136,284.29	29,467.21
228 - EMERG. UPGRADE SERVICES	4,765,723.78	3,896,481.45
247 - AB 939 RECYCLING FUND	287,942.19	403,728.58
248 - SOLID WASTE	125,721.44	200,703.92
251 - STREET LIGHTING DISTRICT 2000-1	16,676.66	14,680.64
253- INDIAN WELLS VILLAS OPERATIONS	96,945.46	1,330,554.81
254- MOUNTAIN VIEW VILLAS OPERATIONS	179,896.85	2,075,291.54
256- HOUSING AUTHORITY	2,746,049.84	12,415,904.45
271 - ELDORADO DRIVE LLMD	61,708.05	63,095.69
272 - MONTECITO/STARDUST LLMD	5,883.37	5,800.97
273 - CASA DORADO LLMD	773.88	769.85
274 - THE COVE LLMD	7,309.29	992.80
275 - SH 111/IWGR (ENTRANCE) LLMD	88,789.80	48,610.45
276 - CLUB/IW LANE LLMD	19,467.04	14,325.21
277 - COLONY LLMD	79,251.45	82,148.66
278 - COLONY COV ESTATES LLMD	48,741.14	53,843.36
279 - DESERT HORIZONS LLMD	12,756.87	11,135.68
280 - MOUNTAIN GATE LLMD	96,228.33	97,719.32
281 - MOUNTAIN GATE ESTATES LLMD	44,342.27	49,613.41
282 - VILLAGIO LLMD	225,231.32	242,372.63
283 - VAIDYA LLMD	34,906.28	35,198.16
284 - CLUB, SOUTH OF 111 LLMD	31,325.23	29,944.95
285 - MONTELENA LLMD	75,731.17	75,386.70
286 - SUNDANCE LLMD	0.00	1,501.74
287 - PROVINCE LLMD	82,667.08	78,885.11
288 - PROVINCE DBAD	563,482.33	556,430.56
<b>TOTAL SPECIAL REVENUE FUNDS</b>	<b>11,530,387.89</b>	<b>23,958,515.14</b>
<b>CAPITAL PROJECT FUNDS</b>		
310 - PARK FACILITIES FEES	27,033.00	0.00
311 - TRANSPORTATION FACILITIES FEES	23,496.00	0.00
313 - RECREATION FACILITIES FEES	47,064.00	0.00
314 - PARK-IN-LIEU FEES	17,003.00	44,010.00
315 - CITYWIDE PUBLIC IMPROVEMENT FEE	7,662.00	64,714.00
316 - CAPITAL IMPROVEMENT	8,982,350.02	8,152,867.80
319 - ART IN PUBLIC PLACES	643,809.63	359,726.45
321 - HIGHWAY 111 CIRCULATION IMP FEE	37,152.70	36,233.70
<b>TOTAL CAPITAL PROJECT FUNDS</b>	<b>9,785,570.35</b>	<b>8,657,551.95</b>

**RESTRICTED FUNDS (Cont.)**

	<b>September 2023</b>	<b>September 2022</b>
<b>REPLACEMENT FUNDS</b>		
326 - BUILDINGS CAPITAL RESERVE	1,990,616.80	1,670,511.80
327 - BRIDGES CAPITAL RESERVE	1,790,016.00	1,717,718.00
328 - MEDIANS & PARKWAYS CAPITAL RESERVE	1,424,895.07	1,367,251.07
329 - STORM DRAINS CAPITAL RESERVE	719,746.00	690,432.00
330 - TRAFFIC SIGNALS CAPITAL RESERVE	590,920.00	567,375.00
331 - TECHNOLOGY CAPITAL RESERVE	539,633.00	518,147.00
332 - CITY STREETS CAPITAL RESERVE	17,170,499.00	18,840,062.00
333 - CITY VEHICLES CAPITAL RESERVE	123,655.00	118,879.00
334 - NAMING RIGHTS CAPITAL RESERVE	0.00	0.00
350 - DISASTER RECOVERY RESERVE	291,850.00	142,129.00
<b>TOTAL REPLACEMENT FUNDS</b>	<b>24,641,830.87</b>	<b>25,632,504.87</b>
<b>SUCCESSOR AGENCY FUNDS</b>		
453 - DEBT SERVICE	2,527,210.64	544,757.56
456 - RDA OBLIGATION RETIREMENT	0.00	1,062,774.00
460 - INDIAN WELLS FINANCING AUTHORITY	273.98	0.00
<b>TOTAL SUCCESSOR AGENCY FUNDS</b>	<b>2,527,484.62</b>	<b>1,607,531.56</b>
<b>ENTERPRISE FUNDS</b>		
560 - INDIAN WELLS GOLF RESORT	1,500,000.00	1,149,274.72
<b>TOTAL ENTERPRISE FUNDS</b>	<b>1,500,000.00</b>	<b>1,149,274.72</b>
<b>INTERNAL SERVICE FUNDS</b>		
601 - OPEB BENEFIT FUND	2,133,200.12	940,235.09
<b>TOTAL INTERNAL SERVICE FUNDS</b>	<b>2,133,200.12</b>	<b>940,235.09</b>
<b>RESERVE FUNDS</b>		
602 - COMPENSATED ABSENCES	624,787.00	581,403.00
<b>TOTAL RESERVE FUNDS</b>	<b>624,787.00</b>	<b>581,403.00</b>
<b>TRUST &amp; AGENCY FUNDS</b>		
732 - SPECIAL DEPOSITS	774,074.85	874,375.06
<b>TOTAL TRUST &amp; AGENCY FUNDS</b>	<b>774,074.85</b>	<b>874,375.06</b>
<b>TOTAL ALL FUNDS</b>	<b>66,363,471.69</b>	<b>71,961,497.35</b>
<b>FISCAL AGENTS</b>		
253 - INDIAN WELLS VILLAS	325,207.50	540,713.94
254 - MOUNTAIN VIEW VILLAS	334,417.52	1,196,195.02
453 - US BANK TRUSTEE - SUCCESSOR AGENCY DEBT SERVICE	4,613,706.11	11.44
460 - US BANK - INDIAN WELLS FINANCE AUTHORITY	9,037,945.68	12,060,999.93
560 - INDIAN WELLS GOLF RESORT	1,223,586.84	1,915,242.12
601 - PARS SECTION 115 TRUST - PENSION	884,631.61	822,918.67
601 - PARS SECTION 115 TRUST - OPEB	214,711.20	199,678.19
<b>TOTAL FISCAL AGENTS</b>	<b>16,634,206.46</b>	<b>16,735,759.31</b>
<b>TOTAL ALL FUNDS &amp; FISCAL AGENTS</b>	<b>\$ 82,997,678.15</b>	<b>\$ 88,697,256.66</b>
<b>UNRESTRICTED FUNDS</b>	<b>12,846,135.99</b>	<b>8,560,105.96</b>
<b>RESTRICTED FUNDS</b>	<b>70,151,542.16</b>	<b>80,137,150.70</b>
	<b>\$ 82,997,678.15</b>	<b>\$ 88,697,256.66</b>

City of Indian Wells  
**Bank Reconciliation Report - City Held Cash**  
 Finance Department

MONTH: **September 30, 2023**

Investment #	Investment Type	Investment Description	Book Value
<b>Bank Checking &amp; Sweep</b>			
1		Pacific Western Bank - Sweep **.*1117	1,036,766.76
2		Pacific Western Bank - Accts. Payable ***3411	0.00
3		Pacific Western Bank - Payroll **.*1752	0.00
6		Pacific Western Bank - Ambulance **.*7937	0.00
7		Pacific Western Bank - Public Funds MMA **.*5064	15,388.33
8		US Bank Money Market - Investment	0.00
9		US Bank Money Market - 4590	2,913,577.52
10		US Bank Money Market - 4591	19,154.42
19		Petty Cash	2,000.00
			<b>3,986,887.03</b>
<b>Managed Pool Accounts</b>			
21		Local Agency Investment Fund - City 98-33-385	1,333,740.21
			<b>1,333,740.21</b>
<b>Certificates of Deposit</b>			
480		Certificate of Deposit-Discover Bank 254673UL8	250,000.00
484		Certificate of Deposit-Comenity Capital Bank 20033AM86	250,000.00
483		Certificate of Deposit-USB Bank USA 90348JF2	250,000.00
498		Certificate of Deposit-RIA Federal Credit Union 749622AL0	249,000.00
499		Certificate of Deposit-Capital One Bank 14042TAY3	247,000.00
501		Certificate of Deposit-BankWest 06652CHA2	249,000.00
512		Certificate of Deposit-BMW Bank North America 05580AVX9	250,000.00
513		Certificate of Deposit-Nicolet Nation Bank 654062J2Z	250,000.00
514		Certificate of Deposit-Live Oak Bankinq Companv 538036LD4	250,000.00
515		Certificate of Deposit-Alma Bank 0200808X4	248,000.00
516		Certificate of Deposit-State Bank of India 856285TF8	249,000.00
517		Certificate of Deposit-First Natl Bank of McCreary TX 32112UDR9	248,000.00
518		Certificate of Deposit-Centerstate Bank 15201ODE4	249,000.00
519		Certificate of Deposit-Northwest Bank 66736ABV0	249,000.00
520		Certificate of Deposit-Encore Bank 29260MBE4	249,000.00
521		Certificate of Deposit-First Freedom Bank 32027BAM9	249,000.00
522		Certificate of Deposit-Pacific Western Bank 69506YRL5	248,000.00
525		Certificate of Deposit-Bank of Baroda 06063HMS9	249,000.00
548		Certificate of Deposit-Toyota Financial Sas Bank 89235MKY6	250,000.00
550		Certificate of Deposit-Greenstate Credit Union 39573LBL1	250,000.00
557		Certificate of Deposit-Pentaqon Federal Credit Union 70962LA51	249,000.00
558		Certificate of Deposit-Neinet Bank, Inc 64034KAG6	250,000.00
561		Certificate of Deposit-Beal Bank 07371AYE7	250,000.00
562		Certificate of Deposit-Beal Bank USA 07371CE88	250,000.00
574		Certificate of Deposit-Austin Telco Fed Credit Union 052392BT3	250,000.00
573		Certificate of Deposit-Capital One NA 14042RUJ8	250,000.00
575		Certificate of Deposit-Synchrony Bank 87164XR65	250,000.00
579		Certificate of Deposit-Pacific Western Bank	250,000.00
580		Certificate of Deposit-Pacific Western Bank	250,000.00
581		Certificate of Deposit-Pacific Western Bank	250,000.00
585		Certificate of Deposit-Liberty First Credit Union 530520AK1	249,000.00
586		Certificate of Deposit-First Guaranty Bank Hammond LA	249,000.00
587		Certificate of Deposit-Medallion Bank Utah 58404DSW2	249,000.00
588		Certificate of Deposit-Pitney Bowes Bank 724468AG8	244,000.00
589		Certificate of Deposit-Bank Five Nine 062119CD2	249,000.00
590		Certificate of Deposit-First Foundation Bank 32026UW51	244,000.00
591		Certificate of Deposit-Summit National Bank 86616RAG0	249,000.00
592		Certificate of Deposit-First National Bank of America 32110YD93	249,000.00
			<b>9,465,000.00</b>
<b>Medium Term Corporate Notes</b>			
524		Bank of New York Mellon Corp 066406RAN7	1,005,955.78
526		Montebello CA Pens Oblia AA 612285AE6	1,027,270.24
533		JP Morgan Chase Bank NA 46632FRU1	2,000,000.00
538		JP Morgan Chase 48128CQ02	1,000,000.00
549		Bank of America MTN 06048W31	1,000,000.00
556		Bank of America MTN 06048W32	1,000,000.00
576		John Deere Capital Corp 24422EWR6	1,023,575.74
			<b>8,056,801.76</b>
<b>Federal Agency Issues</b>			
527		Fed. Natl Mortgage Assoc. 3136G4C43	2,000,000.00
529		Fed. Farm Credit Bank 3133ELZ80	2,000,000.00
530		Fed. Home Loan Mtq Corp 3134GWCG9	1,000,332.75
532		Fed. Natl Mortgage Assoc 3135GA223	2,000,000.00
534		Fed. Farm Credit Bank 3130AL351	1,000,000.00
535		Fed. Farm Credit Bank 3130AL6G4	1,000,000.00
536		Fed. Farm Credit Bank 3130AL6J8	2,000,000.00
539		Fed. Farm Credit Bank 3130ALDN1	2,000,000.00
541		Fed. Farm Credit Bank 3130ALH20	1,000,000.00
542		Fed. Farm Credit Bank 3130ALJ62	2,000,000.00
544		Fed. Farm Credit Bank 3130ALNM3	1,000,000.00
546		Fed. Farm Credit Bank 3130ALW67	2,000,000.00
551		Fed. Farm Credit Bank 3130AMW57	2,000,000.00
552		Fed. Farm Credit Bank 3133EMH21	2,000,000.00
553		Fed. Farm Credit Bank 3133EML67	2,000,000.00
554		Fed. Farm Credit Bank 3133EMN99	2,000,000.00
555		Fed. Farm Credit Bank 3133EMW73	3,000,000.00
559		Fed. Home Loan Bank 3130AQWF6	1,000,000.00
560		Fed. Home Loan Bank 3130AQWJ8	1,000,000.00
563		Fed. Home Loan Bank 3130AOZ55	1,000,000.00
565		Fed. Home Loan Bank 3130ARCV1	2,000,000.00
564		Fed. Home Loan Mtq Corp 3134GXMX9	1,000,000.00
566		Fed. Home Loan Bank 3130ARGE5	1,000,000.00
567		Fed. Home Loan Mtq Corp 3134GXQP2	1,000,000.00
568		Fed. Home Loan Bank 3130AS320	1,700,000.00
569		Fed. Home Loan Bank 3134GXUM4	1,000,000.00
571		Fed. Home Loan Bank 3130ASS67	1,000,000.00
572		Fed. Home Loan Bank 3130ASS91	1,000,000.00
582		Fed. Farm Credit Bank 3133EPPC3	2,000,000.00
			<b>43,700,332.75</b>
<b>Municipal Bonds</b>			
537		Dixon CA Unified School District 255651XY6	501,123.49
531		Natomas CA School District 63877NMM6	300,000.00
			<b>801,123.49</b>
<b>Treasury Discounts-Amortizing</b>			
577		United States Treasury Bill 912797FK8	2,980,824.39
583		United States Treasury Bill 912797FC6	996,639.66
584		United States Treasury Bill 912797FV4	988,803.48
			<b>4,966,267.53</b>
<b>Total Pooled Cash and Investments</b>			<b>\$ 72,310,152.77</b>
Fair Value Increase (over cost)			<b>(5,044,864.77)</b>
<b>Outstanding items</b>			
		Outstanding Warrants/Wire Transfers	(923,879.11)
		Deposit in Transit	(6,760.50)
		Outstanding Outgoing ACH Payments	21,301.88
		Credit Card in Transit	7,521.42
<b>Total Outstanding Items</b>			<b>(901,816.31)</b>
<b>Reconciled Bank Balance</b>			<b>\$ 66,363,471.69</b>
<b>General Ledger Balance</b>			<b>\$ 66,363,471.69</b>
			<b>0.00</b>



The City of Indian Wells  
**Portfolio Management**  
**Portfolio Summary**  
**September 30, 2023**

City of Indian Wells  
 44-950 Eldorado Drive  
 Indian Wells CA 92210  
 (760)346-2489

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Bank Certificates of Deposit	750,000.00	750,000.00	750,000.00	1.04	254	138	5.323	5.397
Managed Pool Accounts - LAIF	1,333,740.21	1,333,740.21	1,333,740.21	1.84	1	1	3.486	3.534
Money Market Sweep/Checking Account	3,986,887.03	3,986,887.03	3,986,887.03	5.51	1	1	3.901	3.955
Negotiable CD's	8,715,000.00	8,264,078.15	8,715,000.00	12.05	1,798	916	2.060	2.088
Medium Term Corporate Notes	8,000,000.00	7,243,740.00	8,056,801.76	11.14	1,803	916	1.341	1.360
Federal Agency Issues - Callables	43,700,000.00	40,303,629.00	43,700,332.75	60.43	1,590	815	1.530	1.551
Miscellaneous Securities - Coupon	800,000.00	757,603.00	801,123.49	1.11	1,449	442	0.653	0.662
Treasury Discounts -Amortizing	5,000,000.00	4,964,810.00	4,966,267.53	6.87	160	49	5.146	5.218
	<b>72,285,627.24</b>	<b>67,604,487.39</b>	<b>72,310,152.77</b>	<b>100.00%</b>	<b>1,408</b>	<b>715</b>	<b>2.017</b>	<b>2.045</b>

**Investments**

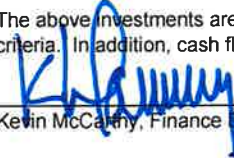
**Total Earnings**                      **September 30 Month Ending**

Current Year                              129,811.63

**Average Daily Balance**                      **73,576,185.39**

**Effective Rate of Return**                      **2.15%**

The above investments are consistent with the City's investment policy and allowable under current legislation of the State of California. Investments were purchased using safety, liquidity, and yield as criteria. In addition, cash flow from revenue and maturing investments will be sufficient to cover expenditures for the next six months. All securities are "Marked-to-Market" on a monthly basis.

  
 Kevin McCahey, Finance Director

Reporting period 09/01/2023-09/30/2023

Run Date: 11/14/2023 - 13:35

No fiscal year history available

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 Report Ver. 7.3.6.1

**The City of Indian Wells  
Portfolio Management  
Portfolio Details - Investments  
September 30, 2023**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Fitch	YTM 360	Days to Maturity	Maturity Date
<b>Bank Certificates of Deposit</b>												
SYS579	579	Pacific Western Bank		06/07/2023	250,000.00	250,000.00	250,000.00	5.350		5.350	98	01/07/2024
SYS580	580	Pacific Western Bank		06/07/2023	250,000.00	250,000.00	250,000.00	5.250		5.250	37	11/07/2023
SYS581	581	Pacific Western Bank		06/07/2023	250,000.00	250,000.00	250,000.00	5.370		5.370	280	07/07/2024
<b>Subtotal and Average</b>			<b>750,000.00</b>		<b>750,000.00</b>	<b>750,000.00</b>	<b>750,000.00</b>			<b>5.323</b>	<b>138</b>	
<b>Managed Pool Accounts - LAIF</b>												
SYS21	21	LAIF - City			1,333,740.21	1,333,740.21	1,333,740.21	3.534		3.486	1	
SYS23	23	LAIF - Redevelopment			0.00	0.00	0.00	0.233		0.230	1	
<b>Subtotal and Average</b>			<b>2,117,073.54</b>		<b>1,333,740.21</b>	<b>1,333,740.21</b>	<b>1,333,740.21</b>			<b>3.486</b>	<b>1</b>	
<b>Money Market Sweep/Checking Account</b>												
SYS1	1	Pacific Western Bank			1,036,766.76	1,036,766.76	1,036,766.76	0.250		0.247	1	
SYS6	6	Pacific Western Bank-Ambulance		07/01/2022	0.00	0.00	0.00			0.000	1	
SYS7	7	Pacific Western-PublicFundsMMA			15,388.33	15,388.33	15,388.33	3.550		3.501	1	
SYS8	8	US Bank Money Market		07/01/2022	0.00	0.00	0.00			0.000	1	
SYS10	10	US Bank Money Market-4591		08/30/2022	19,154.42	19,154.42	19,154.42	5.220		5.148	1	
SYS9	9	US Bank Money Market-4590		08/30/2022	2,913,577.52	2,913,577.52	2,913,577.52	5.270		5.198	1	
SYS2	2	Pacific Western - Acct Payable		07/01/2022	0.00	0.00	0.00			0.000	1	
SYS3	3	Pacific Western-Payroll		07/01/2022	0.00	0.00	0.00			0.000	1	
SYS4	4	Union Bank-Checking			0.00	0.00	0.00	0.200		0.197	1	
SYS19	19	Petty Cash		07/01/2022	2,000.00	2,000.00	2,000.00			0.000	1	
SYS5	5	WestAmerica Bank		07/01/2022	0.00	0.00	0.00			0.000	1	
<b>Subtotal and Average</b>			<b>4,478,440.78</b>		<b>3,986,887.03</b>	<b>3,986,887.03</b>	<b>3,986,887.03</b>			<b>3.901</b>	<b>1</b>	
<b>Negotiable CD's</b>												
020080BX4	515	Alma Bank		03/31/2020	250,000.00	234,860.00	250,000.00	1.400		1.380	544	03/28/2025
052392BT3	574	Austin Telco Fed Credit Union		09/21/2022	250,000.00	236,985.00	250,000.00	3.800		3.748	1,451	09/21/2027
06063HMS9	525	Bank of Baroda		07/22/2020	249,000.00	228,156.21	249,000.00	0.700		0.690	660	07/22/2025
062119CD2	589	Bank Five Nine		07/31/2023	249,000.00	240,616.17	249,000.00	4.500		4.438	1,762	07/28/2028
06652CHA2	501	BankWest Inc.		07/26/2019	249,000.00	241,726.71	249,000.00	2.000		1.973	299	07/26/2024
07371AYE7	561	Beal Bank - Plano TX		02/23/2022	250,000.00	223,580.00	250,000.00	1.900		1.874	1,235	02/17/2027
07371CE88	562	Beal Bank USA		02/23/2022	250,000.00	223,580.00	250,000.00	1.900		1.874	1,235	02/17/2027
05580AVX9	512	BMW BANK NORTH AMERICA		03/31/2020	250,000.00	235,462.50	250,000.00	1.550		1.529	547	03/31/2025
14042TAY3	499	Capital One Bank USA NA		07/18/2019	247,000.00	241,126.34	247,000.00	2.300		0.000	269	06/26/2024
14042RUJ8	573	Capital One NA		09/21/2022	250,000.00	237,980.00	250,000.00	3.900		0.000	1,451	09/21/2027

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**The City of Indian Wells  
Portfolio Management  
Portfolio Details - Investments  
September 30, 2023**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Fitch	YTM 360	Days to Maturity	Maturity Date
<b>Negotiable CD's</b>												
15201QDE4	518	Centerstate Bank NA		04/30/2020	248,000.00	231,733.68	248,000.00	1.250		1.233	577	04/30/2025
20033AM86	484	Comenity Capital Bank		10/30/2018	250,000.00	249,587.50	250,000.00	3.450		3.403	29	10/30/2023
254673UL8	480	Discover Bank		10/03/2018	250,000.00	249,940.00	250,000.00	3.300		3.255	2	10/03/2023
29260MBE4	520	ENCORE BANK		04/30/2020	249,000.00	242,760.06	249,000.00	1.150		1.135	212	04/30/2024
32027BAM9	521	First Freedom Bank		04/30/2020	249,000.00	242,687.85	249,000.00	1.100		1.086	212	04/30/2024
320437AD8	586	First Guaranty Bank Hammond LA		08/11/2023	249,000.00	240,581.31	249,000.00	4.500		4.438	1,769	08/04/2028
32110YD93	592	First National Bank of America		08/16/2023	249,000.00	246,465.18	249,000.00	4.450		4.394	1,780	08/15/2028
32026UW51	590	First Foundation Bank		08/16/2023	244,000.00	235,255.04	244,000.00	4.450		0.000	1,774	08/09/2028
32112UDR9	517	First Natl Bank of McGregor TX		04/28/2020	249,000.00	232,917.09	249,000.00	1.350		1.332	575	04/28/2025
39573LBL1	550	Greenstate Credit Union		06/16/2021	250,000.00	221,392.50	250,000.00	0.900		0.888	989	06/16/2026
530520AK1	585	Liberty First Credit Union		08/11/2023	249,000.00	244,801.86	249,000.00	4.700		4.641	1,772	08/07/2028
538036LD4	514	Live Oak Banking Company		03/31/2020	250,000.00	234,735.00	250,000.00	1.400		1.382	547	03/31/2025
58404DSW2	587	Medallion Bank Utah		07/31/2023	249,000.00	239,542.98	249,000.00	4.400		4.406	1,765	07/31/2028
64034KAG6	558	Nelnet Bank, Inc.		02/02/2022	250,000.00	220,882.50	250,000.00	1.500		1.479	1,220	02/02/2027
654062JZ2	513	Nicolet National Bank		03/31/2020	250,000.00	234,762.50	250,000.00	1.400		1.382	547	03/31/2025
66736ABV0	519	Northwest Bank		04/30/2020	249,000.00	232,299.57	249,000.00	1.200		1.184	577	04/30/2025
69506YRL5	522	Pacific Western Bank CA CD		04/30/2020	248,000.00	231,733.68	248,000.00	1.250		1.233	577	04/30/2025
70962LAS1	557	Pentagon Federal Credit Union		09/29/2021	249,000.00	218,089.14	249,000.00	0.900		0.888	1,094	09/29/2026
724468AG8	588	Pitney Bowes Bank Inc.		07/31/2023	244,000.00	234,791.44	244,000.00	4.400		0.000	1,765	07/31/2028
749622AL0	498	RIA Federal Credit Union		06/24/2019	249,000.00	247,242.06	249,000.00	2.500		2.468	86	12/26/2023
856285TF8	516	State Bank of India NY, NY CD		04/29/2020	248,000.00	233,055.52	248,000.00	1.600		1.578	576	04/29/2025
86616RAG0	591	Summit National Bank		08/16/2023	249,000.00	243,706.26	249,000.00	4.500		4.443	1,775	08/10/2028
87164XR65	575	Synchrony Bank		09/23/2022	250,000.00	238,417.50	250,000.00	3.950		3.896	1,453	09/23/2027
89235MKY6	548	Toyota Financial Sgs Bk		04/22/2021	250,000.00	222,987.50	250,000.00	0.900		0.888	934	04/22/2026
90348JFF2	483	UBS Bank USA		10/30/2018	250,000.00	249,637.50	250,000.00	3.500		3.454	26	10/27/2023
<b>Subtotal and Average</b>			<b>8,715,000.00</b>		<b>8,715,000.00</b>	<b>8,264,078.15</b>	<b>8,715,000.00</b>			<b>2.060</b>	<b>916</b>	
<b>Medium Term Corporate Notes</b>												
06048VMM31	549	Bank of America MTN A		05/28/2021	1,000,000.00	879,690.00	1,000,000.00	1.250		1.233	970	05/28/2026
06048VMM72	556	Bank of America MTN A		07/30/2021	1,000,000.00	872,620.00	1,000,000.00	1.200		1.184	1,033	07/30/2026
06406RAN7	524	Bank of New York Mellon Corp		05/14/2020	1,000,000.00	937,200.00	1,005,955.78	1.600		1.190	571	04/24/2025
24422EWR6	576	John Deere Capital Corp		05/18/2023	1,000,000.00	981,850.00	1,023,575.74	4.750		4.083	1,572	01/20/2028
48128G2Q2	538	JPMorgan Chase & Co		02/26/2021	1,000,000.00	878,550.00	1,000,000.00	0.800		0.789	879	02/26/2026
46632FRU1	533	JP Morgan Chase Bank NA		01/22/2021	2,000,000.00	1,745,920.00	2,000,000.00	0.700		0.690	844	01/22/2026
612285AE6	526	Montebello CA Pens Oblig AA		07/17/2020	1,000,000.00	947,910.00	1,027,270.24	2.503		0.819	609	06/01/2025

Portfolio CITY  
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**The City of Indian Wells  
Portfolio Management  
Portfolio Details - Investments  
September 30, 2023**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Fitch	YTM 360	Days to Maturity	Maturity Date
<b>Subtotal and Average</b>			<b>8,057,834.87</b>		<b>8,000,000.00</b>	<b>7,243,740.00</b>	<b>8,056,801.76</b>			<b>1.341</b>	<b>916</b>	
<b>Federal Agency Issues - Callables</b>												
3133ELZ80	529	Fed. Farm Credit Bank		07/29/2020	2,000,000.00	1,836,040.00	2,000,000.00	0.580		0.572	667	07/29/2025
3133EMH21	552	Fed. Farm Credit Bank		06/17/2021	2,000,000.00	1,786,600.00	2,000,000.00	0.900		0.888	988	06/15/2026
3133EML67	553	Fed. Farm Credit Bank		06/22/2021	2,000,000.00	1,780,340.00	2,000,000.00	0.800		0.789	995	06/22/2026
3133EMN99	554	Fed. Farm Credit Bank		06/30/2021	2,000,000.00	1,847,060.00	2,000,000.00	0.740		0.730	638	06/30/2025
3133EMW73	555	Fed. Farm Credit Bank		07/28/2021	3,000,000.00	2,666,790.00	3,000,000.00	0.870		0.858	1,031	07/28/2026
3133EPPC3	582	Fed. Farm Credit Bank		07/03/2023	2,000,000.00	1,996,360.00	2,000,000.00	5.375		5.301	276	07/03/2024
3130AL3S1	534	Fed. Home Loan Bank		02/17/2021	1,000,000.00	897,640.00	1,000,000.00	0.625		0.616	870	02/17/2026
3130AL6G4	535	Fed. Home Loan Bank		02/25/2021	1,000,000.00	896,240.00	1,000,000.00	0.600		0.592	878	02/25/2026
3130AL6J8	536	Fed. Home Loan Bank		02/24/2021	2,000,000.00	1,793,800.00	2,000,000.00	0.625		0.616	877	02/24/2026
3130ALDN1	539	Fed. Home Loan Bank		03/16/2021	2,000,000.00	1,797,720.00	2,000,000.00	0.800		0.789	897	03/16/2026
3130ALHZ0	541	Fed. Home Loan Bank		03/18/2021	1,000,000.00	921,210.00	1,000,000.00	0.530		0.523	626	06/18/2025
3130ALJ62	542	Fed. Home Loan Bank		03/24/2021	1,000,000.00	899,820.00	1,000,000.00	0.875		0.863	905	03/24/2026
3130ALMM3	544	Fed. Home Loan Bank		03/30/2021	2,000,000.00	1,804,380.00	2,000,000.00	1.000		0.986	911	03/30/2026
3130ALW67	546	Fed. Home Loan Bank		04/22/2021	1,000,000.00	902,750.00	1,000,000.00	1.100		1.085	934	04/22/2026
3130AMW57	551	Fed. Home Loan Bank		06/30/2021	2,000,000.00	1,800,620.00	2,000,000.00	0.750		0.700	1,003	06/30/2026
3130AQWF6	559	Fed. Home Loan Bank		02/25/2022	1,000,000.00	907,550.00	1,000,000.00	2.150		2.121	1,243	02/25/2027
3130AQWJ8	560	Fed. Home Loan Bank		02/24/2022	1,000,000.00	904,620.00	1,000,000.00	2.050		2.022	1,242	02/24/2027
3130AQZ55	563	Fed. Home Loan Bank		03/10/2022	1,000,000.00	917,270.00	1,000,000.00	2.500		2.466	1,256	03/10/2027
3130ARCV1	565	Fed. Home Loan Bank		03/28/2022	2,000,000.00	1,968,980.00	2,000,000.00	2.250		1.846	179	03/28/2024
3130ARGE5	566	Fed. Home Loan Bank		04/21/2022	1,000,000.00	930,050.00	1,000,000.00	3.000		2.959	1,298	04/21/2027
3130AS3Z0	568	Fed. Home Loan Bank		05/26/2022	1,700,000.00	1,654,559.00	1,700,000.00	3.000		2.959	422	11/26/2024
3130ASS67	571	Fed. Home Loan Bank		08/16/2022	1,000,000.00	964,980.00	1,000,000.00	4.500		4.438	1,415	08/16/2027
3130ASS91	572	Fed. Home Loan Bank		08/10/2022	1,000,000.00	953,150.00	1,000,000.00	4.000		3.945	1,409	08/10/2027
3134GWCG9	530	Fed. Home Loan Mtg Corp		07/30/2020	1,000,000.00	928,110.00	1,000,332.75	0.650		0.621	577	04/30/2025
3134GXMX9	564	Fed. Home Loan Mtg Corp		03/25/2022	1,000,000.00	953,480.00	1,000,000.00	2.200		2.170	541	03/25/2025
3134GXQP2	567	Fed. Home Loan Mtg Corp		04/28/2022	1,000,000.00	963,600.00	1,000,000.00	3.030		2.988	575	04/28/2025
3134GXUM4	569	Fed. Home Loan Mtg Corp		06/07/2022	1,000,000.00	982,790.00	1,000,000.00	3.050		3.008	250	06/07/2024
3136G4C43	527	Fed. Nat'l Mortgage Assoc		08/14/2020	2,000,000.00	1,835,880.00	2,000,000.00	0.650		0.641	683	08/14/2025
3135GAZ23	532	Fed. Nat'l Mortgage Assoc		11/17/2020	2,000,000.00	1,811,240.00	2,000,000.00	0.560		0.552	778	11/17/2025
<b>Subtotal and Average</b>			<b>43,700,341.23</b>		<b>43,700,000.00</b>	<b>40,303,629.00</b>	<b>43,700,332.75</b>			<b>1.530</b>	<b>815</b>	
<b>Miscellaneous Securities - Coupon</b>												
255651KY6	537	Dixon CA Unified School Dist		02/18/2021	500,000.00	480,025.00	501,123.49	0.672		0.395	305	08/01/2024
63877NMM6	531	Natomas CA Sch Dist AA Insured		10/01/2020	300,000.00	277,578.00	300,000.00	1.100		1.085	670	08/01/2025

**The City of Indian Wells  
Portfolio Management  
Portfolio Details - Investments  
September 30, 2023**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Fitch	YTM 360	Days to Maturity	Maturity Date
<b>Subtotal and Average</b>			<b>801,177.80</b>		<b>800,000.00</b>	<b>757,603.00</b>	<b>801,123.49</b>			<b>0.653</b>	<b>442</b>	
<b>Treasury Discounts -Amortizing</b>												
912797FK8	577	United States Treasury Bill		05/18/2023	3,000,000.00	2,980,140.00	2,980,824.39	4.995		5.196	46	11/16/2023
912797FC6	583	United States Treasury Bill		07/20/2023	1,000,000.00	996,480.00	996,639.66	4.856		4.989	25	10/26/2023
912797FV4	584	United States Treasury Bill		07/20/2023	1,000,000.00	988,190.00	988,803.48			5.153	81	12/21/2023
<b>Subtotal and Average</b>			<b>4,956,317.17</b>		<b>5,000,000.00</b>	<b>4,964,810.00</b>	<b>4,966,267.53</b>			<b>5.146</b>	<b>49</b>	
<b>Total and Average</b>			<b>73,576,185.39</b>		<b>72,285,627.24</b>	<b>67,604,487.39</b>	<b>72,310,152.77</b>			<b>2.017</b>	<b>715</b>	



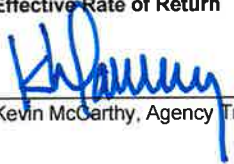


**2014, 2015, 2016, 2020 Series**  
**Portfolio Management**  
**Portfolio Summary**  
**September 30, 2023**

City of Indian Wells  
44-950 Eldorado Drive  
Indian Wells CA 92210  
(760)346-2489

<b>Investments</b>	<b>Par Value</b>	<b>Market Value</b>	<b>Book Value</b>	<b>% of Portfolio</b>	<b>Term</b>	<b>Days to Maturity</b>	<b>YTM 360 Equiv.</b>	<b>YTM 365 Equiv.</b>
Money Market Sweep/Checking Account	10,584.48	10,584.48	10,584.48	100.00	1	1	0.000	0.000
<b>Investments</b>	<b>10,584.48</b>	<b>10,584.48</b>	<b>10,584.48</b>	<b>100.00%</b>	<b>1</b>	<b>1</b>	<b>0.000</b>	<b>0.000</b>

<b>Total Earnings</b>	<b>September 30</b>	<b>Month Ending</b>
Current Year	0.00	
<b>Average Daily Balance</b>	<b>4,460,260.02</b>	
<b>Effective Rate of Return</b>	<b>0.00%</b>	

  
Kevin McCarthy, Agency Treasurer

Reporting period 09/01/2023-09/30/2023

Run Date: 11/28/2023 - 18:03

No fiscal year history available

Portfolio 14A  
CP  
PM (PRF\_PM1) 7.3.0  
Report Ver: 7.3.6.1

**2014, 2015, 2016, 2020 Series  
Portfolio Management  
Portfolio Details - Investments  
September 30, 2023**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Fitch	YTM 365	Days to Maturity	Maturity Date
<b>Money Market Sweep/Checking Account</b>												
SYS28	28	2014A Bonds Reserve		07/01/2022	0.00	0.00	0.00			0.000	1	
SYS26	26	All Bond Series Principal		07/01/2022	11.56	11.56	11.56			0.000	1	
SYS25	25	All Bond Series Interest		07/01/2022	0.00	0.00	0.00			0.000	1	
SYS27	27	All Bond Series Debt Svc		07/01/2022	10,572.92	10,572.92	10,572.92			0.000	1	
SYS24	1	Cost Of Issuance Escrow		07/01/2022	0.00	0.00	0.00			0.000	1	
		<b>Subtotal and Average</b>	<b>4,460,260.02</b>		<b>10,584.48</b>	<b>10,584.48</b>	<b>10,584.48</b>			<b>0.000</b>	<b>1</b>	
		<b>Total and Average</b>	<b>4,460,260.02</b>		<b>10,584.48</b>	<b>10,584.48</b>	<b>10,584.48</b>			<b>0.000</b>	<b>1</b>	




**2015 A Bonds  
Portfolio Management  
Portfolio Summary  
September 30, 2023**

City of Indian Wells  
44-950 Eldorado Drive  
Indian Wells CA 92210  
(760)346-2489

<b>Investments</b>	<b>Par Value</b>	<b>Market Value</b>	<b>Book Value</b>	<b>% of Portfolio</b>	<b>Term</b>	<b>Days to Maturity</b>	<b>YTM 360 Equiv.</b>	<b>YTM 365 Equiv.</b>
Money Market Sweep/Checking Account	1.00	1.00	1.00	100.00	1	1	0.000	0.000
<b>Investments</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>100.00%</b>	<b>1</b>	<b>1</b>	<b>0.000</b>	<b>0.000</b>

<b>Total Earnings</b>	<b>September 30 Month Ending</b>
Current Year	0.00
<b>Average Daily Balance</b>	<b>1.00</b>
<b>Effective Rate of Return</b>	<b>0.00%</b>

  
Kevin McCarthy, Agency Treasurer

Reporting period 09/01/2023-09/30/2023

Run Date: 11/21/2023 - 17:38

No fiscal year history available

Portfolio 15A  
CP  
PM (PRF\_PM1) 7.3.0  
Report Ver. 7.3.6.1

**2015 A Bonds  
Portfolio Management  
Portfolio Details - Investments  
September 30, 2023**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Fitch	YTM 365	Days to Maturity	Maturity Date
<b>Money Market Sweep/Checking Account</b>												
SYS27	27	2015 A Reserve		07/01/2022	1.00	1.00	1.00			0.000	1	
SYS22	22	UBC Cost Of Issuance Escrow		07/01/2022	0.00	0.00	0.00			0.000	1	
<b>Subtotal and Average</b>			<b>1.00</b>		<b>1.00</b>	<b>1.00</b>	<b>1.00</b>			<b>0.000</b>	<b>1</b>	
<b>Total and Average</b>			<b>1.00</b>		<b>1.00</b>	<b>1.00</b>	<b>1.00</b>			<b>0.000</b>	<b>1</b>	

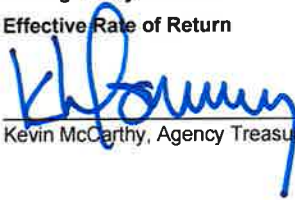


**2016 A Bonds  
Portfolio Management  
Portfolio Summary  
September 30, 2023**

City of Indian Wells  
44-950 Eldorado Drive  
Indian Wells CA 92210  
(760)346-2489

<b>Investments</b>	<b>Par Value</b>	<b>Market Value</b>	<b>Book Value</b>	<b>% of Portfolio</b>	<b>Term</b>	<b>Days to Maturity</b>	<b>YTM 360 Equiv.</b>	<b>YTM 365 Equiv.</b>
Money Market Sweep/Checking Account	1.00	1.00	1.00	100.00	1	1	0.000	0.000
<b>Investments</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>100.00%</b>	<b>1</b>	<b>1</b>	<b>0.000</b>	<b>0.000</b>

<b>Total Earnings</b>	<b>September 30</b>	<b>Month Ending</b>
Current Year	0.00	
<b>Average Daily Balance</b>	<b>1.00</b>	
<b>Effective Rate of Return</b>	<b>0.00%</b>	

  
Kevin McCarthy, Agency Treasurer

Reporting period 09/01/2023-09/30/2023

Run Date: 11/21/2023 - 18:14

No fiscal year history available

Portfolio 16A  
CP  
PM (PRF\_PM1) 7.3.0  
Report Ver. 7.3.6.1

**2016 A Bonds  
Portfolio Management  
Portfolio Details - Investments  
September 30, 2023**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Fitch	YTM 365	Days to Maturity	Maturity Date
<b>Money Market Sweep/Checking Account</b>												
SYS28	1	UBC Cost Of Issuance Escrow		07/01/2022	0.00	0.00	0.00			0.000	1	
SYS33	2	Union Bank Reserve Account		07/01/2022	1.00	1.00	1.00			0.000	1	
<b>Subtotal and Average</b>			<b>1.00</b>		<b>1.00</b>	<b>1.00</b>	<b>1.00</b>			<b>0.000</b>	<b>1</b>	
<b>Total and Average</b>			<b>1.00</b>		<b>1.00</b>	<b>1.00</b>	<b>1.00</b>			<b>0.000</b>	<b>1</b>	

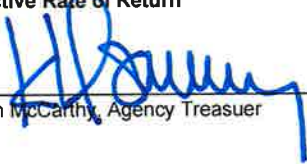


**2020 A Bonds  
Portfolio Management  
Portfolio Summary  
September 30, 2023**

City of Indian Wells  
44-950 Eldorado Drive  
Indian Wells CA 92210  
(760)346-2489

<b>Investments</b>	<b>Par Value</b>	<b>Market Value</b>	<b>Book Value</b>	<b>% of Portfolio</b>	<b>Term</b>	<b>Days to Maturity</b>	<b>YTM 360 Equiv.</b>	<b>YTM 365 Equiv.</b>
Money Market Sweep/Checking Account	1.00	1.00	1.00	100.00	1	1	0.000	0.000
<b>Investments</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>100.00%</b>	<b>1</b>	<b>1</b>	<b>0.000</b>	<b>0.000</b>

<b>Total Earnings</b>	<b>September 30 Month Ending</b>
Current Year	0.00
<b>Average Daily Balance</b>	<b>1.00</b>
<b>Effective Rate of Return</b>	<b>0.00%</b>

  
Kevin McCarthy, Agency Treasurer

Reporting period 09/01/2023-09/30/2023

Run Date: 11/21/2023 - 17:45

No fiscal year history available

Portfolio 20A  
CP  
PM (PRF\_PM1) 7.3.0  
Report Ver. 7.3.6.1

**2020 A Bonds  
Portfolio Management  
Portfolio Details - Investments  
September 30, 2023**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Fitch	YTM 365	Days to Maturity	Maturity Date
<b>Money Market Sweep/Checking Account</b>												
SYS1	1	2020 A Bonds COI		07/01/2022	0.00	0.00	0.00			0.000	1	
SYS2	2	2020 A Bonds Reserve		07/01/2022	1.00	1.00	1.00			0.000	1	
<b>Subtotal and Average</b>			<b>1.00</b>		<b>1.00</b>	<b>1.00</b>	<b>1.00</b>			<b>0.000</b>	<b>1</b>	
<b>Total and Average</b>			<b>1.00</b>		<b>1.00</b>	<b>1.00</b>	<b>1.00</b>			<b>0.000</b>	<b>1</b>	



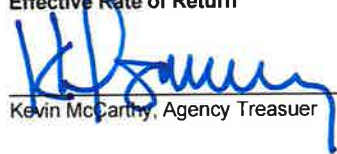


**2022 Bonds  
Portfolio Management  
Portfolio Summary  
September 30, 2023**

City of Indian Wells  
44-950 Eldorado Drive  
Indian Wells CA 92210  
(760)346-2489

<b>Investments</b>	<b>Par Value</b>	<b>Market Value</b>	<b>Book Value</b>	<b>% of Portfolio</b>	<b>Term</b>	<b>Days to Maturity</b>	<b>YTM 360 Equiv.</b>	<b>YTM 365 Equiv.</b>
Money Market Sweep/Checking Account	8,921,495.49	8,921,495.49	8,921,495.49	100.00	1	1	0.000	0.000
<b>Investments</b>	<b>8,921,495.49</b>	<b>8,921,495.49</b>	<b>8,921,495.49</b>	<b>100.00%</b>	<b>1</b>	<b>1</b>	<b>0.000</b>	<b>0.000</b>

<b>Total Earnings</b>	<b>September 30 Month Ending</b>
Current Year	0.00
<b>Average Daily Balance</b>	<b>9,034,064.01</b>
<b>Effective Rate of Return</b>	<b>0.00%</b>

  
Kevin McCarthy, Agency Treasurer

Reporting period 09/01/2023-09/30/2023

Run Date: 11/21/2023 - 18:29

No fiscal year history available

Portfolio 22  
CP  
PM (PRF\_PM1) 7.3.0  
Report Ver. 7.3.6.1

**2022 Bonds  
Portfolio Management  
Portfolio Details - Investments  
September 30, 2023**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Fitch	YTM 365	Days to Maturity	Maturity Date
<b>Money Market Sweep/Checking Account</b>												
SYS2	2	2022 Bonds COI		07/01/2022	0.00	0.00	0.00			0.000	1	
SYS4	4	2022 Bonds Interest		03/16/2023	247,525.53	247,525.53	247,525.53			0.000	1	
SYS1	1	2022 Bonds Project Fund		07/01/2022	8,673,090.09	8,673,090.09	8,673,090.09			0.000	1	
SYS5	5	2022 Bonds Redemption Fund		03/16/2023	877.77	877.77	877.77			0.000	1	
SYS3	3	2022 Bonds Payment Fund		09/21/2022	2.10	2.10	2.10			0.000	1	
<b>Subtotal and Average</b>			<b>9,034,064.01</b>		<b>8,921,495.49</b>	<b>8,921,495.49</b>	<b>8,921,495.49</b>			<b>0.000</b>	<b>1</b>	
<b>Total and Average</b>			<b>9,034,064.01</b>		<b>8,921,495.49</b>	<b>8,921,495.49</b>	<b>8,921,495.49</b>			<b>0.000</b>	<b>1</b>	

# INDIAN WELLS CITY COUNCIL

## December 7, 2023



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**To:** City Council  
**From:** Finance Department  
**Prepared by:** Ruby D. Walla, Assistant Finance Director  
**Subject:** **City Treasurer's Report for October 2023**

### RECOMMENDED ACTIONS:

Council **RECEIVES** and **FILES** the City Treasurer's Report for October 2023.

### DISCUSSION:

This report comprehensively analyzes the City of Indian Wells' cash and investment position as of October 31, 2023. The city maintains a robust investment strategy, focusing on prudence, liquidity, and compliance with legal requirements. The Treasurer's certification ensures adherence to the city's investment policy and compliance with the State of California Government Code section 53600.

#### Financial Snapshot:

As of October 31, 2023:

- Total cash and investments: \$66,090,584.15
- Portfolio rate of return: 2.004%

#### Treasurer's Certification:

The City Treasurer certifies:

- Compliance with the city's investment policy and legal requirements.
- Adequate liquidity to meet financial obligations for the next six months, ensuring static and dynamic liquidity.

#### Fiscal Prudence:

Aligned with the fiduciary duty, the city adheres to a prudent investment approach, considering economic conditions and anticipated needs. Investments are guided by a written policy emphasizing safety, liquidity, and yield.

## **BACKGROUND:**

The Treasurer's Report provides a monthly update on cash activity and the investment portfolio, ensuring reconciliation with the General Ledger. Investments align with the city's investment policy and State legislation, covering U.S. treasuries, federal agency securities, corporate notes, municipal bonds, CDs, and overnight cash investments.

### Investment Strategy:

The city's investment portfolio is designed to achieve a market rate of return within risk constraints. Diversification across institutions, security types, and maturities maximizes safety and yield amid changing market conditions.

## **FISCAL IMPACT:**

The investment portfolio generated \$152,333.62 in earnings for October 2023. The investment strategy aims for consistent returns throughout budgetary and economic cycles, reflecting prudent risk management. Moreover, the strategy's success in consistently generating returns reflects its adaptability to changing market conditions. As economic cycles fluctuate, the city's investment approach remains resilient, adjusting to dynamic financial landscapes to optimize safety and yield.

## **ATTACHMENTS:**

1. City Treasurer's Report

<b><u>UNRESTRICTED FUNDS</u></b>	<b><u>October 2023</u></b>	<b><u>October 2022</u></b>
<b>GENERAL FUND</b>		
101 - GENERAL	\$ 13,136,441.40	\$ 9,772,464.05
<b>TOTAL GENERAL FUND</b>	<b>13,136,441.40</b>	<b>9,772,464.05</b>
<b><u>RESTRICTED FUNDS</u></b>		
<b>SPECIAL REVENUE FUNDS</b>		
202 - TRAFFIC SAFETY	14,475.45	7,279.62
203 - PUBLIC SAFETY 1/2 CENT SALES TAX	17,710.44	15,755.56
204 - MEASURE "A"	117,218.03	116,854.63
209 - F.A.M.D. #1	1,432,145.76	1,852,676.74
210 - SCAQMD (VEHICLE REG.)	14,798.85	13,269.33
211 - AB 3229 COPS FUNDING	19,738.43	79,796.43
214 - GAS TAX 2103 MAINTENANCE	20,046.25	14,496.25
215 - GAS TAX 2105 MAINTENANCE	12,261.06	8,940.28
216 - GAS TAX 2106 CONSTRUCT/MAINT	9,853.85	7,223.59
217 - GAS TAX 2107 MAINTENANCE	16,888.44	12,362.55
218 - GAS TAX 2107.5 ENG./ADMIN	1,000.00	1,000.00
219 - GAS TAX RMRA	146,405.16	38,398.43
228 - EMERG. UPGRADE SERVICES	4,455,457.38	3,928,946.24
247 - AB 939 RECYCLING FUND	291,176.50	399,551.09
248 - SOLID WASTE	143,456.41	218,161.21
251 - STREET LIGHTING DISTRICT 2000-1	16,625.24	14,630.15
253- INDIAN WELLS VILLAS OPERATIONS	96,945.46	1,330,554.81
254- MOUNTAIN VIEW VILLAS OPERATIONS	1,554.20	2,075,291.54
256- HOUSING AUTHORITY	2,663,635.99	12,348,113.88
271 - ELDORADO DRIVE LLM D	59,924.71	59,804.06
272 - MONTECITO/STARDUST LLM D	4,823.42	3,876.09
273 - CASA DORADO LLM D	904.41	996.40
274 - THE COVE LLM D	7,210.32	1,392.72
275 - SH 111/IWGR (ENTRANCE) LLM D	71,051.56	21,779.01
276 - CLUB/IW LANE LLM D	17,913.45	11,306.01
277 - COLONY LLM D	75,141.54	70,887.37
278 - COLONY COV ESTATES LLM D	47,928.88	52,147.40
279 - DESERT HORIZONS LLM D	20,538.88	15,604.36
280 - MOUNTAIN GATE LLM D	93,606.88	90,262.68
281 - MOUNTAIN GATE ESTATES LLM D	43,918.54	45,780.44
282 - VILLAGIO LLM D	219,402.77	226,403.35
283 - VAIDYA LLM D	35,043.86	34,670.79
284 - CLUB, SOUTH OF 111 LLM D	30,971.89	28,178.43
285 - MONTELENA LLM D	70,390.35	64,648.88
286 - SUNDANCE LLM D	325.49	1,965.44
287 - PROVINCE LLM D	83,955.09	78,706.38
288 - PROVINCE DBAD	559,699.29	555,949.58
<b>TOTAL SPECIAL REVENUE FUNDS</b>	<b>10,934,144.23</b>	<b>23,847,661.72</b>
<b>CAPITAL PROJECT FUNDS</b>		
310 - PARK FACILITIES FEES	27,639.45	0.00
311 - TRANSPORTATION FACILITIES FEES	25,987.42	0.00
313 - RECREATION FACILITIES FEES	52,039.95	0.00
314 - PARK-IN-LIEU FEES	15,033.45	45,010.00
315 - CITYWIDE PUBLIC IMPROVEMENT FEE	8,494.28	64,714.00
316 - CAPITAL IMPROVEMENT	9,059,221.83	8,600,380.31
319 - ART IN PUBLIC PLACES	649,659.63	407,226.45
321 - HIGHWAY 111 CIRCULATION IMP FEE	37,152.70	36,233.70
<b>TOTAL CAPITAL PROJECT FUNDS</b>	<b>9,875,228.71</b>	<b>9,153,564.46</b>

**RESTRICTED FUNDS (Cont.)**

	<b><u>October 2023</u></b>	<b><u>October 2022</u></b>
<b>REPLACEMENT FUNDS</b>		
326 - BUILDINGS CAPITAL RESERVE	1,990,616.80	1,670,511.80
327 - BRIDGES CAPITAL RESERVE	1,790,016.00	1,717,718.00
328 - MEDIANS & PARKWAYS CAPITAL RESERVE	1,424,895.07	1,367,251.07
329 - STORM DRAINS CAPITAL RESERVE	719,746.00	690,432.00
330 - TRAFFIC SIGNALS CAPITAL RESERVE	590,920.00	567,375.00
331 - TECHNOLOGY CAPITAL RESERVE	539,633.00	518,147.00
332 - CITY STREETS CAPITAL RESERVE	17,170,499.00	18,840,062.00
333 - CITY VEHICLES CAPITAL RESERVE	123,655.00	118,879.00
334 - NAMING RIGHTS CAPITAL RESERVE	0.00	0.00
350 - DISASTER RECOVERY RESERVE	291,850.00	142,129.00
<b>TOTAL REPLACEMENT FUNDS</b>	<b><u>24,641,830.87</u></b>	<b><u>25,632,504.87</u></b>
<b>SUCCESSOR AGENCY FUNDS</b>		
453 - DEBT SERVICE	2,527,210.64	544,757.56
456 - RDA OBLIGATION RETIREMENT	0.00	1,062,774.00
460 - INDIAN WELLS FINANCING AUTHORITY	273.98	0.00
<b>TOTAL SUCCESSOR AGENCY FUNDS</b>	<b><u>2,527,484.62</u></b>	<b><u>1,607,531.56</u></b>
<b>ENTERPRISE FUNDS</b>		
560 - INDIAN WELLS GOLF RESORT	1,500,000.00	1,049,566.56
<b>TOTAL ENTERPRISE FUNDS</b>	<b><u>1,500,000.00</u></b>	<b><u>1,049,566.56</u></b>
<b>INTERNAL SERVICE FUNDS</b>		
601 - OPEB BENEFIT FUND	2,103,853.73	914,596.48
<b>TOTAL INTERNAL SERVICE FUNDS</b>	<b><u>2,103,853.73</u></b>	<b><u>914,596.48</u></b>
<b>RESERVE FUNDS</b>		
602 - COMPENSATED ABSENCES	624,787.00	581,403.00
<b>TOTAL RESERVE FUNDS</b>	<b><u>624,787.00</u></b>	<b><u>581,403.00</u></b>
<b>TRUST &amp; AGENCY FUNDS</b>		
732 - SPECIAL DEPOSITS	746,813.59	825,678.55
<b>TOTAL TRUST &amp; AGENCY FUNDS</b>	<b><u>746,813.59</u></b>	<b><u>825,678.55</u></b>
<b>TOTAL ALL FUNDS</b>	<b><u>66,090,584.15</u></b>	<b><u>73,384,971.25</u></b>
<b>FISCAL AGENTS</b>		
253 - INDIAN WELLS VILLAS	325,207.50	540,713.94
254 - MOUNTAIN VIEW VILLAS	334,417.52	1,196,195.02
453 - US BANK TRUSTEE - SUCCESSOR AGENCY DEBT SERVICE	4,613,706.11	11.44
460 - US BANK - INDIAN WELLS FINANCE AUTHORITY	9,037,945.68	12,060,999.93
560 - INDIAN WELLS GOLF RESORT	1,223,586.84	1,915,242.12
601 - PARS SECTION 115 TRUST - PENSION	884,631.61	822,918.67
601 - PARS SECTION 115 TRUST - OPEB	214,711.20	199,678.19
<b>TOTAL FISCAL AGENTS</b>	<b><u>16,634,206.46</u></b>	<b><u>16,735,759.31</u></b>
<b>TOTAL ALL FUNDS &amp; FISCAL AGENTS</b>	<b><u>\$ 82,724,790.61</u></b>	<b><u>\$ 90,120,730.56</u></b>
<b>UNRESTRICTED FUNDS</b>	<b>13,136,441.40</b>	<b>9,772,464.05</b>
<b>RESTRICTED FUNDS</b>	<b><u>69,588,349.21</u></b>	<b><u>80,348,266.51</u></b>
	<b><u>\$ 82,724,790.61</u></b>	<b><u>\$ 90,120,730.56</u></b>

City of Indian Wells  
**Bank Reconciliation Report - City Held Cash**  
 Finance Department

MONTH: **October 31, 2023**

Investment #	Investment Type	Investment Description	Book Value
<b>Bank Checking &amp; Sweep</b>			
1		Pacific Western Bank - Sweep ***1117	629,139.79
2		Pacific Western Bank - Accts. Payable ***3411	0.00
3		Pacific Western Bank - Payroll ***1752	0.00
6		Pacific Western Bank - Ambulance ***7937	0.00
7		Pacific Western Bank - Public Funds MMA ***5064	15,434.47
8		US Bank Money Market - Investment	0.00
9		US Bank Money Market - 4590	1,816,295.51
10		US Bank Money Market - 4591	19,236.37
19		Petty Cash	2,000.00
			<b>2,482,106.14</b>
21	<b>Managed Pool Accounts</b>	Local Agency Investment Fund - City 98-33-385	3,589,587.38
			<b>3,589,587.38</b>
<b>Certificates of Deposit</b>			
498		Certificate of Deposit-RIA Federal Credit Union 749622AL0	249,000.00
499		Certificate of Deposit-Capital One Bank 14042TAY3	247,000.00
501		Certificate of Deposit-BankWest 06652CHA2	249,000.00
512		Certificate of Deposit-BMW Bank North America 05580AVX9	250,000.00
513		Certificate of Deposit-Nicolet Nation Bank 654062JZ2	250,000.00
514		Certificate of Deposit-Live Oak Banking Company 538036LD4	250,000.00
515		Certificate of Deposit-Alma Bank 020080BX4	250,000.00
516		Certificate of Deposit-State Bank of India 856285TF8	248,000.00
517		Certificate of Deposit-First Natl Bank of McGregor TX 32112UDR9	249,000.00
518		Certificate of Deposit-Centerstate Bank 15201QDE4	248,000.00
519		Certificate of Deposit-Northwest Bank 66736ABV0	249,000.00
520		Certificate of Deposit-Encore Bank 29260MBE4	249,000.00
521		Certificate of Deposit-First Freedom Bank 32027BAM9	249,000.00
522		Certificate of Deposit-Pacific Western Bank 69506VRL5	248,000.00
525		Certificate of Deposit-Bank of Baroda 06063HMS9	249,000.00
548		Certificate of Deposit-Toyota Financial Sgs Bank 89235MKY6	250,000.00
550		Certificate of Deposit-Greenstate Credit Union 39573LBL1	250,000.00
557		Certificate of Deposit-Pentacon Federal Credit Union 70962LAS1	249,000.00
558		Certificate of Deposit-Nelnet Bank, Inc 64034KAG6	250,000.00
561		Certificate of Deposit-Beal Bank 07371AYE7	250,000.00
562		Certificate of Deposit-Beal Bank USA 07371CE88	250,000.00
574		Certificate of Deposit-Austin Telco Fed Credit Union 052392BT3	250,000.00
573		Certificate of Deposit-Capital One NA 14042RUJ8	250,000.00
575		Certificate of Deposit-Synchrony Bank 87164XR65	250,000.00
579		Certificate of Deposit-Pacific Western Bank	250,000.00
580		Certificate of Deposit-Pacific Western Bank	250,000.00
581		Certificate of Deposit-Pacific Western Bank	250,000.00
585		Certificate of Deposit-Liberty First Credit Union 530520AK1	249,000.00
586		Certificate of Deposit-First Guaranty Bank Hammond LA	249,000.00
587		Certificate of Deposit-Medallion Bank Utah 58404DSW2	249,000.00
588		Certificate of Deposit-Pitney Bowes Bank 72468AG8	244,000.00
589		Certificate of Deposit-Bank Five Nine 062119CD2	249,000.00
590		Certificate of Deposit-First Foundation Bank 32026UW51	244,000.00
591		Certificate of Deposit-Summit National Bank 86616RAGO	249,000.00
592		Certificate of Deposit-First National Bank of America 32110YD93	249,000.00
			<b>8,715,000.00</b>
<b>Medium Term Corporate Notes</b>			
524		Bank of New York Mellon Corp 06406RAH7	1,005,638.42
526		Montebello CA Pens Oblig AA 612285AE6	1,025,906.73
533		JP Morgan Chase Bank NA 46632FRU1	2,000,000.00
538		JP Morgan Chase 48128G2O2	1,000,000.00
549		Bank of America MTN 06048WM31	1,000,000.00
556		Bank of America MTN 06048WM72	1,000,000.00
576		John Deere Capital Corp 24422EWR6	1,023,119.14
			<b>8,054,664.29</b>
<b>Federal Agency Issues</b>			
527		Fed. Natl Mortgage Assoc. 3136G4C43	2,000,000.00
529		Fed. Farm Credit Bank 3133ELZ80	2,000,000.00
530		Fed. Home Loan Mtg Corp 3134GWCG9	1,000,315.20
532		Fed. Natl Mortgage Assoc 3135GAZ23	2,000,000.00
534		Fed. Farm Credit Bank 3130AL351	1,000,000.00
535		Fed. Farm Credit Bank 3130AL6G4	1,000,000.00
536		Fed. Farm Credit Bank 3130AL6J8	2,000,000.00
539		Fed. Farm Credit Bank 3130ALDN1	2,000,000.00
541		Fed. Farm Credit Bank 3130ALH20	1,000,000.00
542		Fed. Farm Credit Bank 3130ALJ62	1,000,000.00
544		Fed. Farm Credit Bank 3130ALMM3	2,000,000.00
546		Fed. Farm Credit Bank 3130ALW67	1,000,000.00
551		Fed. Farm Credit Bank 3130AMW57	2,000,000.00
552		Fed. Farm Credit Bank 3133EMH21	2,000,000.00
553		Fed. Farm Credit Bank 3133EMH67	2,000,000.00
554		Fed. Farm Credit Bank 3133EMN99	2,000,000.00
555		Fed. Farm Credit Bank 3133EMW73	3,000,000.00
559		Fed. Home Loan Bank 3130AQWF6	1,000,000.00
560		Fed. Home Loan Bank 3130AQWJ8	1,000,000.00
563		Fed. Home Loan Bank 3130AQZ55	1,000,000.00
565		Fed. Home Loan Bank 3130ARCV1	2,000,000.00
564		Fed. Home Loan Mtg Corp 3134GXMX9	1,000,000.00
566		Fed. Home Loan Bank 3130ARGES	1,000,000.00
567		Fed. Home Loan Mtg Corp 3134GXOP2	1,000,000.00
568		Fed. Home Loan Bank 3130AS320	1,700,000.00
569		Fed. Home Loan Bank 3134GXUM4	1,000,000.00
571		Fed. Home Loan Bank 3130ASS67	1,000,000.00
572		Fed. Home Loan Bank 3130ASS91	1,000,000.00
582		Fed. Farm Credit Bank 3133EPPC3	2,000,000.00
			<b>43,700,315.20</b>
<b>Municipal Bonds</b>			
537		Dixon CA Unified School District 255651KY6	501,011.14
531		Natomas CA School District 63877NMM6	300,000.00
			<b>801,011.14</b>
<b>Treasury Discounts-Amortizing</b>			
577		United States Treasury Bill 912797FK8	2,993,733.57
584		United States Treasury Bill 912797FV4	993,073.68
			<b>3,986,807.25</b>
<b>Total Pooled Cash and Investments</b>			<b>\$ 71,329,491.40</b>
Fair Value Increase (over cost)			(5,063,137.12)
<b>Outstanding items</b>			
Outstanding Warrants/Wire Transfers			(225,315.22)
Outstanding Outstanding ACH Payments			45,751.87
Credit Card in Transit			3,793.22
<b>Total Outstanding Items</b>			<b>(175,770.13)</b>
<b>Reconciled Bank Balance</b>			<b>\$ 66,090,584.15</b>
<b>General Ledger Balance</b>			<b>\$ 66,090,584.15</b>
			0.00



The City of Indian Wells  
**Portfolio Management**  
**Portfolio Summary**  
**October 31, 2023**

City of Indian Wells  
 44-950 Eldorado Drive  
 Indian Wells CA 92210  
 (760)346-2489

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Bank Certificates of Deposit	750,000.00	750,000.00	750,000.00	1.05	254	107	5.323	5.397
Managed Pool Accounts - LAIF	3,589,587.38	3,589,587.38	3,589,587.38	5.03	1	1	3.620	3.670
Money Market Sweep/Checking Account	2,482,106.14	2,482,106.14	2,482,106.14	3.48	1	1	3.914	3.968
Negotiable CD's	7,965,000.00	7,522,956.83	7,965,000.00	11.17	1,796	969	1.936	1.963
Medium Term Corporate Notes	8,000,000.00	7,245,980.00	8,054,664.29	11.29	1,803	885	1.341	1.360
Federal Agency Issues - Callables	43,700,000.00	40,447,880.00	43,700,315.20	61.27	1,590	784	1.530	1.551
Miscellaneous Securities - Coupon	800,000.00	760,444.00	801,011.14	1.12	1,449	411	0.653	0.662
Treasury Discounts -Amortizing	4,000,000.00	3,986,070.00	3,986,807.25	5.59	175	24	5.185	5.258
	<b>71,286,693.52</b>	<b>66,785,024.35</b>	<b>71,329,491.40</b>	<b>100.00%</b>	<b>1,407</b>	<b>696</b>	<b>1.976</b>	<b>2.004</b>

**Investments**

**Total Earnings**                      **October 31 Month Ending**

Current Year                              127,834.42

**Average Daily Balance**                      **72,492,649.74**

**Effective Rate of Return**                      **2.08%**

The above investments are consistent with the City's investment policy and allowable under current legislation of the State of California. Investments were purchased using safety, liquidity, and yield as criteria. In addition, cash flow from revenue and maturing investments will be sufficient to cover expenditures for the next six months. All securities are "Marked-to-Market" on a monthly basis.

  
 Kevin McCarthy, Finance Director

Reporting period 10/01/2023-10/31/2023

Run Date: 11/28/2023 - 15:17

No fiscal year history available

Portfolio CITY  
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 PM (PRF\_PM1) 7.3.0  
 Report Ver. 7.3.6.1



**The City of Indian Wells  
Portfolio Management  
Portfolio Details - Investments  
October 31, 2023**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Fitch	YTM	Days to Maturity	Maturity Date
<b>Bank Certificates of Deposit</b>												
SYS579	579	Pacific Western Bank		06/07/2023	250,000.00	250,000.00	250,000.00	5.350		5.350	67	01/07/2024
SYS580	580	Pacific Western Bank		06/07/2023	250,000.00	250,000.00	250,000.00	5.250		5.250	6	11/07/2023
SYS581	581	Pacific Western Bank		06/07/2023	250,000.00	250,000.00	250,000.00	5.370		5.370	249	07/07/2024
<b>Subtotal and Average</b>			<b>750,000.00</b>		<b>750,000.00</b>	<b>750,000.00</b>	<b>750,000.00</b>			<b>5.323</b>	<b>107</b>	
<b>Managed Pool Accounts - LAIF</b>												
SYS21	21	LAIF - City			3,589,587.38	3,589,587.38	3,589,587.38	3.670		3.620	1	
SYS23	23	LAIF - Redevelopment			0.00	0.00	0.00	0.233		0.230	1	
<b>Subtotal and Average</b>			<b>2,038,936.86</b>		<b>3,589,587.38</b>	<b>3,589,587.38</b>	<b>3,589,587.38</b>			<b>3.620</b>	<b>1</b>	
<b>Money Market Sweep/Checking Account</b>												
SYS1	1	Pacific Western Bank			629,139.79	629,139.79	629,139.79	0.250		0.247	1	
SYS6	6	Pacific Western Bank-Ambulance		07/01/2022	0.00	0.00	0.00			0.000	1	
SYS7	7	Pacific Western-PublicFundsMMA			15,434.47	15,434.47	15,434.47	3.590		3.541	1	
SYS8	8	US Bank Money Market		07/01/2022	0.00	0.00	0.00			0.000	1	
SYS10	10	US Bank Money Market-4591		08/30/2022	19,236.37	19,236.37	19,236.37	5.230		5.158	1	
SYS9	9	US Bank Money Market-4590		08/30/2022	1,816,295.51	1,816,295.51	1,816,295.51	5.250		5.178	1	
SYS2	2	Pacific Western - Acct Payable		07/01/2022	0.00	0.00	0.00			0.000	1	
SYS3	3	Pacific Western-Payroll		07/01/2022	0.00	0.00	0.00			0.000	1	
SYS4	4	Union Bank-Checking			0.00	0.00	0.00	0.200		0.197	1	
SYS19	19	Petty Cash		07/01/2022	2,000.00	2,000.00	2,000.00			0.000	1	
SYS5	5	WestAmerica Bank		07/01/2022	0.00	0.00	0.00			0.000	1	
<b>Subtotal and Average</b>			<b>3,938,345.71</b>		<b>2,482,106.14</b>	<b>2,482,106.14</b>	<b>2,482,106.14</b>			<b>3.914</b>	<b>1</b>	
<b>Negotiable CD's</b>												
020080BX4	515	Alma Bank		03/31/2020	250,000.00	235,515.00	250,000.00	1.400		1.380	513	03/28/2025
052392BT3	574	Austin Telco Fed Credit Union		09/21/2022	250,000.00	235,922.50	250,000.00	3.800		3.748	1,420	09/21/2027
06063HMS9	525	Bank of Baroda		07/22/2020	249,000.00	228,873.33	249,000.00	0.700		0.690	629	07/22/2025
062119CD2	589	Bank Five Nine		07/31/2023	249,000.00	239,674.95	249,000.00	4.500		4.438	1,731	07/28/2028
06652CHA2	501	BankWest Inc.		07/26/2019	249,000.00	242,428.89	249,000.00	2.000		1.973	268	07/26/2024
07371AYE7	561	Beal Bank - Plano TX		02/23/2022	250,000.00	224,907.50	250,000.00	1.900		1.874	1,204	02/17/2027
07371CE88	562	Beal Bank USA		02/23/2022	250,000.00	224,907.50	250,000.00	1.900		1.874	1,204	02/17/2027
05580AVX9	512	BMW BANK NORTH AMERICA		03/31/2020	250,000.00	236,050.00	250,000.00	1.550		1.529	516	03/31/2025
14042TAY3	499	Capital One Bank USA NA		07/18/2019	247,000.00	241,798.18	247,000.00	2.300		0.000	238	06/26/2024
14042RUJ8	573	Capital One NA		09/21/2022	250,000.00	236,882.50	250,000.00	3.900		0.000	1,420	09/21/2027

Portfolio CITY  
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**The City of Indian Wells  
Portfolio Management  
Portfolio Details - Investments  
October 31, 2023**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Fitch	YTM 360	Days to Maturity	Maturity Date
<b>Negotiable CD's</b>												
15201QDE4	518	Centerstate Bank NA		04/30/2020	248,000.00	232,348.72	248,000.00	1.250		1.233	546	04/30/2025
29260MBE4	520	ENCORE BANK		04/30/2020	249,000.00	243,718.71	249,000.00	1.150		1.135	181	04/30/2024
32027BAM9	521	First Freedom Bank		04/30/2020	249,000.00	243,658.95	249,000.00	1.100		1.086	181	04/30/2024
320437AD8	586	First Guaranty Bank Hammond LA		08/11/2023	249,000.00	239,655.03	249,000.00	4.500		4.438	1,738	08/04/2028
32110YD93	592	First National Bank of America		08/16/2023	249,000.00	245,446.77	249,000.00	4.450		4.394	1,749	08/15/2028
32026UW51	590	First Foundation Bank		08/16/2023	244,000.00	234,291.24	244,000.00	4.450		0.000	1,743	08/09/2028
32112UDR9	517	First Natl Bank of McGregor TX		04/28/2020	249,000.00	233,594.37	249,000.00	1.350		1.332	544	04/28/2025
39573LBL1	550	Greenstate Credit Union		06/16/2021	250,000.00	222,795.00	250,000.00	0.900		0.888	958	06/16/2026
530520AK1	585	Liberty First Credit Union		08/11/2023	249,000.00	243,805.86	249,000.00	4.700		4.641	1,741	08/07/2028
538036LD4	514	Live Oak Banking Company		03/31/2020	250,000.00	235,470.00	250,000.00	1.400		1.382	516	03/31/2025
58404DSW2	587	Medallion Bank Utah		07/31/2023	249,000.00	238,659.03	249,000.00	4.400		4.406	1,734	07/31/2028
64034KAG6	558	Nelnet Bank, Inc.		02/02/2022	250,000.00	222,282.50	250,000.00	1.500		1.479	1,189	02/02/2027
654062JZ2	513	Nicolet National Bank		03/31/2020	250,000.00	235,472.50	250,000.00	1.400		1.382	516	03/31/2025
66736ABV0	519	Northwest Bank		04/30/2020	249,000.00	233,004.24	249,000.00	1.200		1.184	546	04/30/2025
69506YRL5	522	Pacific Western Bank CA CD		04/30/2020	248,000.00	232,348.72	248,000.00	1.250		1.233	546	04/30/2025
70962LAS1	557	Pentagon Federal Credit Union		09/29/2021	249,000.00	220,051.26	249,000.00	0.900		0.888	1,063	09/29/2026
724468AG8	588	Pitney Bowes Bank Inc.		07/31/2023	244,000.00	233,817.88	244,000.00	4.400		0.000	1,734	07/31/2028
749622AL0	498	RIA Federal Credit Union		06/24/2019	249,000.00	247,896.93	249,000.00	2.500		2.468	55	12/26/2023
856285TF8	516	State Bank of India NY, NY CD		04/29/2020	248,000.00	233,603.60	248,000.00	1.600		1.578	545	04/29/2025
86616RAG0	591	Summit National Bank		08/16/2023	249,000.00	242,732.67	249,000.00	4.500		4.443	1,744	08/10/2028
87164XR65	575	Synchrony Bank		09/23/2022	250,000.00	237,287.50	250,000.00	3.950		3.896	1,422	09/23/2027
89235MKY6	548	Toyota Financial Sgs Bk		04/22/2021	250,000.00	224,055.00	250,000.00	0.900		0.888	903	04/22/2026
<b>Subtotal and Average</b>			<b>8,424,677.42</b>		<b>7,965,000.00</b>	<b>7,522,956.83</b>	<b>7,965,000.00</b>			<b>1.936</b>	<b>969</b>	
<b>Medium Term Corporate Notes</b>												
06048WM31	549	Bank of America MTN A		05/28/2021	1,000,000.00	881,310.00	1,000,000.00	1.250		1.233	939	05/28/2026
06048WM72	556	Bank of America MTN A		07/30/2021	1,000,000.00	874,090.00	1,000,000.00	1.200		1.184	1,002	07/30/2026
06406RAN7	524	Bank of New York Mellon Corp		05/14/2020	1,000,000.00	938,130.00	1,005,638.42	1.600		1.190	540	04/24/2025
24422EWR6	576	John Deere Capital Corp		05/18/2023	1,000,000.00	971,180.00	1,023,119.14	4.750		4.083	1,541	01/20/2028
48128G2Q2	538	JPMorgan Chase & Co		02/26/2021	1,000,000.00	880,720.00	1,000,000.00	0.800		0.789	848	02/26/2026
46632FRU1	533	JP Morgan Chase Bank NA		01/22/2021	2,000,000.00	1,751,040.00	2,000,000.00	0.700		0.690	813	01/22/2026
612285AE6	526	Montebello CA Pens Oblig AA		07/17/2020	1,000,000.00	949,510.00	1,025,906.73	2.503		0.819	578	06/01/2025
<b>Subtotal and Average</b>			<b>8,055,664.07</b>		<b>8,000,000.00</b>	<b>7,245,980.00</b>	<b>8,054,664.29</b>			<b>1.341</b>	<b>885</b>	

**The City of Indian Wells  
Portfolio Management  
Portfolio Details - Investments  
October 31, 2023**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Fitch	YTM	Days to Maturity	Maturity Date
<b>Federal Agency Issues - Callables</b>												
3133ELZ80	529	Fed. Farm Credit Bank		07/29/2020	2,000,000.00	1,844,200.00	2,000,000.00	0.580		0.572	636	07/29/2025
3133EMH21	552	Fed. Farm Credit Bank		06/17/2021	2,000,000.00	1,794,900.00	2,000,000.00	0.900		0.888	957	06/15/2026
3133EML67	553	Fed. Farm Credit Bank		06/22/2021	2,000,000.00	1,788,700.00	2,000,000.00	0.800		0.789	964	06/22/2026
3133EMN99	554	Fed. Farm Credit Bank		06/30/2021	2,000,000.00	1,854,920.00	2,000,000.00	0.740		0.730	607	06/30/2025
3133EMW73	555	Fed. Farm Credit Bank		07/28/2021	3,000,000.00	2,675,910.00	3,000,000.00	0.870		0.858	1,000	07/28/2026
3133EPPC3	582	Fed. Farm Credit Bank		07/03/2023	2,000,000.00	1,996,940.00	2,000,000.00	5.375		5.301	245	07/03/2024
3130AL3S1	534	Fed. Home Loan Bank		02/17/2021	1,000,000.00	902,380.00	1,000,000.00	0.625		0.616	839	02/17/2026
3130AL6G4	535	Fed. Home Loan Bank		02/25/2021	1,000,000.00	901,040.00	1,000,000.00	0.600		0.592	847	02/25/2026
3130AL6J8	536	Fed. Home Loan Bank		02/24/2021	2,000,000.00	1,803,360.00	2,000,000.00	0.625		0.616	846	02/24/2026
3130ALDN1	539	Fed. Home Loan Bank		03/16/2021	2,000,000.00	1,806,840.00	2,000,000.00	0.800		0.789	866	03/16/2026
3130ALHZ0	541	Fed. Home Loan Bank		03/18/2021	1,000,000.00	925,420.00	1,000,000.00	0.530		0.523	595	06/18/2025
3130ALJ62	542	Fed. Home Loan Bank		03/24/2021	1,000,000.00	904,340.00	1,000,000.00	0.875		0.863	874	03/24/2026
3130ALMM3	544	Fed. Home Loan Bank		03/30/2021	2,000,000.00	1,813,020.00	2,000,000.00	1.000		0.986	880	03/30/2026
3130ALW67	546	Fed. Home Loan Bank		04/22/2021	1,000,000.00	906,920.00	1,000,000.00	1.100		1.085	903	04/22/2026
3130AMW57	551	Fed. Home Loan Bank		06/30/2021	2,000,000.00	1,809,160.00	2,000,000.00	0.750		0.700	972	06/30/2026
3130AQWF6	559	Fed. Home Loan Bank		02/25/2022	1,000,000.00	909,150.00	1,000,000.00	2.150		2.121	1,212	02/25/2027
3130AQWJ8	560	Fed. Home Loan Bank		02/24/2022	1,000,000.00	906,280.00	1,000,000.00	2.050		2.022	1,211	02/24/2027
3130AQZ55	563	Fed. Home Loan Bank		03/10/2022	1,000,000.00	918,630.00	1,000,000.00	2.500		2.466	1,225	03/10/2027
3130ARCV1	565	Fed. Home Loan Bank		03/28/2022	2,000,000.00	1,974,000.00	2,000,000.00	2.250		1.846	148	03/28/2024
3130ARGE5	566	Fed. Home Loan Bank		04/21/2022	1,000,000.00	930,380.00	1,000,000.00	3.000		2.959	1,267	04/21/2027
3130AS3Z0	568	Fed. Home Loan Bank		05/26/2022	1,700,000.00	1,657,500.00	1,700,000.00	3.000		2.959	391	11/26/2024
3130ASS67	571	Fed. Home Loan Bank		08/16/2022	1,000,000.00	965,780.00	1,000,000.00	4.500		4.438	1,384	08/16/2027
3130ASS91	572	Fed. Home Loan Bank		08/10/2022	1,000,000.00	953,940.00	1,000,000.00	4.000		3.945	1,378	08/10/2027
3134GWCG9	530	Fed. Home Loan Mtg Corp		07/30/2020	1,000,000.00	932,260.00	1,000,315.20	0.650		0.621	546	04/30/2025
3134GXMX9	564	Fed. Home Loan Mtg Corp		03/25/2022	1,000,000.00	956,390.00	1,000,000.00	2.200		2.170	510	03/25/2025
3134GXQP2	567	Fed. Home Loan Mtg Corp		04/28/2022	1,000,000.00	965,940.00	1,000,000.00	3.030		2.988	544	04/28/2025
3134GXUM4	569	Fed. Home Loan Mtg Corp		06/07/2022	1,000,000.00	984,920.00	1,000,000.00	3.050		3.008	219	06/07/2024
3136G4C43	527	Fed. Nat'l Mortgage Assoc		08/14/2020	2,000,000.00	1,842,680.00	2,000,000.00	0.650		0.641	652	08/14/2025
3135GA2Z3	532	Fed. Nat'l Mortgage Assoc		11/17/2020	2,000,000.00	1,821,980.00	2,000,000.00	0.560		0.552	747	11/17/2025
<b>Subtotal and Average</b>			<b>43,700,323.43</b>		<b>43,700,000.00</b>	<b>40,447,880.00</b>	<b>43,700,315.20</b>			<b>1.530</b>	<b>784</b>	
<b>Miscellaneous Securities - Coupon</b>												
255651KY6	537	Dixon CA Unified School Dist		02/18/2021	500,000.00	481,960.00	501,011.14	0.672		0.395	274	08/01/2024
63877NMM6	531	Natomas CA Sch Dist AA Insured		10/01/2020	300,000.00	278,484.00	300,000.00	1.100		1.085	639	08/01/2025
<b>Subtotal and Average</b>			<b>801,063.69</b>		<b>800,000.00</b>	<b>760,444.00</b>	<b>801,011.14</b>			<b>0.653</b>	<b>411</b>	

Portfolio CITY  
AP  
PM (PRF\_PM2) 7.3.0

**The City of Indian Wells  
Portfolio Management  
Portfolio Details - Investments  
October 31, 2023**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Fitch	YTM 360	Days to Maturity	Maturity Date
<b>Treasury Discounts -Amortizing</b>												
912797FK8	577	United States Treasury Bill		05/18/2023	3,000,000.00	2,993,430.00	2,993,733.57	4.995		5.196	15	11/16/2023
912797FV4	584	United States Treasury Bill		07/20/2023	1,000,000.00	992,640.00	993,073.68			5.153	50	12/21/2023
<b>Subtotal and Average</b>			<b>4,783,638.55</b>		<b>4,000,000.00</b>	<b>3,986,070.00</b>	<b>3,986,807.25</b>			<b>5.185</b>	<b>24</b>	
<b>Total and Average</b>			<b>72,492,649.74</b>		<b>71,286,693.52</b>	<b>66,785,024.35</b>	<b>71,329,491.40</b>			<b>1.976</b>	<b>696</b>	

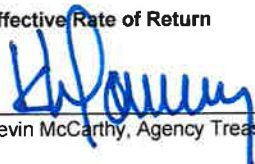


**2014, 2015, 2016, 2020 Series  
Portfolio Management  
Portfolio Summary  
October 31, 2023**

City of Indian Wells  
44-950 Eldorado Drive  
Indian Wells CA 92210  
(760)346-2489

<b>Investments</b>	<b>Par Value</b>	<b>Market Value</b>	<b>Book Value</b>	<b>% of Portfolio</b>	<b>Term</b>	<b>Days to Maturity</b>	<b>YTM 360 Equiv.</b>	<b>YTM 365 Equiv.</b>
Money Market Sweep/Checking Account	10,623.90	10,623.90	10,623.90	100.00	1	1	0.000	0.000
<b>Investments</b>	<b>10,623.90</b>	<b>10,623.90</b>	<b>10,623.90</b>	<b>100.00%</b>	<b>1</b>	<b>1</b>	<b>0.000</b>	<b>0.000</b>

<b>Total Earnings</b>	<b>October 31</b>	<b>Month Ending</b>
Current Year		0.00
<b>Average Daily Balance</b>		<b>10,585.75</b>
<b>Effective Rate of Return</b>		<b>0.00%</b>

  
Kevin McCarthy, Agency Treasurer

Reporting period 10/01/2023-10/31/2023

Run Date: 11/28/2023 - 18:09

No fiscal year history available

Portfolio 14A  
CP

PM (PRF\_PM1) 7.3.0  
Report Ver. 7.3.6.1

**2014, 2015, 2016, 2020 Series  
Portfolio Management  
Portfolio Details - Investments  
October 31, 2023**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Fitch	YTM 365	Days to Maturity	Maturity Date
<b>Money Market Sweep/Checking Account</b>												
SYS28	28	2014A Bonds Reserve		07/01/2022	0.00	0.00	0.00			0.000	1	
SYS26	26	All Bond Series Principal		07/01/2022	11.61	11.61	11.61			0.000	1	
SYS25	25	All Bond Series Interest		07/01/2022	0.00	0.00	0.00			0.000	1	
SYS27	27	All Bond Series Debt Svc		07/01/2022	10,612.29	10,612.29	10,612.29			0.000	1	
SYS24	1	Cost Of Issuance Escrow		07/01/2022	0.00	0.00	0.00			0.000	1	
<b>Subtotal and Average</b>			<b>10,585.75</b>		<b>10,623.90</b>	<b>10,623.90</b>	<b>10,623.90</b>			<b>0.000</b>	<b>1</b>	
<b>Total and Average</b>			<b>10,585.75</b>		<b>10,623.90</b>	<b>10,623.90</b>	<b>10,623.90</b>			<b>0.000</b>	<b>1</b>	

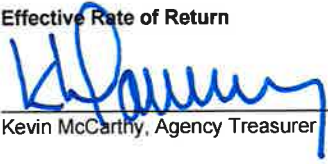


**2015 A Bonds  
Portfolio Management  
Portfolio Summary  
October 31, 2023**

City of Indian Wells  
44-950 Eldorado Drive  
Indian Wells CA 92210  
(760)346-2489

<b>Investments</b>	<b>Par Value</b>	<b>Market Value</b>	<b>Book Value</b>	<b>% of Portfolio</b>	<b>Term</b>	<b>Days to Maturity</b>	<b>YTM 360 Equiv.</b>	<b>YTM 365 Equiv.</b>
Money Market Sweep/Checking Account	1.00	1.00	1.00	100.00	1	1	0.000	0.000
<b>Investments</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>100.00%</b>	<b>1</b>	<b>1</b>	<b>0.000</b>	<b>0.000</b>

<b>Total Earnings</b>	<b>October 31</b>	<b>Month Ending</b>
Current Year	0.00	
<b>Average Daily Balance</b>	<b>1.00</b>	
<b>Effective Rate of Return</b>	<b>0.00%</b>	

  
Kevin McCarthy, Agency Treasurer

Reporting period 10/01/2023-10/31/2023

Run Date: 11/28/2023 - 18:14

No fiscal year history available

Portfolio 15A  
CP  
PM (PRF\_PM1) 7.3.0  
Report Ver. 7.3.6.1

**2015 A Bonds  
Portfolio Management  
Portfolio Details - Investments  
October 31, 2023**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Fitch	YTM 365	Days to Maturity	Maturity Date
<b>Money Market Sweep/Checking Account</b>												
SYS27	27	2015 A Reserve		07/01/2022	1.00	1.00	1.00			0.000	1	
SYS22	22	UBC Cost Of Issuance Escrow		07/01/2022	0.00	0.00	0.00			0.000	1	
<b>Subtotal and Average</b>			<b>1.00</b>		<b>1.00</b>	<b>1.00</b>	<b>1.00</b>			<b>0.000</b>	<b>1</b>	
<b>Total and Average</b>			<b>1.00</b>		<b>1.00</b>	<b>1.00</b>	<b>1.00</b>			<b>0.000</b>	<b>1</b>	



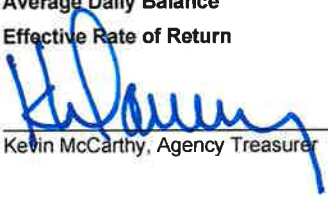


**2016 A Bonds  
Portfolio Management  
Portfolio Summary  
October 31, 2023**

City of Indian Wells  
44-950 Eldorado Drive  
Indian Wells CA 92210  
(760)346-2489

<b>Investments</b>	<b>Par Value</b>	<b>Market Value</b>	<b>Book Value</b>	<b>% of Portfolio</b>	<b>Term</b>	<b>Days to Maturity</b>	<b>YTM 360 Equiv.</b>	<b>YTM 365 Equiv.</b>
Money Market Sweep/Checking Account	1.00	1.00	1.00	100.00	1	1	0.000	0.000
<b>Investments</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>100.00%</b>	<b>1</b>	<b>1</b>	<b>0.000</b>	<b>0.000</b>

<b>Total Earnings</b>	<b>October 31</b>	<b>Month Ending</b>
Current Year	0.00	
<b>Average Daily Balance</b>	<b>1.00</b>	
<b>Effective Rate of Return</b>	<b>0.00%</b>	



Kevin McCarthy, Agency Treasurer

Reporting period 10/01/2023-10/31/2023

Run Date: 11/29/2023 - 18:16

No fiscal year history available

Portfolio 16A  
CP  
PM (PRF\_PM1) 7.3.0  
Report Ver: 7.3.6.1

**2016 A Bonds  
Portfolio Management  
Portfolio Details - Investments  
October 31, 2023**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Fitch	YTM 365	Days to Maturity	Maturity Date
<b>Money Market Sweep/Checking Account</b>												
SYS28	1	UBC Cost Of Issuance Escrow		07/01/2022	0.00	0.00	0.00			0.000	1	
SYS33	2	Union Bank Reserve Account		07/01/2022	1.00	1.00	1.00			0.000	1	
<b>Subtotal and Average</b>			<b>1.00</b>		<b>1.00</b>	<b>1.00</b>	<b>1.00</b>			<b>0.000</b>	<b>1</b>	
<b>Total and Average</b>			<b>1.00</b>		<b>1.00</b>	<b>1.00</b>	<b>1.00</b>			<b>0.000</b>	<b>1</b>	



**2020 A Bonds  
Portfolio Management  
Portfolio Summary  
October 31, 2023**

City of Indian Wells  
44-950 Eldorado Drive  
Indian Wells CA 92210  
(760)346-2489

<b>Investments</b>	<b>Par Value</b>	<b>Market Value</b>	<b>Book Value</b>	<b>% of Portfolio</b>	<b>Term</b>	<b>Days to Maturity</b>	<b>YTM 360 Equiv.</b>	<b>YTM 365 Equiv.</b>
Money Market Sweep/Checking Account	1.00	1.00	1.00	100.00	1	1	0.000	0.000
<b>Investments</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>100.00%</b>	<b>1</b>	<b>1</b>	<b>0.000</b>	<b>0.000</b>

<b>Total Earnings</b>	<b>October 31</b>	<b>Month Ending</b>
Current Year	0.00	
<b>Average Daily Balance</b>	<b>1.00</b>	
<b>Effective Rate of Return</b>	<b>0.00%</b>	

  
Kevin McCarthy, Agency Treasurer

Reporting period 10/01/2023-10/31/2023

Run Date: 11/28/2023 - 17:50

No fiscal year history available

Portfolio 20A  
CP

PM (PRF\_PM1) 7.3.0  
Report Ver. 7.3.6.1

**2020 A Bonds  
Portfolio Management  
Portfolio Details - Investments  
October 31, 2023**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Fitch	YTM 365	Days to Maturity	Maturity Date
<b>Money Market Sweep/Checking Account</b>												
SYS1	1	2020 A Bonds COI		07/01/2022	0.00	0.00	0.00			0.000	1	
SYS2	2	2020 A Bonds Reserve		07/01/2022	1.00	1.00	1.00			0.000	1	
<b>Subtotal and Average</b>			<b>1.00</b>		<b>1.00</b>	<b>1.00</b>	<b>1.00</b>			<b>0.000</b>	<b>1</b>	
<b>Total and Average</b>			<b>1.00</b>		<b>1.00</b>	<b>1.00</b>	<b>1.00</b>			<b>0.000</b>	<b>1</b>	




**2022 Bonds  
Portfolio Management  
Portfolio Summary  
October 31, 2023**

City of Indian Wells  
44-950 Eldorado Drive  
Indian Wells CA 92210  
(760)346-2489

<b>Investments</b>	<b>Par Value</b>	<b>Market Value</b>	<b>Book Value</b>	<b>% of Portfolio</b>	<b>Term</b>	<b>Days to Maturity</b>	<b>YTM 360 Equiv.</b>	<b>YTM 365 Equiv.</b>
Money Market Sweep/Checking Account	6,955,911.67	6,955,911.67	6,955,911.67	100.00	1	1	0.000	0.000
<b>Investments</b>	<b>6,955,911.67</b>	<b>6,955,911.67</b>	<b>6,955,911.67</b>	<b>100.00%</b>	<b>1</b>	<b>1</b>	<b>0.000</b>	<b>0.000</b>

<b>Total Earnings</b>	<b>October 31</b>	<b>Month Ending</b>
Current Year	0.00	
<b>Average Daily Balance</b>	<b>8,858,089.56</b>	
<b>Effective Rate of Return</b>	<b>0.00%</b>	

  
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 Kevin McCarthy, Agency Treasurer

Reporting period 10/01/2023-10/31/2023

Run Date: 11/28/2023 - 17:48

No fiscal year history available

Portfolio 22  
CP  
PM (PRF\_PM1) 7.3.0  
Report Ver: 7.3.6.1

**2022 Bonds  
Portfolio Management  
Portfolio Details - Investments  
October 31, 2023**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Fitch	YTM 365	Days to Maturity	Maturity Date
<b>Money Market Sweep/Checking Account</b>												
SYS2	2	2022 Bonds COI		07/01/2022	0.00	0.00	0.00			0.000	1	
SYS4	4	2022 Bonds Interest		03/16/2023	215.49	215.49	215.49			0.000	1	
SYS1	1	2022 Bonds Project Fund		07/01/2022	6,954,812.53	6,954,812.53	6,954,812.53			0.000	1	
SYS5	5	2022 Bonds Redemption Fund		03/16/2023	881.54	881.54	881.54			0.000	1	
SYS3	3	2022 Bonds Payment Fund		09/21/2022	2.11	2.11	2.11			0.000	1	
<b>Subtotal and Average</b>			<b>8,858,089.56</b>		<b>6,955,911.67</b>	<b>6,955,911.67</b>	<b>6,955,911.67</b>			<b>0.000</b>	<b>1</b>	
<b>Total and Average</b>			<b>8,858,089.56</b>		<b>6,955,911.67</b>	<b>6,955,911.67</b>	<b>6,955,911.67</b>			<b>0.000</b>	<b>1</b>	

# INDIAN WELLS CITY COUNCIL

## December 7, 2023



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**To:** City Council  
**From:** Community Development Department  
**Prepared by:** Jon Berg, Community Development Director  
**Subject:** **Ordinance Amending City's Zoning Code Relating to City Landscape Requirements and Finds the Action Exempt from CEQA**

### RECOMMENDED ACTIONS:

Council **OPENS** the Public Hearing, takes any public testimony, **CLOSES** the Public Hearing; and

**FINDS** that the proposed ordinance is exempt from the California Environmental Quality Act ("CEQA") pursuant to Section 15304, where the proposed amendment consists of minor public or private alterations to the condition of land, water or vegetation as there is no possibility the activity in question will have a significant effect on the environment; and

**INTRODUCES** Ordinance to be read by title only and further reading waived, amending Sections 21.60.020, 21.60.080, 21.90.030 and adding Section 21.60.085 to the Zoning Code relating to the City's landscape regulations.

### BACKGROUND/DISCUSSION:

Over the years, the State of California has delegated responsibility on cities to comply with new water efficient landscaping rules and regulations to address drought conditions. On April 21, 2021, Governor Newsom issued Executive Order N-7-22, proclaiming a statewide drought emergency. This allowed the state to respond to severe drought conditions by imposing water conservation initiatives to safeguard water supplies for communities, the economy and the environment. The local water purveyor, the Coachella Valley Water District (CVWD), has taken several steps to support California's water conservation landscape initiatives, including encouraging customers to replace water-intensive landscaping with drought-tolerant plants and install efficient irrigation systems through regulations, incentives, and education programs. Although Governor Newsom recently (March 24, 2023) eased drought restrictions in response to the record rainfall amounts received this past year, he has retained the state of emergency for all 58 counties to continue regulations aimed at wasteful water use in landscape applications.

Section 21.60.080 (7)(iii) of the City's Zoning Code currently requires ground cover plantings to cover at least 80% of landscaped areas, with a maximum of 20% rocks or bare earth, commonly referred to as the "80/20" rule. This has been a long-standing regulation of the City and many property owners, who are now converting their yards to drought tolerant landscape to comply with State and local water conservation initiatives, are claiming the City's 80/20 rule is not consistent with state and local water conservation objectives. The concern became further apparent when Code Enforcement was directed to inspect and issue Notice of Violations (NOV) to all property owners within the city who were out of compliance with the City's 80/20 coverage requirements.

Consequently, on June 14, 2023, the City Council and Planning Commission held a joint study session to review the matter and hear public testimony on both sides of the issue. After much deliberation, staff was instructed to hire a professional landscape consultant to work with the Planning Commission and hold study sessions with the community to come up with potential modifications to the City's landscape standards that better align with State and local water conservation initiatives while still maintaining the City's lush and attractive street appeal.

**Planning Commission Review and Recommendation:** The Planning Commission held three (3) separate study sessions with the community and the City's professional landscape consultant, Chris Herman. Staff worked diligently with Mr. Herman to develop updated landscape standards and design strategies based on the input and feedback received during these study sessions. On October 26, 2023, the Planning Commission held a duly noticed public hearing to formally review the proposed landscape standards, and voted unanimously to recommend City Council approval of the draft ordinance with four (4) amendments to their resolution (Attachment 1), including:

1. Consideration of a policy that requires all properties found to be in violation of the City's current Landscape Ordinance during the City's recent code enforcement campaign conducted between May and June, 2023, commit to a timeline for bringing their landscaped areas into compliance with the new Landscape Ordinance as follows:
  - a. Submit an application (no fee) or begin working with staff on a plan for compliance within a 30-day period once the new Landscape Ordinance takes effect; and
  - b. Complete their landscape project within a 12-month period after the new Landscape Ordinance takes effect.
2. Provide better clarification and simplify the legal nonconforming language within the new Landscape Ordinance to include the term "grandfathered" and provide an example of legal nonconforming landscape projects; and



3. Include measures in the new Landscape Ordinance that will help prevent mosquito breeding and vector issues; and
4. Consider allocating funds for the production of an informational video to help illustrate and guide residents to better understand the new landscape standards and design principals and make it readily available on the City's website.

The Planning Commission's recommended ordinance for Council's consideration incorporates the landscape standards developed through the three (3) study sessions with the residents and community stakeholders (Attachment 2) and includes a policy recommendation for the property owners found to be in violation of the 80/20 rule during the City's recent code enforcement campaign. However, in preparation for the City Council meeting, staff and the City Attorney met with individual Council Members independently to debrief them on the proposed landscape standards, including the policy recommendation. During their debrief meetings, questions were raised by Council members regarding the most fair and equitable way to implement the new landscape rules, including all property owners within the city and not just those who were recently issued notices for non-compliance with the 80/20 rule. Consequently, city staff worked with the City Attorney's office to come up with the following policy, as one of many possible options, for Council's consideration in implementing the new landscape standard and addressing non-compliant properties:

1. Rescinding all recent notices sent out to property owners found to be in non-compliance with the 80/20 rule.
2. Apply the city's landscape standards to the following properties within all areas of the City that are not part of a common-interest development:
  - A. All new construction after January 1, 2024;
  - B. All new substantial-relandscape projects after January 1, 2024 ("substantial-relandscape" means more than 250 sf); and
  - C. All properties that, as of December 1, 2023, have fewer than two plants per 100 square feet or that have less than 50 percent coverage with city-approved groundcover (organic and inorganic).
3. Any property owner may apply for discretionary administrative landscape-exception approval from the Community Development Director, with appeal to the City's Design Review Committee ("DRC").

## **OPTIONS:**

The Planning Commission recommended City Council adopt the ordinance and provide further policy direction to address those property owners recently found to be in violation of the city's existing 80/20 landscape coverage requirements. The following options are available for Council's consideration:

1. Approve Planning Commission's recommendation for adopting the Ordinance, including their recommended policy for gaining compliance with recent property owners found to be in violation of the existing 80/20 rule; or
2. Approve Planning Commission's recommendation for adopting the Ordinance, with the City Attorney's optional policy for city-wide compliance as presented or amended; or
3. Deny these recommendations and ask staff to return with a modified Ordinance and policy direction; or
4. Provide alternative direction.

## **FISCAL IMPACT:**

No fiscal impact.

## **CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA):**

This action has been assessed in accordance with the authority and criteria contained in the California Environmental Quality Act (CEQA), the State and local CEQA Guidelines, and the environmental regulations of the City. The City acting as Lead Agency, as determined the ordinance is exempt from the California Environmental Quality Act ("CEQA") pursuant to Section 15304, where the proposed ordinance amendment consists of minor public or private alterations to the condition of land, water or vegetation as there is no possibility the activity in question will have a significant effect on the environment. Alternatively, it has determined the ordinance amendment is exempt from CEQA per CEQA Guidelines Section(s) 15307 and 15308 as actions taken by regulatory agencies, as authorized by state law or local ordinance, to maintain, restore, or enhance a natural resource.

## **ATTACHMENTS:**

1. Resolution No. PC 2023-07
2. Ordinance
3. Code Amendments (Track Changes)

**RESOLUTION NO. PC 2023-07****A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF INDIAN WELLS RECOMMENDING TO THE CITY COUNCIL APPROVAL OF AN ORDINANCE AMENDING SECTIONS 21.60.020, 21.60.080, 21.90.030 AND ADDING SECTION 21.60.085 TO THE CITY ZONING CODE RELATING TO CITY LANDSCAPE REQUIREMENTS PURSUANT TO AN EXEMPTION FROM CEQA**

**WHEREAS**, the City of Indian Wells (City), the Coachella Valley, and the larger Southern California region have experienced three (3) consecutive years of drought conditions dating back to 2020; and

**WHEREAS**, on April 21, 2021, California Governor Gavin Newsom issued Executive Order N-7-22, declaring a State of Emergency in California due to severe drought conditions and calling on Californians to reduce their water usage; and

**WHEREAS**, due to recent rainfall totals and rising reservoir levels throughout the State, Governor Gavin Newsome issued Executive Order N-5-23 on March 24, 2023, declaring an ease of water restrictions in California, while still maintaining water conservation initiatives related to landscaping and irrigation requirements; and

**WHEREAS**, the local water authority for the City of Indian Wells, the Coachella Valley Water District (CVWD), has taken several steps to support California's water conservation landscape initiatives, including encouraging customers to replace water-intensive landscaping with drought-tolerant plants and install efficient irrigation systems through regulations, incentives, and education programs; and

**WHEREAS**, the City, recognizing the merit for being good stewards of water resources held a joint study session on June 14, 2023, between the City Council and Planning Commission, to discuss opportunities for conserving water through potential modifications to the City's landscaped regulations; and

**WHEREAS**, during the joint study session, the City Council instructed City staff to review the City's landscape ordinance with a professional landscape consultant and work with the Planning Commission and community to develop new regulations aimed at conserving water through landscape coverage requirements, irrigation techniques, and landscape design guidelines; and

**WHEREAS**, the Planning Commission held three (3) separate study sessions with the community and the City's professional landscape consultant to discuss and develop potential revisions and additions to the City's landscape ordinance; and

**WHEREAS**, on October 12, 2023, the City noticed the Planning Commission public hearing for the proposed ordinance in accordance with Government Code section 65090; and

**WHEREAS**, on October 26, 2023, the City's Planning Commission conducted a duly noticed public hearing to consider the proposed ordinance, which would amend Sections 21.60.020, 21.60.080, 21.90.030 and add Section 21.60.085 to the City's Zoning Code related to

landscape requirements by clarifying existing regulations and adopt new revisions to the City's landscape ordinance; and

**WHEREAS**, the Planning Commission has considered the staff report, supporting documents, public testimony, and all appropriate information that has been submitted with the proposed ordinance; and

**WHEREAS**, During the Planning Commission hearing, the Planning Commission adopted unanimous amendments to the Resolution by recommending the following to the City Council:

1. Consideration of a policy that requires all properties found to be in violation of the City's current Landscape Ordinance during the City's recent code enforcement campaign conducted between May and June, 2023, commit to a timeline for bringing their landscaped areas into compliance with the new Landscape Ordinance as follows:
  - a. Submit an application (no fee) or begin working with staff on a plan for compliance within a 30-day period once the new Landscape Ordinance takes effect; and
  - b. Complete their landscape project within a 12-month period after the new Landscape Ordinance takes effect.
2. Provide better clarification and simplify the legal nonconforming language within the new Landscape Ordinance to include the term "grandfathered" and provide an example of legal nonconforming landscape projects; and
3. Include measures in the new Landscape Ordinance that will help prevent mosquito breeding and vector issues; and
4. Consider allocating funds for the production of an informational video to help illustrate and guide residents to better understand the new landscape standards and design principals, and make it readily available on the City's website.

**NOW, THEREFORE**, the Planning Commission of the City of Indian Wells does hereby resolve, determine, find, and order as follows:

**Section 1. Recitals.** The foregoing recitals are true and correct and are incorporated herein as substantive findings of this Resolution.

**Section 2. CEQA.** This action has been reviewed in accordance with the authority and criteria contained in the California Environmental Quality Act (CEQA), the State and local CEQA Guidelines, and the environmental regulations of the City. The City, acting as the Lead Agency, has determined the ordinance amendment is exempt from CEQA pursuant to Section 15304, where the proposed amendment consists of minor public or private alterations to the condition of land, water or vegetation as there is no possibility the activity in question will have a significant effect on the environment. Alternatively, it has determined the ordinance amendment is exempt from CEQA per CEQA Guidelines Section(s) 15307 and 15308 as actions taken by regulatory agencies, as

authorized by state law or local ordinance, to maintain, restore, or enhance a natural resource.

**Section 3. General Plan.** Based on the entire record before the Planning Commission, and all written and oral evidence presented, the Planning Commission hereby finds that the proposed water efficient landscape amendments to the City's Zoning Code are consistent with stated goals and policies in the City's adopted General Plan, including General Plan Policy(s) 11.A1.18(1) which aims to promote water efficient landscaping and other methods to support environmental conservation goals; Policy IIIA8.3 which aims to incorporate water-wise native landscaping or alternative water saving materials (i.e., artificial turf) whenever feasible within the City, and; Water Conservation Goal IIIA5 which aims to protect and maintain safe and adequate water supply to ensure that the City's growing demand for water can be met in a sustainable manner.

**Section 4. Recommendation.** Based on the foregoing recitals, the Planning Commission hereby recommends that the City Council approve and adopt the proposed ordinance and code amendments attached hereto and incorporated by reference herein.

**Section 5. Certification.** The Planning Commission Chair shall sign and the Community Development Director shall attest to the adoption of this Resolution.

**Section 6. Effective Date.** This Resolution takes effect immediately upon its adoption.

**PASSED, APPROVED, AND ADOPTED** by the Planning Commission of the City of Indian Wells, California, at a regular meeting held on this 26<sup>th</sup> day of October 2023.

E-SIGNED by Nicholas Conway  
on 2023-11-15 16:04:58 GMT

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**NICHOLAS CONWAY**  
**CHAIR**

**CERTIFICATION FOR RESOLUTION NO. PC 2023-07**

I, Jon Berg, Community Development Director of the City of Indian Wells, California, **DO HEREBY CERTIFY** that the Planning Commission consists of five (5) members; that the above and foregoing Resolution was duly and regularly passed and adopted at a regular meeting of the Planning Commission of the City of Indian Wells on the 26<sup>th</sup> day of October 2023, by the following vote:

**AYES:**           **Bahneman, Conway, Schleimer, Schubert, Welch**  
**NOES:**           **None**

**ATTEST:**

E-SIGNED by Jon Berg  
on 2023-11-15 16:11:13 GMT

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**JON BERG**  
**COMMUNITY DEVELOPMENT DIRECTOR**

**APPROVED AS TO FORM:**

E-SIGNED by Craig Hayes  
on 2023-11-15 16:12:48 GMT

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**CRAIG HAYES**  
**CITY ATTORNEY**

## ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF INDIAN WELLS AMENDING SECTIONS 21.60.020, 21.60.080, 21.90.030 AND ADDING SECTION 21.60.085 TO THE CITY ZONING CODE RELATING TO CITY LANDSCAPE REQUIREMENTS PURSUANT TO AN EXEMPTION FROM CEQA**

**WHEREAS**, the City of Indian Wells, California ("City") is a municipal corporation, duly organized under the constitution and laws of the State of California; and

**WHEREAS**, California Government Code section 65800 et seq. authorizes the adoption and administration of zoning laws, ordinances, rules, and regulations by cities as a means of implementing the General Plan; and

**WHEREAS**, the City has the authority under Article 11, Section 5 of the California Constitution and the City Charter to make, amend, and enforce all ordinances and regulations with respect to municipal affairs; and

**WHEREAS**, the City desires and intends to amend Section(s) 21.60.020, 21.60.080, 21.90.030 and add Section 21.60.085 to the City's Zoning Code to clarify existing regulations and adopt new regulations related to the City's landscape requirements; and

**WHEREAS**, the Planning Commission held three (3) separate study sessions with the community and the City's professional landscape consultant to discuss potential revisions to the city's landscape regulations at which time all persons wishing to be heard were afforded an opportunity to be heard; and

**WHEREAS**, on October 12, 2023, the City gave public notice of a Planning Commission public hearing to be held to consider this Ordinance by advertisement in a newspaper of general circulation; and

**WHEREAS**, on October 26, 2023, the Planning Commission held a duly-noticed public hearing to consider the staff report, recommendations by staff, and public testimony concerning this Ordinance. Following the public hearing, the Planning Commission voted to forward the Ordinance to the City Council with a recommendation in favor of its adoption; and

**WHEREAS**, on November 21, 2023 the City gave public notice of a City Council public hearing to be held to consider this Ordinance by advertisement in a newspaper of general circulation; and

**WHEREAS**, on December 7, 2023, the City Council held a duly-noticed public hearing to consider the Ordinance, including: (1) the public testimony and agenda reports prepared in connection with the Ordinance, (2) the policy considerations discussed therein, and (3) the consideration and recommendation by the City's Planning Commission; and

**WHEREAS**, all legal prerequisites to the adoption of the Ordinance have occurred.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF INDIAN WELLS DOES HEREBY ORDAIN AS FOLLOWS:**

**Section 1.** The foregoing Recitals are true and correct and are incorporated herein by this reference.

**Section 2. CEQA.** This action has been reviewed in accordance with the authority and criteria contained in the California Environmental Quality Act (CEQA), the State and local CEQA Guidelines, and the environmental regulations of the City. The City, acting as the Lead Agency, has determined the ordinance amendment is exempt from CEQA pursuant to Section 15304, where the proposed amendment consists of minor public or private alterations to the condition of land, water or vegetation as there is no possibility the activity in question will have a significant effect on the environment. Alternatively, it has determined the ordinance amendment is exempt from CEQA per CEQA Guidelines Section(s) 15307 and 15308 as actions taken by regulatory agencies, as authorized by state law or local ordinance, to maintain, restore, or enhance a natural resource. The City shall file a notice of exemption within five business days of adoption.

**Section 3. General Plan.** This Ordinance is, as a matter of law, consistent with the City's General Plan pursuant to Government Code Section 65852.2(a)(1)(C). Based on the entire record before the City Council, including the Planning Commission recommendation and all written and oral evidence presented, the City Council hereby finds that the proposed water efficient landscape amendments to the City's Zoning Code are consistent with stated goals and policies in the City's adopted General Plan, including General Plan Policy(s) 11.A1.18(1) which aims to promote water efficient landscaping and other methods to support environmental conservation goals; Policy IIIA8.3 which aims to incorporate water-wise native landscaping or alternative water saving materials (i.e., artificial turf) whenever feasible within the City, and; Water Conservation Goal IIIA5 which aims to protect and maintain safe and adequate water supply to ensure that the City's growing demand for water can be met in a sustainable manner.

**Section 4. Code Amendments.** Section(s) 21.60.020, 21.60.080, 21.90.030 and 21.60.085 of the Indian Wells Zoning Code are hereby amended and added, respectfully, to read in their entirety as set forth in Exhibit "A," attached hereto and incorporated herein.

**Section 5. Effective Date.** This Ordinance takes effect 30 days following its adoption.

**Section 6. Custodian of Records.** The documents and materials that constitute the record of proceedings on which this Ordinance is based are located at the City Clerk's office located at 44950 Eldorado Drive, Indian Wells, CA 92210. The custodian of these records is the City Clerk.

**Section 7. Severability.** If any section, sentence, clause or phrase of this Ordinance or the application thereof to any entity, person or circumstance is held for any reason to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect other provisions or applications of this Ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are severable. The City Council and the people of the City of Indian Wells hereby declare that they would have adopted this Ordinance and each section, sentence, clause or phrase thereof, irrespective of the fact that any one or more section, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.



**Section 8. Publication; Effective Date.** The City Clerk shall certify to the adoption of this Ordinance. Not later than 15 days following the passage of this Ordinance, the Ordinance, or a summary thereof, along with the names of the City Council members voting for and against the Ordinance, shall be published in a newspaper of general circulation in the City of Indian Wells.

**PASSED APPROVED AND ADOPTED** by the City Council of the City of Indian Wells, California, at a regular meeting held on the 7<sup>th</sup> day of December 2023.

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**GREG SANDERS**  
**MAYOR**

**STATE OF CALIFORNIA    )**  
**COUNTY OF RIVERSIDE    ) ss.**  
**CITY OF INDIAN WELLS)**

**CERTIFICATION FOR ORDINANCE NO. \_\_\_\_\_**

I, Angelica Avila, City Clerk of the City Council of the City of Indian Wells, California, **DO HEREBY CERTIFY** that Ordinance No.\_\_\_\_ , having been regularly introduced at a regular meeting of December 7, 2023 was again introduced, the reading in full thereafter unanimously waived, and duly passed and adopted at a regular meeting of the City Council held on January \_\_\_\_, 2024 and said Ordinance was passed and adopted by the following stated vote, to wit:

AYES:  
NOES:

and was thereafter on said day signed by the Mayor of said City of Indian Wells.

**ATTEST:**

**APPROVED AS TO FORM:**

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**ANGELICA AVILA**  
**CITY CLERK**

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**TODD LEISHMAN**  
**CITY ATTORNEY**

**EXHIBIT A**

**Amended Landscape Regulations**

(follows this page)

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**Exhibit A: Code Amendments**

**Section 21.60.085 is hereby added to Title 21 Zoning Code to read in its entirety as follows:**

## **21.60.085 Landscape Application Requirements**

A complete landscape application shall include the items listed below. Submissions that are incomplete will not be considered. The Planning Department or Review Authority (as defined by Section [21.60.020\(b\)\(1\)](#)) may require additional information for a particular application. Design guidelines established by the City, or if applicable, a Homeowners Association's Landscape Guidelines should be consulted prior to submission of the application.

### **a) Purpose and Intent.**

This Section provides general standards establishing landscaping requirements that are intended to:

- 1) Protect and elevate the city's unique desert setting, distinguishing itself as a prestigious resort community. The standards set forth aim to enhance the aesthetic appearance of all developments.
- 2) Ensure compatibility between adjoining land uses and public rights of way, ensuring a harmonious blend with the surrounding environment.
- 3) Conserve water through efficient irrigation and appropriate plant selection, and align the city's standards with state water conservation acts aiming to reduce water consumption.
- 4) Prioritize the health and safety of the public, ensuring that landscaping practices in the City enhance pedestrian and vehicular traffic safety and maintain the integrity of neighborhoods.
- 5) Establish a unified City landscape theme, promote water conservation and enhance the physical and natural beauty of the environment.

### **b) Definitions.**

As used in this Section, terms are defined as follows:

- 1) "Artificial turf" means a surface made from synthetic fibers to look like natural grass.

- 2) "Berming" means the process of creating raised areas of soil, often for the purpose of enhancing landscape design or managing water flow.
- 3) "Box trees" means trees that are sold in large square containers. Size, such as 24-inch or 36-inch, refers to the diagonal measurement of the box.
- 4) "Compost" means decomposed organic matter used to enrich soil.
- 5) "Drought-tolerant plants" means plants that can survive with minimal water, often native to arid regions.
- 6) "Focal points" means elements in a landscape design that capture attention, such as a unique plant, water feature, statue, or other installations.
- 7) "Golden ratio" means a mathematical ratio found in nature and art, often used in design for its aesthetically pleasing properties. In landscaping, it refers to the proportional arrangement of plants and hardscape.
- 8) "Hardscape" means non-living elements of landscaping, such as concrete patios, walkways, and walls.
- 9) "Hydrozone" means a portion of the landscaped area having plants with similar water needs that are served by sprinkler heads, a valve or set of valves with the same schedule.
- 10) "Irrigation system" means a system that delivers water to plants. Types include drip irrigation (where water drips slowly to the roots of plants) and sprinkler systems.
- 11) "Landscape area" means all non-turf areas such as parkways, planters, flower beds and undeveloped areas that require landscape, irrigation and weed control.
- 12) "Mulch" means an organic material spread around plants to retain moisture, suppress weeds, and improve soil health.
- 13) "Non-functional turf" means turf that is solely ornamental and not regularly used for human recreational purposes or for civic or community events.
- 14) "Non-organic ground cover" means inorganic materials used to cover the ground for decorative or functional purposes, such as decomposed granite, crushed rock, cobbles, and boulders.
- 15) "Non-potable water" means water not treated to drinking water standards and is not meant for human consumption. Includes raw (untreated) water from reservoirs, which is commonly used for irrigation and other purposes.
- 16) "Organic cover" means a natural material used to cover the soil and enhance its quality. Examples include mulch and compost.
- 17) "Plant density" means the number of plants within a defined landscape area calculated as an average of plants per 100 square-feet.

- 18) "Plant size" means the volume of the container in which a plant is sold, which gives an approximate idea of the size of the plant. Common sizes include one-gallon, five-gallon, and fifteen-gallon.
- 19) "Texture" means how fine or coarse the surface of a plant or non-organic material is. For non-organic ground cover, texture refers to the size of the crushed rock, pebbles, stone, etc.
- 20) "Tree root barrier" means a root deflector, which can be made from various materials that help block or redirect roots to prevent damage to adjacent hardscape features or structures.
- 21) "Turf" means the upper layer of ground that is made up of live grass and plant roots.
- 22) "Weed barrier" means a permeable cloth material laid over the ground to prevent the growth of weeds.

**c) Review and Permitting Authority.**

- 1) All landscape projects with a landscaped area greater than 250 square feet and less than 2,500 square feet shall be reviewed and permitted by the Planning Department in compliance with this Section.
- 2) Landscape plans exceeding 2,500 square feet and not within an active homeowner's association shall be reviewed by the City's Design Review Committee (DRC).
- 3) Landscape plans for areas greater than 2,500 square feet shall require plans drawn by a professional landscape architect licensed in the state of California.
- 4) The following projects shall be exempt from review and approval by the Planning Department or the DRC:
  - i. Homeowner installed and individually maintained landscaping within private enclosed courtyards, sideyards, and backyards, not visible from public areas; and
  - ii. Minor landscape modifications or changeouts of less than 250 square feet.
  - iii. Properties with existing legal nonconforming landscape projects as allowed under Section 21.90.030 of the Municipal Code. Such properties are considered "grandfathered" and exempt from the regulations of this Section. Changes to existing legal nonconforming or "grandfathered" landscape projects are subject to regulations in Section 21.90.030 of the Municipal Code. By way of example only, if a homeowner legally established landscaping in their front yard prior to adoption of this Section, but the legally established landscaping does not comply with this Section, the landscaping is "grandfathered" and may remain in place. If at a later time the homeowner decides to alter or enlarge its landscaping, the homeowner would have to

comply with this Section, as applicable. In certain situations, like where the landscape modifications are less than 250 square feet, the modifications would not require review and permitting by the Planning Department.

- 5) Active homeowner association shall abide by the City's landscape standards unless they have received formal approval for alternative standards through a City approved entitlement process.
- 6) All properties that require the installation of landscaping in compliance with the development standards of this title shall provide and maintain landscaping in compliance with the provisions of this chapter.
- 7) The following landscape projects shall also comply with Chapter 21.70 Water Efficient Landscaping of the City Municipal Code.
  - i. New construction and rehabilitated landscapes for public agency projects and private development projects requiring a building or landscape permit, plan check or design review;
  - ii. New construction and rehabilitated landscapes which are developer-installed in single-family and multi-family projects requiring a building or landscape permit, plan check or design review; and
  - iii. New construction and rehabilitated landscapes which are homeowner-provided and/or homeowner-hired in single-family and multi-family residential projects with a total project area equal to or greater than two thousand five hundred (2,500) square feet requiring a building or landscape permit, plan check or design review.

**d) Submittal of Landscape Plan.**

A comprehensive and fully dimensioned landscape plan shall be submitted to the Planning Department, including the following details:

- 1) Site plan with north arrow identifying the planting areas drawn to scale, along with the location and spacing of proposed plants, trees and any other vegetation. Plants having similar water use shall be grouped together in distinct hydrozones.
- 2) Show the location and type of irrigation system to be utilized within the different hydrozones, as appropriate.
- 3) Show all existing or proposed features on the site plan, including pools, spas, fountains, decks (concrete or wooden), planters, walkways, gates, low walls, etc. Also indicate proposed finishes for all flat work.

- 4) Provide a complete plant palette legend identifying size and species, both common and Latin names, and water usage per the Water Use Classification of Landscape Species (WUCOLS). Drought tolerant species are encouraged.

**e) Landscape Design Standards.**

Landscape designs for residential lots, common areas, and commercial developments shall be required to meet the minimum design criteria:

1) Residential lots.

- i. Plant density shall be three (3) plants per 100 square-feet of landscape area minimum.
- ii. Live or artificial turf areas are permitted and discounted from overall landscape area.
- iii. A variety of five (5) unique plant species shall be incorporated within the overall landscape area.
- iv. 70% of plants shall be five (5) gallon; 30% of plants shall be fifteen (15) gallon. Only seasonal plantings (flowers) may be less than five (5) gallon, but shall not be counted toward plant density.
- v. A minimum of two (2) 24-inch box trees required in each front yard. Two (2) palm trees at least 8-feet in height may substitute for one (1) 24-inch box tree. Corner lots shall meet this minimum tree requirement for each of their frontages. Tree root control barriers shall be used on trees installed within 5-feet of any hardscape element or structure.

2) Common areas.

- i. Plant density shall be three (3) plants per 100 square-feet of landscape area minimum.
- ii. Artificial turf areas permitted. Non-functional turf permitted only if irrigated by non-potable water source. Non-functional turf and/or artificial turf shall be discounted from overall landscape area.
- iii. A variety of four (4) unique plant species shall be incorporated within the overall landscape area.
- iv. 70% of plants shall be five (5) gallon; 30% of plants shall be fifteen (15) gallon. Only seasonal plantings (flowers) may be less than five (5) gallon, but shall not be counted toward plant density.
- v. One (1) 36-inch box tree or two (2) palm trees at least 8-feet in height required per 1,000 sqft of landscape area.

3) Commercial areas.

- i. Plant density shall be four (4) plants per 100 square-feet of landscape area minimum.
- ii. Artificial turf areas permitted. Non-functional turf permitted only if irrigated by non-potable water source. Non-functional turf and/or artificial turf shall be discounted from overall landscape area.
- iii. A variety of five (5) unique plant species shall be incorporated within the overall landscape area.
- iv. 70% of plants shall be five (5) gallon; 30% of plants shall be fifteen (15) gallon. Only seasonal plantings (flowers) may be less than five (5) gallon, but shall not be counted toward plant density.
- v. Trees shall be incorporated into the design of all off street parking areas in compliance with Section 21.100.030 of the City's Municipal Code.
- vi. Trees shall be planted along commercial street frontages at a rate of one (1) 36-inch box tree, or one (1) palm tree at least 10-feet in height, per 30-linear feet of street frontage or at the minimum distance between trees as recommended for the specific tree species.

4) Non-organic ground covers and materials.

Open or voided areas within a defined landscape area shall be covered with non-organic ground covers, including but not limited to decomposed granite, crushed rock, cobbles, boulders, mulch, and artificial turf. Bare earth shall not be permitted. A minimum of two (2) different textures of non-organic ground covers shall be required within defined landscape areas, including but not limited to:

- i. Crushed Rock: 0.5-inch to 1-inch in size, installed at 2-inch minimum depth.
- ii. Decomposed Granite: 2-inch minimum depth. Not permitted on slopes greater than 3:1
- iii. Cobble: 8" or less diameter set on grade with 1" partially buried so that cobble is not sitting on grade.
- iv. Pebbles: 1-inch to 2-inch in size, installed at 3-inch minimum depth.
- v. Mulch: 3-inch minimum depth.
- vi. Boulders: Maximum 3-feet in height and must be buried 1/3 of height of boulder
- vii. Artificial turf must be manufactured to meet the following quality standards:



1. Must be permeable to allow water infiltration.
  2. Minimum face weight of 75oz per square yard.
  3. Minimum pile height of 1.75-inch.
  4. Blades shall be comprised of two (2) colors for a natural appearance.
  5. Made in the USA.
- viii. Mounding and the use of complementary colors are encouraged to enhance visual interest and topography within the landscape area. Mounding shall be maintained at a max slope ratio of 3:1 with a max height of three (3) feet.
- ix. Weed barriers are encouraged.

5) Aesthetic design.

The city's landscape aesthetic design guidelines and concepts are encouraged to improve the overall landscape design consistent with the city's quality of life standards. The Community Development Director may refer landscape designs, which do not meet the intent of the aesthetic design guidelines, to the city's Design Review Committee (DRC) for further review. The following landscape aesthetic design guidelines shall be considered during Planning Department review of required landscape plans:

- i. Use of Complimentary Colors: Colors that harmonize and enhance the overall landscape design and built environment are encouraged.
- ii. Berming: The aesthetic use of berms and undulating topography is strongly encouraged to add visual interest to the overall landscape design.
- iii. Proportion and Scale: The design should consider the size relationship between plants, hardscape, and architectural elements, including the application of principles such as the "golden ratio" for spatial arrangements.
- iv. Order and Balance: Symmetry is encouraged in formal or modern gardens, while asymmetrical planting designs are preferred for natural garden settings. The architecture and setting should inspire the landscape design. For natural settings, shrubs should be planted in non-uniform masses to present a natural landscape appearance.
- v. Repetition and Unity: Repetition fosters order, but variety is essential to prevent monotony. This can be achieved through the effective use of color, texture, and form.
- vi. Focal Points: The overall landscape design should incorporate focal points, such as unique plants or features (e.g., boulders, water features, planters,

- hardscape designs) that contrast with their surroundings in terms of color, size, or texture.
- vii. Interconnection: Dry river features and pathways are encouraged to connect different landscape areas, promoting unity and flow.
  - viii. Simplicity: The design should prioritize simplicity, focusing on primary and accent installations.
  - ix. Plant Placement: A hierarchy of plant placement is encouraged, with low plants in the foreground and taller plants against structures to create depth. Consideration should be given to the mature size of plants to prevent overcrowding.
  - x. Seasonal Interest: A mix of perennial and seasonal plants is recommended to ensure year-round color and interest.
  - xi. Texture and Form: A variety of textures and forms should be incorporated for added interest. The combination of fine and coarse-textured materials, such as boulders, crushed rocks, cobbles, and decomposed granite, in complementary colors is encouraged.
  - xii. Landscape Lighting: Any outdoor lighting shall comply with Chapter 22.12 Lighting Standards of the City Municipal Code.
  - xiii. Landscape Water Features: Any water features included within the landscape area should complement the overall design, be proportionate in size, incorporate recirculating water system, and shall not exceed a maximum of 18-inches in depth measured from the highest possible water level as required by California Building Code Chapter 31 (Special construction), Section 3119.
  - xiv. Project applicants shall reference the Lush and Efficient Landscape Gardening Manual prepared by the Coachella Valley Water District prior to submittal of any landscaping plan for review and approval by the city: [http://web.cvwd.org/conservation/lush\\_book/index.html](http://web.cvwd.org/conservation/lush_book/index.html). Applicants shall also consult the Invasive Plant Inventory prepared by the California Invasive Plant Council prior to selection of any plant species for landscaping: <https://www.cal-ipc.org/plants/>

**f) Irrigation and maintenance.**

- 1) All landscaped areas within the City of Indian Wells shall be irrigated by an automatic irrigation system compliant with Chapter 21.70 Water Efficient Landscaping of the City Municipal Code.
- 2) All required landscaping and associated irrigation systems shall be appropriately installed and must receive approval from the Planning Department prior to the inauguration or occupancy of the property.

- 3) All installed landscaping and irrigation systems shall be consistently maintained in accordance with the following specifications or shall be subject to code enforcement penalties in accordance with Section 8.08.010 Maintenance of Property:
  - i. Landscape maintenance shall encompass regular watering, mowing, pruning, fertilizing, clearing of debris and weeds, the removal and replacement of deceased plants, and the repair and replacement of irrigation systems.
  - ii. To the greatest extent feasible, landscape irrigation water shall not run off the property to create pooling of stagnant water in the street or gutter.
  - iii. Water features, ponds, or any stagnant water bodies within landscaped areas must be equipped with appropriate mosquito prevention measures, such as circulation systems, mosquito fish, or other approved methods, to prevent the breeding of mosquitos. Circulation systems should run at least 8 hours per day. If a feature has no pump or other approved mosquito control measure, water shall be drained and replaced every 96 hours. Regular inspections and maintenance of these measures are encouraged to ensure their effectiveness.
  - iv. Property owners, homeowner's associations, or other responsible entities shall ensure that no stagnant water accumulates in any landscaped areas, as such conditions can become breeding grounds for mosquitos. Neglected pools, fountains, or standing water shall be drained to prevent breeding of mosquitos. Property owners shall notify the Coachella Valley Mosquito and Vector Control District if their water feature is drained or neglected.
  - v. Prior to the approval of a final development plan permit or the recording of a subdivision map, a covenant ensuring the ongoing maintenance of all required landscaping and irrigation systems shall be established. This covenant, whether held by property owners, homeowners associations, or another responsible entity, must be approved by the Community Development Director, with the recommendation of the city attorney, and subsequently recorded in the county recorder's office.

**g) Public safety and protection of intersection visibility.**

- 1) Landscape design plans for corner parcel development projects must ensure traffic safety sight areas are designed to uphold public safety, consistent with Section 21.50.040 Protection of intersection visibility regulations of city's Municipal Code.
- 2) Trees and shrubs shall be planted so that at maturity they do not interfere with utility service lines, street lighting, street sweeping, traffic safety sight areas, on-site signs, and basic property rights of adjoining property owners.
- 3) Trees planted near public curbs, sidewalks, or utility vaults shall have a limited root structure and shall be installed to prevent physical damage to public improvements and shall comply with the following provisions:

- i. Canopy trees shall be placed a minimum of ten feet from public street curb and a minimum of three feet from sidewalks.
- ii. Palm trees with a trunk height of ten feet or more shall be placed a minimum of three feet from public street curb and sidewalks.
- iii. A root barrier system shall be installed when trees are located near public curbs, sidewalks, or utility vaults.
- iv. Landscape and irrigation plans shall be required for all public street parkways and median islands and shall conform to city standards and be submitted for review and approval to the city engineer and planning division.
- v. Right-of-way lines shall be shown on the final landscape plan.

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**Section 21.60.020 of Title 21 Zoning Code is hereby amended to read in its entirety as follows:**

## **21.60.020 Applicability and Review Authority.**

- (a) This Chapter applies to the following activities:
  - (1) Obtaining a permit to construct a building or structure in any zone;
  - (2) Undertaking any external modification to a structure visible to any roadway or open space, public or private;
  - (3) Installing new landscape adjacent to a roadway or open space, public or private;
  - (4) Replacing or modifying existing hardscape or landscape in a yard which abuts a roadway or open space, public or private in excess of two thousand five hundred (2,500) square feet;
  - (5) Installing new or modifying an existing antenna, outdoor lighting, landscape lighting, private tennis court, emergency generators greater than fifteen thousand (15,000) kilowatts; and
  - (6) Minor exterior remodel of or addition to a single-family residence, such as:
    - (i) A window or door change-out,
    - (ii) A change of exterior house color (desert tones are preferred),

- (iii) A wall, fence, planter, fountain, or similar architectural amenity,
- (iv) Re-roofing,
- (v) A patio cover,
- (vi) Solar panels,
- (vii) An addition in the rear or side yard that is not visible to any roadway or open space area, public or private,
- (viii) Front-yard landscape improvements that affect less than two thousand five hundred (2,500) square feet unless exempt pursuant to Section 21.60.085(c)(4) below, and
- (ix) Accessory Dwelling Units in compliance with the requirements in Section 21.85.040

(b) Before commencing any of the activities listed in subsection (a) above, the owner of the property must submit a design review application to the Planning Department, to ensure compliance with the provisions of this Chapter, as well as with the basic zoning and other design parameters that are specified in the Zoning Code. Submissions may be done electronically via the City's website or in person with the Planning Department.

(1) For purposes of this Chapter, the Planning Department, DRC, or the Planning Commission is the "Review Authority" when making the initial decision about an application.

(2) If an application is consistent with all the requirements of the Zoning Code:

(i) Planning Department Review.

(A) The Planning Department is generally the Review Authority for the following:

1. An application under subsection (a)(6) above; or

2. An application for a property located in an area with an active Homeowner's Association, and the complete design review application has been reviewed and approved by the Association.

(B) However, the Community Development Director may refer the application to the Design Review Committee ("DRC") or directly to the Planning Commission as the Review Authority.

(ii) DRC Review. The DRC is generally the Review Authority for an application under any of subsections (a)(1) through (a)(5) above, but any member of the DRC may refer the application to the Planning Commission as the Review Authority.

(3) If an application is inconsistent with any requirement of the Zoning Code, the Planning Commission is the Review Authority. (Ord. 727 § 2, 2020)

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**Section 21.60.080 of Title 21 Zoning Code is hereby amended to read in its entirety as follows:**

## **21.60.080 Architecture Application Requirements.**

A complete design review application shall include the items listed below. Submissions that are incomplete will not be considered. The Planning Department or Review Authority (as defined by Section [21.60.020\(b\)\(1\)](#)) may require additional information for a particular application. Design guidelines established by the City, or if applicable, a Homeowners Association's Architectural Guidelines should be consulted prior to submission of the application. A complete application must include each of the following:

(a) Application to Construct Form. A completed "Application to Construct" form which can be obtained in electronic or hard-copy format from the City.

(b) Required Plans (electronic copies preferred). Two (2) sets of 24" x 36" or 30" x 42" blueprints or blacklines, along with one (1) rendered blackline each of the residence, elevations, landscape plans prepared in accordance with Section 21.60.085, and other data pertinent to the particular application. Rendered blacklines shall be rolled, not folded. Defaced, incomplete, indefinite or faded plans will not be accepted. All residential plans and elevations shall be drawn at a minimum scale of 1/8" = 1'0". For single family residential submittals, a set of plans shall consist of the items listed below. Requirements for multi-family residential and non-residential projects shall include information necessary to evaluate the proposed project as determined by the Director of Community Development.

(1) General Information Block.

- (i) Owner and designer's names;
  - (ii) Address of owner;
  - (iii) Telephone number of owner;
  - (iv) Assessor parcel number and address of residence;
  - (v) North point, date of drawing and scale; and
  - (vi) Vicinity map showing location of project.
- (2) Site Plan.
- (i) Legal description (lot and tract);
  - (ii) Lot size (dimension along each property line);
  - (iii) Zone classification and type of development of subject property and of all adjacent property, including across any street. Show distance of structure(s) on adjacent properties that are within ten (10) feet of project property line;
  - (iv) Setback of existing and proposed buildings in relation to property lines per standards of the zone;
  - (v) Locations of swimming pools, spas, air conditioner equipment, pool and spa equipment (i.e., heater, pump), storage areas, utility installations, antenna, tennis courts, refuse storage areas and other auxiliary household equipment shall be noted on site plans;
  - (vi) Computed areas of building coverage, impervious surfaces, landscaping, and open space;
  - (vii) Dimension of property lines or boundary lines of project;
  - (viii) Location, names and widths of boundary streets; and recorded road, utility or drainage easements on property (where none exists, indicate by a note that no easement exists);
  - (ix) Elevation of existing curb and gutter where available or edge of pavement where no curb exists;

- (x) Pad grade and finish-floor elevations; provide information on adjacent parcels if available;
- (xi) Heights of existing or proposed walls and fences, as measured from exterior side of wall (side facing street or adjacent property);
- (xii) A "line of sight" section for all in-fill construction;
- (xiii) Clear delineation of all proposed driveways subject to the criteria outlined under Section [21.20.080](#); and
- (xiv) For all large-scale development (ten (10) acres or larger), the inclusion of natural open space areas to provide habitat for native wildlife.

NOTE: All site plans must include sufficient information to demonstrate compliance with all applicable development standards in the Zoning Code.

(3) Floor Plan. Square footage of living space and location, size, and use of all rooms. Show all significant dimensions.

(4) Elevations.

(i) Provide all elevations identified as front, rear, right and left side;

(ii) Show locations of doors, windows, chimneys, etc.;

(iii) Show exterior finishes and roof material;

(iv) Dimension elevation from pad grade, indicate all significant vertical dimensions; and

(v) Show all proposed plant material (trees and shrubs) against elevations. Provide as separate set of elevations.

(5) Roof Plan. Only thirty (30) percent of the total roof area may exceed fifteen (15) feet in height, up to a maximum eighteen (18) feet. Identify that portion of the total roof area that exceeds fifteen (15) feet in height. Show percent calculation on plan.

(6) Mailbox Design per United States Postal Service Requirements. Provide a minimum 1/2" = 1'0" scale mailbox design not to exceed four (4) feet in height and eighteen (18) inches in width or depth.



NOTE: Review of design packages containing landscape plans not prepared by a California licensed landscape architect will be subject to additional review fees incurred by the City for the review of such plans by professional design consultants.

(7) Conceptual Lighting Plan. Plan shall be submitted delineating size, location, light spread, illuminating capacity (candle power) and hours of operation of proposed exterior lighting. Plan shall be in conformance with lighting standards found in Chapter 22.12 of the City Municipal Code.

(8) Materials Sample and Color Board. (Maximum size 8 ½" x 14"): Sample of materials should be kept to a minimum size; include exterior finishes of residence including door and window trim colors, and garden walls, along with exterior colors. (Desert tone colors are preferred.)

(c) Fee. An application fee in an amount published by the Planning Department is required for review and processing of architectural design packages. (Ord. 727 § 2, 2020)

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**Section 21.90.030 of Title 21 Zoning Code is hereby amended to read in its entirety as follows:**

## **21.90.030 Non-conforming uses and structures.**

(a) General. Unless otherwise required by the municipal code, any legally established, lawful use of land, building, structure, or improvement may be continued except as provided herein, even if such use does not conform with the applicable provisions of the current municipal code.

(b) Abandonment. Any legally established non-conforming use of land, building, structure, or improvement that becomes vacant and remains unoccupied for a continuous period of one (1) year shall be termed abandoned, and all future uses shall comply with the regulations of the area in which it is located.

(c) Alterations or Additions. An existing building, structure, or improvement conforming as to use but that does not conform to the general development standards may be altered, added to or enlarged, provided that any alteration, addition, or enlargement complies with the current regulations of this division.

(d) Maintenance. A legal non-conforming building, structure, site, or improvement shall be maintained in sound and safe condition.

(e) Restoration of Damaged Structures. A legal non-conforming building, and/or structure which is damaged or partially destroyed by fire, explosion or man-induced or natural disaster to the extent of more than seventy-five (75) percent of the fair market value according to the assessment as listed by the Riverside County Assessor for the fiscal year during which the destruction occurs shall be subject to all the applicable regulations specified by this division. (Ord. 387 § 1, 1996)

Code Amendments in Track Changes

Added Text = Underlined Text

Deleted Text = ~~Strikeout Text~~

### **21.60.085 Landscape Application Requirements**

A complete landscape application shall include the items listed below. Submissions that are incomplete will not be considered. The Planning Department or Review Authority (as defined by Section 21.60.020(b)(1)) may require additional information for a particular application. Design guidelines established by the City, or if applicable, a Homeowners Association's Landscape Guidelines should be consulted prior to submission of the application.

#### **(a) Purpose and Intent.**

This Section provides general standards establishing landscaping requirements that are intended to:

- 1) Protect and elevate the city's unique desert setting, distinguishing itself as a prestigious resort community. The standards set forth aim to enhance the aesthetic appearance of all developments.
- 2) Ensure compatibility between adjoining land uses and public rights of way, ensuring a harmonious blend with the surrounding environment.
- 3) Conserve water through efficient irrigation and appropriate plant selection, and align the city's standards with state water conservations acts aiming to reduce water consumption.
- 4) Prioritize the health and safety of the public, ensuring that landscaping practices in the City enhance pedestrian and vehicular traffic safety and maintain the integrity of neighborhoods.
- 5) Establish a unified City landscape theme, promote water conservation and enhance the physical and natural beauty of the environment.

#### **(b) Definitions.**

As used in this Section, terms are defined as follows:

- 1) "Artificial turf" means a surface made from synthetic fibers to look like natural grass.
- 2) "Berming" means the process of creating raised areas of soil, often for the purpose of enhancing landscape design or managing water flow.
- 3) "Box trees" means trees that are sold in large square containers. Size, such as 24-inch or 36-inch, refers to the diagonal measurement of the box.
- 4) "Compost" means decomposed organic matter used to enrich soil.
- 5) "Drought-tolerant plants" means plants that can survive with minimal water, often native to arid regions.
- 6) "Focal points" means elements in a landscape design that capture attention, such as a unique plant, water feature, statue, or other installations.
- 7) "Golden ratio" means a mathematical ratio found in nature and art, often used in design for its aesthetically pleasing properties. In landscaping, it refers to the proportional arrangement of plants and hardscape.
- 8) "Hardscape" means non-living elements of landscaping, such as concrete patios, walkways, and walls.
- 9) "Hydrozone" means a portion of the landscaped area having plants with similar water needs that are served by sprinkler heads, a valve or set of valves with the same schedule.
- 10) "Irrigation system" means a system that delivers water to plants. Types include drip irrigation (where water drips slowly to the roots of plants) and sprinkler systems.
- 11) "Landscape area" means all non-turf areas such as parkways, planters, flower beds and undeveloped areas that require landscape, irrigation and weed control.
- 12) "Mulch" means an organic material spread around plants to retain moisture, suppress weeds, and improve soil health.
- 13) "Non-functional turf" means turf that is solely ornamental and not regularly used for human recreational purposes or for civic or community events.
- 14) "Non-organic ground cover" means inorganic materials used to cover the ground for decorative or functional purposes, such as decomposed granite, crushed rock, cobbles, and boulders.

- 15) "Non-potable water" means water not treated to drinking water standards and is not meant for human consumption. Includes raw (untreated) water from reservoirs, which is commonly used for irrigation and other purposes.
- 16) "Organic cover" means a natural material used to cover the soil and enhance its quality. Examples include mulch and compost.
- 17) "Plant density" means the number of plants within a defined landscape area calculated as an average of plants per 100 square-feet.
- 18) "Plant size" means the volume of the container in which a plant is sold, which gives an approximate idea of the size of the plant. Common sizes include one-gallon, five-gallon, and fifteen-gallon.
- 19) "Texture" means how fine or coarse the surface of a plant or non-organic material is. For non-organic ground cover, texture refers to the size of the crushed rock, pebbles, stone, etc.
- 20) "Tree root barrier" means a root deflector, which can be made from various materials that help block or redirect roots to prevent damage to adjacent hardscape features or structures.
- 21) "Turf" means the upper layer of ground that is made up of live grass and plant roots.
- 22) "Weed barrier" means a permeable cloth material laid over the ground to prevent the growth of weeds.

**(c) Review and Permitting Authority.**

- 1) All landscape projects with a landscaped area greater than 250 square feet and less than 2,500 square feet shall be reviewed and permitted by the Planning Department in compliance with this Section.
- 2) Landscape plans exceeding 2,500 square feet and not within an active homeowner's association shall be reviewed by the City's Design Review Committee (DRC).
- 3) Landscape plans for areas greater than 2,500 square feet shall require plans drawn by a professional landscape architect licensed in the state of California.
- 4) The following projects shall be exempt from review and approval by the Planning Department or the DRC:

- i. Homeowner installed and individually maintained landscaping within private enclosed courtyards, sideyards, and backyards, not visible from public areas; and
- ii. Minor landscape modifications or changeouts of less than 250 square feet.
- iii. Properties with existing legal nonconforming landscape projects as allowed under Section 21.90.030 of the Municipal Code. Such properties are considered "grandfathered" and exempt from the regulations of this Section. Changes to existing legal nonconforming or "grandfathered" landscape projects are subject to regulations in Section 21.90.030 of the Municipal Code. By way of example only, if a homeowner legally established landscaping in their front yard prior to adoption of this Section, but the legally established landscaping does not comply with this Section, the landscaping is "grandfathered" and may remain in place. If at a later time the homeowner decides to alter or enlarge its landscaping, the homeowner would have to comply with this Section, as applicable. In certain situations, like where the landscape modifications are less than 250 square feet, the modifications would not require review and permitting by the Planning Department.

5) Active homeowner association shall abide by the City's landscape standards unless they have received formal approval for alternative standards through a City approved entitlement process.

6) All properties that require the installation of landscaping in compliance with the development standards of this title shall provide and maintain landscaping in compliance with the provisions of this chapter.

7) The following landscape projects shall also comply with Chapter 21.70 Water Efficient Landscaping of the City Municipal Code.

- i. New construction and rehabilitated landscapes for public agency projects and private development projects requiring a building or landscape permit, plan check or design review;
- ii. New construction and rehabilitated landscapes which are developer-installed in single-family and multi-family projects requiring a building or landscape permit, plan check or design review; and
- iii. New construction and rehabilitated landscapes which are homeowner-provided and/or homeowner-hired in single-family and multi-family residential projects with a total project area equal to or greater than two

thousand five hundred (2,500) square feet requiring a building or landscape permit, plan check or design review.

**(d) Submittal of Landscape Plan.**

A comprehensive and fully dimensioned landscape plan shall be submitted to the Planning Department, including the following details:

- 1) Site plan with north arrow identifying the planting areas drawn to scale, along with the location and spacing of proposed plants, trees and any other vegetation. Plants having similar water use shall be grouped together in distinct hydrozones.
- 2) Show the location and type of irrigation system to be utilized within the different hydrozones, as appropriate.
- 3) Show all existing or proposed features on the site plan, including pools, spas, fountains, decks (concrete or wooden), planters, walkways, gates, low walls, etc. Also indicate proposed finishes for all flat work.
- 4) Provide a complete plant palette legend identifying size and species, both common and Latin names, and water usage per the Water Use Classification of Landscape Species (WUCOLS). Drought tolerant species are encouraged.

**(e) Landscape Design Standards.**

Landscape designs for residential lots, common areas, and commercial developments shall be required to meet the minimum design criteria:

- 1) Residential lots.
  - i. Plant density shall be three (3) plants per 100 square-feet of landscape area minimum.
  - ii. Live or artificial turf areas are permitted and discounted from overall landscape area.
  - iii. A variety of five (5) unique plant species shall be incorporated within the overall landscape area.
  - iv. 70% of plants shall be five (5) gallon; 30% of plants shall be fifteen (15) gallon. Only seasonal plantings (flowers) may be less than five (5) gallon, but shall not be counted toward plant density.

v. A minimum of two (2) 24-inch box trees required in each front yard. Two (2) palm trees at least 8-feet in height may substitute for one (1) 24-inch box tree. Corner lots shall meet this minimum tree requirement for each of their frontages. Tree root control barriers shall be used on trees installed within 5-feet of any hardscape element or structure.

2) Common areas.

- i. Plant density shall be three (3) plants per 100 square-feet of landscape area minimum.
- ii. Artificial turf areas permitted. Non-functional turf permitted only if irrigated by non-potable water source. Non-functional turf and/or artificial turf shall be discounted from overall landscape area.
- iii. A variety of four (4) unique plant species shall be incorporated within the overall landscape area.
- iv. 70% of plants shall be five (5) gallon; 30% of plants shall be fifteen (15) gallon. Only seasonal plantings (flowers) may be less than five (5) gallon, but shall not be counted toward plant density.
- v. One (1) 36-inch box tree or two (2) palm trees at least 8-feet in height required per 1,000 sqft of landscape area.

3) Commercial areas.

- i. Plant density shall be four (4) plants per 100 square-feet of landscape area minimum.
- ii. Artificial turf areas permitted. Non-functional turf permitted only if irrigated by non-potable water source. Non-functional turf and/or artificial turf shall be discounted from overall landscape area.
- iii. A variety of five (5) unique plant species shall be incorporated within the overall landscape area.
- iv. 70% of plants shall be five (5) gallon; 30% of plants shall be fifteen (15) gallon. Only seasonal plantings (flowers) may be less than five (5) gallon, but shall not be counted toward plant density.
- v. Trees shall be incorporated into the design of all off street parking areas in compliance with Section 21.100.030 of the City's Municipal Code.



- vi. Trees shall be planted along commercial street frontages at a rate of one (1) 36-inch box tree, or one (1) palm tree at least 10-feet in height, per 30-linear feet of street frontage or at the minimum distance between trees as recommended for the specific tree species.

#### 4) Non-organic ground covers and materials.

Open or voided areas within a defined landscape area shall be covered with non-organic ground covers, including but not limited to decomposed granite, crushed rock, cobbles, boulders, mulch, and artificial turf. Bare earth shall not be permitted. A minimum of two (2) different textures of non-organic ground covers shall be required within defined landscape areas, including but not limited to:

- i. Crushed Rock: 0.5-inch to 1-inch in size, installed at 2-inch minimum depth.
- ii. Decomposed Granite: 2-inch minimum depth. Not permitted on slopes greater than 3:1
- iii. Cobble: 8" or less diameter set on grade with 1" partially buried so that cobble is not sitting on grade.
- iv. Pebbles: 1-inch to 2-inch in size, installed at 3-inch minimum depth.
- v. Mulch: 3-inch minimum depth.
- vi. Boulders: Maximum 3-feet in height and must be buried 1/3 of height of boulder
- vii. Artificial turf must be manufactured to meet the following quality standards:
  - 1. Must be permeable to allow water infiltration.
  - 2. Minimum face weight of 75oz per square yard.
  - 3. Minimum pile height of 1.75-inch.
  - 4. Blades shall be comprised of two (2) colors for a natural appearance.
  - 5. Made in the USA.
- viii. Mounding and the use of complementary colors are encouraged to enhance visual interest and topography within the landscape area.

Mounding shall be maintained at a max slope ratio of 3:1 with a max height of three (3) feet.

ix. Weed barriers are encouraged.

#### 5) Aesthetic design.

The city's landscape aesthetic design guidelines and concepts are encouraged to improve the overall landscape design consistent with the city's quality of life standards. The Community Development Director may refer landscape designs, which do not meet the intent of the aesthetic design guidelines, to the city's Design Review Committee (DRC) for further review. The following landscape aesthetic design guidelines shall be considered during Planning Department review of required landscape plans:

- i. Use of Complimentary Colors: Colors that harmonize and enhance the overall landscape design and built environment are encouraged.
- ii. Berming: The aesthetic use of berms and undulating topography is strongly encouraged to add visual interest to the overall landscape design.
- iii. Proportion and Scale: The design should consider the size relationship between plants, hardscape, and architectural elements, including the application of principles such as the "golden ratio" for spatial arrangements.
- iv. Order and Balance: Symmetry is encouraged in formal or modern gardens, while asymmetrical planting designs are preferred for natural garden settings. The architecture and setting should inspire the landscape design. For natural settings, shrubs should be planted in non-uniform masses to present a natural landscape appearance.
- v. Repetition and Unity: Repetition fosters order, but variety is essential to prevent monotony. This can be achieved through the effective use of color, texture, and form.
- vi. Focal Points: The overall landscape design should incorporate focal points, such as unique plants or features (e.g., boulders, water features, planters, hardscape designs) that contrast with their surroundings in terms of color, size, or texture.

- vii. Interconnection: Dry river features and pathways are encouraged to connect different landscape areas, promoting unity and flow.
- viii. Simplicity: The design should prioritize simplicity, focusing on primary and accent installations.
- ix. Plant Placement: A hierarchy of plant placement is encouraged, with low plants in the foreground and taller plants against structures to create depth. Consideration should be given to the mature size of plants to prevent overcrowding.
- x. Seasonal Interest: A mix of perennial and seasonal plants is recommended to ensure year-round color and interest.
- xi. Texture and Form: A variety of textures and forms should be incorporated for added interest. The combination of fine and coarse-textured materials, such as boulders, crushed rocks, cobbles, and decomposed granite, in complementary colors is encouraged.
- xii. Landscape Lighting: Any outdoor lighting shall comply with Chapter 22.12 Lighting Standards of the City Municipal Code.
- xiii. Landscape Water Features: Any water features included within the landscape area should complement the overall design, be proportionate in size, incorporate recirculating water system, and shall not exceed a maximum of 18-inches in depth measured from the highest possible water level as required by California Building Code Chapter 31 (Special construction), Section 3119.
- xiv. Project applicants shall reference the Lush and Efficient Landscape Gardening Manual prepared by the Coachella Valley Water District prior to submittal of any landscaping plan for review and approval by the city: [http://web.cvwd.org/conservation/lush\\_book/index.html](http://web.cvwd.org/conservation/lush_book/index.html). Applicants shall also consult the Invasive Plant Inventory prepared by the California Invasive Plant Council prior to selection of any plant species for landscaping: <https://www.cal-ipc.org/plants/>

**(f) Irrigation and maintenance.**

- 1) All landscaped areas within the City of Indian Wells shall be irrigated by an automatic irrigation system compliant with Chapter 21.70 Water Efficient Landscaping of the City Municipal Code.

- 2) All required landscaping and associated irrigation systems shall be appropriately installed and must receive approval from the Planning Department prior to the inauguration or occupancy of the property.
- 3) All installed landscaping and irrigation systems shall be consistently maintained in accordance with the following specifications or shall be subject to code enforcement penalties in accordance with Section 8.08.010 Maintenance of Property:
- i. Landscape maintenance shall encompass regular watering, mowing, pruning, fertilizing, clearing of debris and weeds, the removal and replacement of deceased plants, and the repair and replacement of irrigation systems.
  - ii. To the greatest extent feasible, landscape irrigation water shall not run off the property to create pooling of stagnant water in the street or gutter.
  - iii. Water features, ponds, or any stagnant water bodies within landscaped areas must be equipped with appropriate mosquito prevention measures, such as circulation systems, mosquito fish, or other approved methods, to prevent the breeding of mosquitos. Circulation systems should run at least 8 hours per day. If a feature has no pump or other approved mosquito control measure, water shall be drained and replaced every 96 hours. Regular inspections and maintenance of these measures are encouraged to ensure their effectiveness.
  - iv. Property owners, homeowner's associations, or other responsible entities shall ensure that no stagnant water accumulates in any landscaped areas, as such conditions can become breeding grounds for mosquitos. Neglected pools, fountains, or standing water shall be drained to prevent breeding of mosquitos. Property owners shall notify the Coachella Valley Mosquito and Vector Control District if their water feature is drained or neglected.
  - v. Prior to the approval of a final development plan permit or the recording of a subdivision map, a covenant ensuring the ongoing maintenance of all required landscaping and irrigation systems shall be established. This covenant, whether held by property owners, homeowners associations, or another responsible entity, must be approved by the Community Development Director, with the recommendation of the city attorney, and subsequently recorded in the county recorder's office.

**(g) Public safety and protection of intersection visibility.**

- 1) Landscape design plans for corner parcel development projects must ensure traffic safety sight areas are designed to uphold public safety, consistent with Section 21.50.040 Protection of intersection visibility regulations of city's Municipal Code.
- 2) Trees and shrubs shall be planted so that at maturity they do not interfere with utility service lines, street lighting, street sweeping, traffic safety sight areas, on-site signs, and basic property rights of adjoining property owners.
- 3) Trees planted near public curbs, sidewalks, or utility vaults shall have a limited root structure and shall be installed to prevent physical damage to public improvements and shall comply with the following provisions:
  - i. Canopy trees shall be placed a minimum of ten feet from public street curb and a minimum of three feet from sidewalks.
  - ii. Palm trees with a trunk height of ten feet or more shall be placed a minimum of three feet from public street curb and sidewalks.
  - iii. A root barrier system shall be installed when trees are located near public curbs, sidewalks, or utility vaults.
  - iv. Landscape and irrigation plans shall be required for all public street parkways and median islands and shall conform to city standards and be submitted for review and approval to the city engineer and planning division.
  - v. Right-of-way lines shall be shown on the final landscape plan.

#### **21.60.020 Applicability and Review Authority.**

- (a) This Chapter applies to the following activities:
  - (1) Obtaining a permit to construct a building or structure in any zone;
  - (2) Undertaking any external modification to a structure visible to any roadway or open space, public or private;
  - (3) Installing new landscape adjacent to a roadway or open space, public or private;

(4) Replacing or modifying existing hardscape or landscape in a yard which abuts a roadway or open space, public or private in excess of two thousand five hundred (2,500) square feet;

(5) Installing new or modifying an existing antenna, outdoor lighting, landscape lighting, private tennis court, emergency generators greater than fifteen thousand (15,000) kilowatts; and

(6) Minor exterior remodel of or addition to a single-family residence, such as:

(i) A window or door change-out,

(ii) A change of exterior house color (desert tones are preferred)

(iii) A wall, fence, planter, fountain, or similar architectural amenity,

(iv) Re-roofing,

(v) A patio cover,

(vi) Solar panels,

(vii) An addition in the rear or side yard that is not visible to any roadway or open space area, public or private, ~~and~~

(viii) Front-yard landscape improvements that affect less than two thousand five hundred (2,500) square feet unless exempt pursuant to section 21.60.085(c)(4) below, and

(ix) Accessory Dwelling Units in compliance with the requirements in Section 21.85.040

(b) Before commencing any of the activities listed in subsection (a) above, the owner of the property must submit a design review application to the Planning Department, to ensure compliance with the provisions of this Chapter, as well as with the basic zoning and other design parameters that are specified in the Zoning Code. Submissions may be done electronically via the City's website or in person with the Planning Department.

(1) For purposes of this Chapter, the Planning Department, DRC, or the Planning Commission is the "Review Authority" when making the initial decision about an application.

(2) If an application is consistent with all the requirements of the Zoning Code:

(i) Planning Department Review.

(A) The Planning Department is generally the Review Authority for the following:

1. An application under subsection (a)(6) above; or

2. An application for a property located in an area with an active Homeowner's Association, and the complete design review application has been reviewed and approved by the Association.

(B) However, the Community Development Director may refer the application to the Design Review Committee ("DRC") or directly to the Planning Commission as the Review Authority.

(ii) DRC Review. The DRC is generally the Review Authority for an application under any of subsections (a)(1) through (a)(5) above, but any member of the DRC may refer the application to the Planning Commission as the Review Authority.

(3) If an application is inconsistent with any requirement of the Zoning Code, the Planning Commission is the Review Authority. (Ord. 727 § 2, 2020)

### **21.60.080 ~~Filing of the application~~ Architecture Application Requirements.**

A complete design review application shall include the items listed below. Submissions that are incomplete will not be considered. The Planning Department or Review Authority (as defined by Section [21.60.020\(b\)\(1\)](#)) may require additional information for a particular application. Design guidelines established by the City, or if applicable, a Homeowners Association's Architectural Guidelines should be consulted prior to submission of the application. A complete application must include each of the following:

(a) Application to Construct Form. A completed "Application to Construct" form which can be obtained in electronic or hard-copy format from the City.

(b) Required Plans (electronic copies preferred). Two (2) sets of 24" x 36" or 30" x 42" bluelines or blacklines, along with one (1) rendered blackline each of the residence, elevations, indicating landscape, landscape plans prepared in accordance with Section [21.60.085](#), and other data pertinent to the particular application. Rendered blacklines shall be rolled, not folded. Defaced, incomplete, indefinite or faded plans will not be accepted. All residential plans and elevations shall be drawn at a minimum scale of 1/8" = 1'0". For single family residential submittals, a set of plans shall consist of the items

listed below. Requirements for multi-family residential and non-residential projects shall include information necessary to evaluate the proposed project as determined by the Director of Community Development.

(1) General Information Block.

- (i) Owner and designer's names;
- (ii) Address of owner;
- (iii) Telephone number of owner;
- (iv) Assessor parcel number and address of residence;
- (v) North point, date of drawing and scale; and
- (vi) Vicinity map showing location of project.

(2) Site Plan.

- (i) Legal description (lot and tract);
- (ii) Lot size (dimension along each property line);
- (iii) Zone classification and type of development of subject property and of all adjacent property, including across any street. Show distance of structure(s) on adjacent properties that are within ten (10) feet of project property line;
- (iv) Setback of existing and proposed buildings in relation to property lines per standards of the zone;
- (v) Locations of swimming pools, spas, air conditioner equipment, pool and spa equipment (i.e., heater, pump), storage areas, utility installations, antenna, tennis courts, refuse storage areas and other auxiliary household equipment shall be noted on site plans;
- (vi) Computed areas of building coverage, impervious surfaces, landscaping, and open space;
- (vii) Dimension of property lines or boundary lines of project;
- (viii) Location, names and widths of boundary streets; and recorded road, utility or drainage easements on property (where none exists, indicate by a note that no easement exists);



- (ix) Elevation of existing curb and gutter where available or edge of pavement where no curb exists;
- (x) Pad grade and finish-floor elevations; provide information on adjacent parcels if available;
- (xi) Heights of existing or proposed walls and fences, as measured from exterior side of wall (side facing street or adjacent property);
- (xii) A "line of sight" section for all in-fill construction;
- (xiii) Clear delineation of all proposed driveways subject to the criteria outlined under Section [21.20.080](#); and
- (xiv) For all large-scale development (ten (10) acres or larger), the inclusion of natural open space areas to provide habitat for native wildlife.

NOTE: All site plans must include sufficient information to demonstrate compliance with all applicable development standards in the Zoning Code.

(3) Floor Plan. Square footage of living space and location, size, and use of all rooms. Show all significant dimensions.

(4) Elevations.

- (i) Provide all elevations identified as front, rear, right and left side;
- (ii) Show locations of doors, windows, chimneys, etc.;
- (iii) Show exterior finishes and roof material;
- (iv) Dimension elevation from pad grade, indicate all significant vertical dimensions; and
- (v) Show all proposed plant material (trees and shrubs) against elevations. Provide as separate set of elevations.

(5) Roof Plan. Only thirty (30) percent of the total roof area may exceed fifteen (15) feet in height, up to a maximum eighteen (18) feet. Identify that portion of the total roof area that exceeds fifteen (15) feet in height. Show percent calculation on plan.

(6) Mailbox Design per United States Postal Service Requirements. Provide a minimum ½" = 1'0" scale mailbox design not to exceed four (4) feet in height and eighteen (18) inches in width or depth.

~~—(7) Landscape Plans.~~

~~—(i) Complete Plan. Show size, location, spacing and species — common and Latin names — of proposed planting, including a complete plant palette;~~

~~—(ii) Miscellaneous Outside Structures. Indicate all proposed pools, spas, fountains, concrete or wooden decks, planters, walkways, gates, low walls, etc. Also indicate proposed finishes for all flat work;~~

~~—(iii) Rock or Bare Earth. Use of rocks or bare earth in lieu of ground cover plantings may not exceed twenty (20) percent of the total front yard landscaped area (fifty (50) percent of rear yard) excluding driveways, decks, pools, or walkways. When walkways, pools, or deck areas exceed sixty (60) percent of the total rear yard area, the preceding limitation shall not be in effect;~~

~~—(iv) Landscape Standards. All residential structures shall be landscaped to provide a mature appearance so as to blend with existing neighborhoods and enhance the overall appearance of the residential areas. To ensure a "mature" look within a reasonable amount of time, the following minimum plant sizes shall be used:~~

~~—(A) Trees in All Areas. Canopy trees (African Sumacs, Carobs, etc.) — twenty-four (24) inch box; and palm trees (Mexican Fan Palm, Queen Palm, etc.) — six (6) foot trunk height.~~

~~—(B) Shrubs. Shrubs (Natal Plum, Hibiscus, etc.) and vines (Carolina Jasmine, Bougainvillea, etc.) in front and rear yard areas visible from a street or golf course (public or private):~~

~~—1. Thirty (30) percent or more of plants selected should be fifteen (15) gallon plants:~~

~~—2. Fifty (50) percent or more of plants selected should be five (5) gallon plants.~~

~~—3. Up to twenty (20) of plants selected should be one (1) gallon plants:~~

~~—(C) Groundcovers. Groundcovers (Star Jasmine, Verbena, Lippa, Mock Strawberry, etc.) in front and rear yard areas visible from a street or golf course (public or private):~~

~~—1. Twenty-five (25) percent or more of plants selected should be one (1) gallon plants planted at twenty-four (24) inches on center.~~

~~— 2. Fifty (50) percent or more of plants selected should be flats planted at twelve (12) inches on center.~~

~~— 3. Up to twenty-five (25) percent or more of plants selected should be flats planted at six (6) inches on center.~~

~~— (v) Plant Selection. Plants should be selected appropriately based upon their adaptability to the climatic, geologic, and topographical conditions of the site. Plants having similar water use shall be grouped together in distinct hydrozones.~~

~~— (vi) Required Trees. Front yard landscaping shall include a minimum of two (2) twenty-four (24) inch box trees or one (1) thirty-six (36) inch box tree. Palm trees shall be counted toward this minimum if eight (8) feet or higher. Corner lots shall have this minimum number and size of trees on each frontage. Trees existing on the site at the time of construction shall not be counted toward the minimum tree installation.~~

~~— (vii) Provide elevation(s) (as described in subsection (b)(4) of this section) with all proposed landscaping delineated.~~

~~— (viii) All landscape plans shall incorporate a reasonable percentage of native trees and shrubs, to provide habitat for wildlife and reduce irrigation requirements.~~

~~— (ix) There are several common plant species which are capable of harboring diseases or insects that threaten the Coachella Valley citrus, date, grape, vegetable or field crop industry. The applicant must contact the Agricultural Commissioner's office for information regarding landscape material or quarantine laws.~~

NOTE: Review of design packages containing landscape plans not prepared by a California licensed landscape architect will be subject to additional review fees incurred by the City for the review of such plans by professional design consultants.

~~(87)~~ Conceptual Lighting Plan. Plan shall be submitted delineating size, location, light spread, illuminating capacity (candle power) and hours of operation of proposed exterior lighting. Plan shall be in conformance with lighting standards found in Chapter 22.12 of the City Municipal Code.

~~(98)~~ Materials Sample and Color Board. (Maximum size 8 ½" x 14"): Sample of materials should be kept to a minimum size; include exterior finishes of residence including door and window trim colors, and garden walls, along with exterior colors. (Desert tone colors are preferred.)

~~(10c)~~ Fee. An application fee in an amount published by the Planning Department is required for review and processing of architectural design packages. (Ord. 727 § 2, 2020)

## 21.90.030 Non-conforming uses and structures.

(a) General. Unless otherwise required by the municipal code, aAny legally established, lawful use of land, buildings, ~~or~~ structures, or improvement existing or under construction at the time this division or any revision is adopted may be continued except as provided herein, even if such use does not conform with the applicable provisions of the current municipal code~~category in which it is located~~.

(b) Abandonment. Any legally established non-conforming use of land, and/or building, ~~or~~ structure, or improvement ~~which that~~ becomes vacant and remains unoccupied for a continuous period of one (1) year shall be termed abandoned, and all future uses shall comply with the regulations of the area in which it is located.

(c) Alterations or Additions. An existing building, ~~or~~ structure, or improvement conforming as to use but ~~which that~~ does not conform to the general development standards may be altered, added to or enlarged, provided that any alterations, additions or enlargements complies with the current regulations of this division.

(d) Maintenance. A legal non-conforming building, structure, site, or improvement ~~and/or~~ site shall be maintained in sound and safe condition.

~~(e)~~ Restoration of Damaged Structures. A legal non-conforming building and/or structure which is damaged or partially destroyed by fire, explosion or man-induced or natural disaster to the extent of more than seventy-five (75) percent of the fair market value according to the assessment as listed by the Riverside County Assessor for the fiscal year during which the destruction occurs shall be subject to all the applicable regulations specified by this division. (Ord. 387 § 1, 1996)

# INDIAN WELLS CITY COUNCIL

## December 7, 2023



**To:** City Council  
**From:** Finance Department  
**Prepared by:** Kevin McCarthy, Finance Director  
**Subject:** **Living Desert Funding Opportunity**

### RECOMMENDED ACTIONS:

Council **DISCUSSES** and provides **DIRECTION** on the funding request for The Living Desert Zoo and Gardens; and

**FINDS** the project to be exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Section 15060.

### BACKGROUND:

In May and November 2023, the Living Desert submitted a funding request (attached) of \$5,000,000 for educational and programmatic support for the upcoming 2023-2024 fiscal year and beyond. As part of this proposal, the Living Desert is offering naming opportunities for the new Marketplace Restaurant & Patio and Splash Pad, located on Indian Wells land.

To supplement the details in this staff report, the Living Desert has prepared a presentation for your consideration during the Council's deliberations. The report aims to furnish the City Council with pertinent information, including:

1. **Historical City and Resident Funding:** Outlining the longstanding support the Living Desert has received from both the City and its residents.
2. **Park Attendance:** Providing insights into the attendance trends at the Living Desert.
3. **Economic Impact Analysis:** Commissioned by the Living Desert, this analysis sheds light on the economic contributions of the organization.
4. **Participation Opportunities:** Detailing opportunities for collaboration in exchange for funding and support.

5. **Term of Funding:** Clarifying the duration and scope of the proposed funding.
6. **Finance Committee Recommendations:** Summarizing the recommendations put forth by the Finance Committee.
7. **Fiscal Impact:** A comprehensive overview of the financial implications associated with the proposed funding.
8. **City's Extraordinary Funding Policy:** Aligning the proposal with the City's established policies on extraordinary funding.

The information provided in this report will aid the Council in making informed decisions regarding the Living Desert's funding request.

#### City Engagement:

The City of Indian Wells has maintained a longstanding commitment to supporting The Living Desert Zoo and Gardens (the Living Desert) with financial contributions of \$1,600,000 over the past 37 years. While only a portion of the zoo is located within the Indian Wells City boundary, the City has consistently provided financial support to the Living Desert's annual gala, the Wildlights holiday event, and other initiatives throughout the year.

#### Resident Engagement:

Residents of Indian Wells have also demonstrated their financial support, with total contributions exceeding \$62,923,000. Presently, 2,891 Indian Wells households hold current memberships, highlighting a significant community engagement in the Living Desert's mission.

#### Park Attendance:

The Living Desert anticipates hosting over 630,000 visitors this year, surpassing attendance figures for prominent events such as the BNP Paribas and Coachella Fest/Stagecoach. Approximately 75% of these visitors are expected to be from out-of-area, aligning with Indian Wells' tourism promotion goals.

#### The Economic Impact of the Living Desert:

The Living Desert has undertaken an Economic Impact Report specifically focused on its effects. Tour Economics created the Report (attached). Section 8 delves into the economic repercussions by the City, including Indian Wells. According to the findings, the cumulative economic impact on Indian Wells during the fiscal year 2022-23 amounted to \$5.5 million, with approximately half of this figure, \$2.7 million, attributed to lodging.

Based on this report, the Living Desert generates about \$332,750 in revenue to the city annually in TOT and sales tax from tourism. In addition, the new expansion will be located in Indian Wells and will begin generating sales tax from the restaurant and special events space. It is anticipated to generate \$39,000 in new sales tax during the first operational year, with an expected Indian Wells local sales tax revenue of \$572,848 over the next ten years.

## **DISCUSSION:**

### Participation Opportunities:

*Marketplace Restaurant & Patio (\$3,000,000):* The restaurant will feature inside seating for 150 diners and will open to an outdoor patio overlooking the Bighorn Mountain – an opportunity for our families and guests to enjoy a bite to eat or hold a private event, including destination for weddings, corporate outings, and family celebrations. The Living Desert estimates a revenue of \$57,284,754 over the next ten years from food and beverage (F&B) sales and evening rentals, with an expected Indian Wells local sales tax revenue of \$572,848.

*Splash Pad (\$2,000,000):* The Living Desert plans to install a splash pad to attract families, locals, and tourists during the summer, presenting an opportunity for branding as the "Indian Wells Splash Pad."

*Lion Ridge Habitat 2 (\$2,000,000):* The Living Desert's deepening commitment to wildlife conservation will be fulfilled by constructing the new Lion Ridge. Featuring African lions, this state-of-the-art habitat will further interpret the conservation stories of Africa's biggest cat. Lion Ridge will feature three one-acre lion habitats, which will be the home of a new pride of lions. Each of the three habitats will be connected by a Lion Surround in the center and linked to each other by a series of catwalks above the Surround. Lion Habitat #2 is partially located in Indian Wells city limits. Lion Ridge #3 is located in Palm Desert but will have a breathtaking view through the windows of the new Lurie Events Center.

### Other Funding Options:

- \$1,000,000 - Marketplace Patio
- \$1,000,000 - Marketplace Restaurant
- \$3,000,000 - Lion Ridge Habitat 3

### The Term of Funding:

The City Council maintains the prerogative to select a funding duration that harmonizes more precisely with its distinct requirements and responsibilities. The Living Desert acknowledges that funding commitments may vary among contributors, encompassing a range from one to ten years. As an integral facet of the present deliberations, the Council

should engage in thoughtful consideration and reach a determination regarding the optimal duration of the funding term.

### **Finance Committee Recommendations:**

The Finance Committee convened on November 21, 2023, to deliberate upon diverse funding alternatives and propositions. Throughout the session, the Committee delved into various factors, including:

- The prospective future sales tax associated with the Living Desert Marketplace.
- Evaluation of existing General Fund funding sources.
- Assessment of the financial implications linked to a potential economic downturn.
- Anticipation of heightened Public Safety costs in FY 2024-2025 and FY 2025-2026, attributed to alterations in Fire Department staffing models and forthcoming negotiations of labor contracts for public safety.
- Examination of potential 2024 State Ballot Measures that could impact municipal tax measures.

Given the myriad of potential ramifications, the Finance Committee consciously refrained from formulating specific funding recommendations. Instead, the Committee proposed that the City Council deliberate on economic or business-oriented objectives in their discussions and contemplation of potential funding for the Living Desert.

The Finance Committee's decision to abstain from presenting specific funding recommendations emanates from a prudent recognition of the intricate array of potential ramifications associated with the funding options under consideration. The multifaceted nature of variables such as the prospective sales tax from the Living Desert Marketplace, assessment of existing General Fund funding sources, financial repercussions of a potential economic downturn, and the projected escalation in Public Safety costs demands a meticulous and comprehensive evaluation.

By proposing that the City Council direct its focus towards economic or business-oriented objectives during their deliberations, the Finance Committee underscores the significance of aligning funding decisions with overarching municipal goals and economic viability. This strategic approach fosters a symbiotic relationship between financial considerations and the broader municipal objectives. It recognizes that financial decisions should be in tandem with the city's economic well-being, promoting sustainability and resilience in the face of potential fiscal challenges.

Moreover, by urging the City Council to consider economic and business purposes, the Finance Committee emphasizes the need for a forward-looking perspective in the allocation of funds. This forward-thinking approach positions the municipality to adapt to evolving economic conditions and capitalize on opportunities that align with its strategic vision.



## **OPTIONS:**

The City Council has the following options available.

1. Fund the Living Desert's request of \$5,000,000 over a yet-to-be-determined period.
2. Recommend a different level of funding.
3. Recommend not funding the Living Desert at this time.
4. Provide alternative direction.

## **FISCAL IMPACT:**

If the Council decides to fund the Living Desert, the funding will be sourced from the City's General Fund. This unbudgeted request necessitates a supplemental appropriation. Potential General Fund sources of funds include existing cash, anticipated fiscal year 2023-24 operating profit, and RDA interfund loan payments.

1. The General Fund's current cash balance is \$16,521,329.
2. Per the Council's adopted budget, there is an anticipated \$1,061,210 net profit in the General Fund during the fiscal year.
3. Per the fiscal year 2024-25 Successor Agency's ROPS, the net cash payment to the General Fund is \$2,480,000. Paid July 2024. The City will receive additional ROPS funding in similar amounts through 2028, totaling \$6,800,000. At this time, all outstanding funding by the City to the former Redevelopment Agency will have been repaid.

The City's Extraordinary Funding Policy:

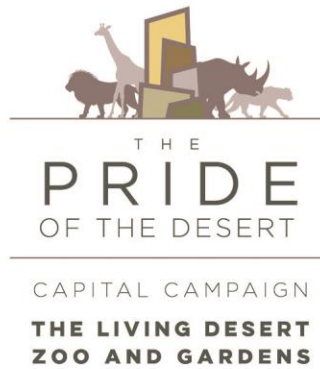
Should the Council recommend funding exceeding \$200,000, the City's Extraordinary Funding Policy will be followed. This involves a comprehensive community involvement component, including public hearings, meetings, surveys, and a town hall meeting. A copy of the City's Extraordinary Funding Policy is attached to this staff report and outlines the steps necessary to grant funds.

## **CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA):**

This action has been reviewed per the authority and criteria contained in the California Environmental Quality Act (CEQA), the State and local CEQA Guidelines, and the City's environmental regulations. The City, acting as the Lead Agency, determined that the ordinance is not subject to CEQA pursuant to Sections 15060(c)(2), 15060(c)(3), and 15061(b)(3) of the State CEQA Guidelines, because it will not result in a direct or reasonably foreseeable indirect physical change to the environment as there is no possibility that the action would result in a significant environmental impact, and because it does not constitute a "project" as defined in Section 15378 of the State CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3.

### **ATTACHMENTS:**

1. Funding Request Letter dated November 17, 2023
2. The Living Desert economic report
3. The Living Desert Marketplace Sales Tax Cash Flow
4. Community Assistance Funding Policy



November 17, 2023

Donna Griffith, Mayor  
 Indian Wells City Council Members  
 Christopher Freeland, City Manager  
 City of Indian Wells  
 44-950 Eldorado Drive  
 Indian Wells, CA 92210

Dear Indian Wells Mayor Griffith, City Council Members, City Manager Chris Freeland:

Enclosed please find a Living Desert proposal for funding for the 2023-2024 fiscal year and beyond. We are requesting \$5,000,000 for educational and programmatic support. In exchange, we are offering significant naming opportunities for the new Marketplace Restaurant & Patio and the Lion Ridge Habitat which will be located on Indian Wells land.

We recognize that this is a substantial request, but we see it as an investment for a cultural asset within Indian Wells as well as an often-visited recreational and educational institution used extensively by Indian Wells residents.

Our Board of Trustees – led by Indian Wells resident Chairman Bill Appel – is pleased to present the proposal and believes it to be an alignment with the city's focus on increasing tourism as well as providing outstanding opportunities for your residents to have at their pleasure.

Thank you for the opportunity to consider the proposal.

Allen Monroe  
 President / CEO, The Living Desert

Attachments:

- Pro Forma – Service Systems Associates
- Renderings of Marketplace and Lion Ridge
- Proposed Menu Options
- 2023 Economic Impact Report
- Board of Trustees, Affiliations and Indian Wells live/work highlighted



**Proposal to the City of Indian Wells – November 17, 2023**  
**The Pride of the Desert**  
**Marketplace Restaurant & Patio and Lion Ridge Naming Opportunities**

**A. History of Indian Wells' Partnership with The Living Desert**

The Living Desert is one of the great assets of Indian Wells. Indian Wells is one of The Living Desert's great assets, too. Some background:

- The City of Indian Wells has been an important partner with The Living Desert for more than 37 years when the city received a complimentary membership in 1985.
- Total funding received from the City over the 37 years is **\$1.6M** and comprises support for our annual gala, sponsoring/ticket purchases for the WildLights holiday event throughout December, occasional small event support.
- Total cumulative funding from ALL Indian Wells residents: **\$62,923,000**.
- The most recent and impactful financial support has been the **\$500,000** over the last five years as an investment in programming for schoolchildren and guests for the spectacular Rhino Savanna. The City support helped tell the story of why we brought in rhinos, a critically endangered species.
- For this support, the city received permanent recognition inside the entrance.

**B. Recent Statistics with Indian Wells Resident Interaction**

- **5378** = Number of constituents in our database with an Indian Wells address
- **2891** = Current Indian Wells households with TLD Memberships
- **9** of The Living Desert's 28 Trustees (and Legal Counsel Brian Harnik) live or work in Indian Wells:
  - i. *Chairman Bill Appel (Toscana)*
  - ii. *Candace Holzgrafe (Desert Horizons)*
  - iii. *Sam Spinello (Eldorado)*
  - iv. *Craig McCollam (Toscana)*
  - v. *Jim Gould (The Reserve)*
  - vi. *Michael Schreter (Toscana),*
  - vii. *Sally Simonds, Phillip Smith Jr. (Toscana)*
  - viii. *Former Mayor Larry Spicer*

Living Desert Members Within Indian Wells Annual Attendance	#	Comment	IW School Field Trip Participants (Ford Ele)
2018-2019	6209	Banner year for park-wide attendance	138
2019-2020	3410	(Covid)	43
2020-2021	4453		12
2021-2022	6705	(Rhino Savanna opened)	28
2022 through June 30, 2023	5941	On track to equal or surpass last year through 6/30/2023	218

- The year that the Rhino Savanna opened saw a **153,000** person increase in visitation.
- The expectation is that the lion habitat will open in November 2026, along with a new dining facility and event center for large events, which will dramatically increase tourism and guests.
- The annual park guest count in Fiscal Year 2022-2023 totaled more than **616,800** surpassing that of the BNP Paribas (442,000) or Coachella Fest/Stagecoach (250,000) – albeit different time frames.
- And, **77%** of those annual visitors are estimated to be from out-of-area which aligns with Indian Wells goals to promote tourism.

**C. BENEFITS and IMPACT:** As one can see from the numbers, the residents of Indian Wells have a long and robust relationship with The Living Desert. They not only visit regularly, bringing grandchildren and guests to delight in seeing rhinos, giraffes, cheetahs, etc., hike our trails – all located in Indian Wells, but also financially support this cultural gem.

Schoolchildren from Gerald R. Ford Elementary School as well as all three local school districts and throughout southern California – come to learn about the science of the natural world.

Twenty-seven volunteers reside in Indian Wells – greeting guests, directing, sharing information on our animals and plants – giving local citizens a productive and useful way to share their talents and make a difference to the community.

**D. Proposal: Educational and Programming Support.** In appreciation for this level of collaboration, the following naming opportunities would be offered over a multi-year payment schedule.

- **\$5,000,000 - Marketplace Restaurant and Patio Naming -or-**
- **\$3,000,000 - Marketplace Building**
- **\$1,000,000 - Marketplace Patio**
- **\$1,000,000 - Marketplace Restaurant**

- **\$3,000,000 - Lion Ridge Habitat 3**
- **\$2,000,000 - Lion Ridge Habitat 2**

**Rationale:**

**Marketplace:** Now that Phase 2 of the Pride of the Desert capital campaign has opened to great response, our sights continue to grow in order to attract more tourists, more guests, and widen our reach to educate about our mission to save endangered desert species. For the upcoming interim phase before bringing in lions and a special event center (Phase 3 – 2026), we are investing in offering top quality experiences for our guests. The immediate project is opening the Marketplace Restaurant and Patio. It is located 100% within the Indian Wells city boundary and overlooks the iconic Bighorn Mountain with its magnificent herd of ten bighorn sheep and lambs.

The restaurant will feature inside seating for 150 diners and will open up to an outdoor patio overlooking the Bighorn Mountain – an opportunity for our families and guests to enjoy a bite to eat or hold a private event unlike any other venue in Riverside County...a destination for weddings, corporate, family celebrations.

The Marketplace Restaurant and Patio is currently conservatively estimated to bring in \$57,284,000 over the next ten years from F&B revenue and evening rentals – based on 36 events per year. Of this net revenue, 1% local sales tax – because the facility is located within Indian Wells – would bring in close to \$600,000 in sales tax revenue to Indian Wells (currently not budgeted in the future Indian Wells budget). Again, this is a conservative ten-year estimate and anticipated to be a long game, and function as an ongoing, increasing sales tax generator for the City.

**Lion Ridge:** The Living Desert's deepening commitment to wildlife conservation will be fulfilled through the construction of the new Lion Ridge. Featuring African lions, this state-of-the-art habitat will further interpret the conservation stories of Africa's biggest cat. Just twenty years ago, it would have been unimaginable to think that the mighty lion would be facing the threat of extinction. However today, lions are facing increased pressures of human development and expansion.

Lion Ridge will feature three, one-acre lion habitats which will be the home of our new pride of lions. Each of the three habitats will be connected by a Lion Surround in the center and linked to each other by a series of catwalks above the surround. It will give visitors an immersive experience with the lions while they learn about these amazing animals. Lion Habitat #2 is partially located in Indian Wells city limits. Lion Ridge #3 is located in Palm Desert, but will be a breathtaking view through the windows of the new Lurie Events Center.

The Living Desert's new Lion Ridge habitat will share the depth of our conservation commitment and empower guests to make meaningful conservation actions to benefit all wildlife.

**E. Final Thoughts:** The Living Desert has included our 2023 Economic Impact Report prepared by Tourism Economics; the same company utilized by Visit Greater Palm Springs. In Fiscal Year 2022-2023, The Living Desert had an economic impact in the Coachella Valley of \$148M...from the increased jobs, building labor, tourism, local spending, etc. Specifically for the City of Indian Wells, The Living Desert had a \$7.9M economic impact.

With the advent of the new Marketplace (opening March 1, 2025) that will offer year-round innovative dining followed up by the new Lion Ridge habitat and the 500-seat Lurie Event Center in 2026, we expect The Living Desert to only grow as a cultural asset for our neighboring Indian Wells, increase tourist traffic, and add to the infrastructure of the city.

We invite the City of Indian Wells to be part of this continued growth by supporting programming and education over the next five years which will be recognized with a fabulous naming opportunity for the **Marketplace Restaurant & Patio or Lion Ridge!**

Indian Wells' enduring investment in The Living Desert and its future will have a lasting impact on the generations of residents and visitors to come. The Living Desert reminds people, in a unique and powerful way, that the world's deserts are special places and provide an experience of nature like nowhere else.





# Economic Impact of the Living Desert Zoo and Gardens





# Table of Contents

1. Research overview
2. Key findings
3. Direct impacts
4. Economic impacts summary
5. Economic impacts (FY 22/23)
6. Economic impacts (stabilized year)
7. Capital expenditure impacts
8. City key findings (FY 22/23)





Section 1

# RESEARCH OVERVIEW

# Introduction

The Living Desert Zoo and Gardens (“Zoo”) is a nonprofit, accredited member of the Association of Zoos and Aquariums. The Zoo has been a top attraction in the Palm Springs area for more than 50 years – welcoming 616,900 visitors in the most recent fiscal year (FY 22/23) – and serves as an important economic anchor in Greater Palm Springs.

The Zoo is currently in a three-phase capital improvement project that includes new animal habitat space, a state-of-the-art event center, and new ways for guests to observe, interact with and learn about desert species. In 2021, the Zoo opened a new four-acre Rhino Savanna and is currently developing a lion’s exhibit.

The Living Desert Zoo and Gardens’ annual operations, along with spending by Zoo patrons at local, off-site establishments and businesses, generates significant economic and fiscal (tax) impacts in Riverside County. This study analyzes the impacts attributable to the annual operations of the Living Desert Zoo and Gardens for FY 18/19 through FY 22/23 and for a stabilized year of operations post expansion, as well as the one-time impacts for capital expenditures.

Tourism Economics prepared a comprehensive model to quantify the impacts arising from annual operational spending and capital expenditures at the Living Desert Zoo and Gardens, as well as patron spending at off-site establishments throughout the local economy.

Impact modeling is based on an IMPLAN input-output (I-O) model for the Riverside County economy.

The results of this study show the scope of the Living Desert Zoo and Gardens’ impacts in terms of direct operational spending, capital expenditures, and off-site visitor spending, as well as total economic impacts, including total business sales, employment, labor income, and fiscal (tax) impacts.



## Section 2

# KEY FINDINGS

# Summary Findings

**The Living Desert Zoo and Gardens generated a total economic impact of \$148.1 million in FY 22/23, excluding capital expenditure impacts.**

FY 22/23 Operations & Visitor Spending Impacts: In FY 22/23, the Living Desert Zoo and Gardens generated a total economic impact of \$148.1 million, which included \$54.9 million in total labor income, supported 1,484 part-time and full-time jobs, and generated \$17.9 million in state and local tax revenues.

Stabilized Year Operations & Visitor Spending Impacts: In a stabilized year of operations post expansion, the Living Desert Zoo and Gardens is expected to generate a total economic impact of \$215.1 million, which is expected to include \$83.0 million in total labor income, support 2,150 part-time and full-time jobs, and generate \$25.3 million in state and local tax revenues.

In addition to the annual impacts, the one-time capital expenditure impacts due to Zoo expansion is expected to generate a total economic impact of \$62.8 million.

## Living Desert Zoo and Gardens Summary Economic Impacts (\$ millions and number of jobs)

	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	Stabilized Year
Business Sales	\$96.1	\$68.8	\$86.0	\$135.3	\$148.1	\$215.1
Personal Income	\$34.8	\$26.2	\$30.9	\$47.2	\$54.9	\$83.0
Employment	1,007	761	901	1,342	1,484	2,150
Taxes	\$18.1	\$12.3	\$16.2	\$26.6	\$28.8	\$41.3
State & local taxes	\$11.1	\$7.2	\$10.0	\$16.6	\$17.9	\$25.3
Federal taxes	\$7.0	\$5.1	\$6.2	\$9.9	\$10.9	\$15.9

Source: Living Desert Zoo and Gardens, Tourism Economics  
Note: Totals may not sum due to rounding.

# LIVING DESERT ZOO AND GARDENS IMPACTS

## OPERATIONS & VISITOR SPENDING ECONOMIC IMPACTS (FY 22/23)

### DIRECT SPENDING (FY 22/23)

The Living Desert Zoo and Gardens generated significant economic impacts as the Zoo spent money in the local economy in the form of annual operational expenditures.

In addition to spending money during their visit to the Zoo, patrons also spent money at businesses and establishments in the local economy during their stay in Greater Palm Springs, including local restaurants, retailers, and recreation/entertainment venues.

In FY 22/23, the Zoo generated \$98.2 million in direct spending in the local economy, as outlined below.



**\$98.2 MILLION**  
Direct Spending Impact of the Zoo (FY 22/23)



**\$20.2 MILLION**  
Zoo Operating Expenditures



**\$77.9 MILLION**  
Off-Site Spending by Zoo Patrons

### ECONOMIC IMPACTS

The Living Desert Zoo and Gardens' direct spending impact of \$98.2 million generated a total economic impact of \$148.1 million in the local economy, which supported 1,484 part-time and full-time jobs and generated \$17.9 million in state and local taxes in FY 22/23.



**\$148.1 MILLION**  
Total Economic Impact of the Living Desert Zoo and Gardens  
(FY 22/23)

### ECONOMIC IMPACTS OF THE LIVING DESERT ZOO AND GARDENS (FY 22/23)



**\$148.1M**  
Total  
Economic  
Impact



**1,484**  
Total  
Jobs  
Generated



**\$17.9M**  
Total  
State & Local  
Tax Revenues

# LIVING DESERT ZOO AND GARDENS IMPACTS

## OPERATIONS & VISITOR SPENDING ECONOMIC IMPACTS (STABILIZED YEAR)

### DIRECT SPENDING (STABILIZED YEAR)

The Living Desert Zoo and Gardens is expected to generate significant economic impacts as the Zoo spends money in the local economy in the form of annual operational expenditures.

In addition to spending money during their visit to the Zoo, patrons also will spend money at businesses and establishments in the local economy during their stay in Greater Palm Springs, including local restaurants, retailers, and recreation/entertainment venues.

In a stabilized year of operations post expansion, the Zoo is expected to generate \$141.9 million in direct spending in the local economy, as outlined below.



**\$141.9 MILLION**

**Direct Spending Impact of the Zoo  
(Stabilized Year)**



**\$32.4 MILLION**

**Zoo Operating Expenditures**



**\$109.5 MILLION**

**Off-Site Spending by Zoo Patrons**

### ECONOMIC IMPACTS

The Living Desert Zoo and Gardens' expected direct spending impact of \$141.9 million is expected to generate a total economic impact of \$215.1 million in the local economy, which is expected to support 2,150 part-time and full-time jobs and generate \$25.3 million in state and local taxes in a stabilized year of operations post expansion.



**\$215.1 MILLION**

**Total Economic Impact of the Living Desert Zoo and Gardens  
(Stabilized Year)**

### ECONOMIC IMPACTS OF THE LIVING DESERT ZOO AND GARDENS (STABILIZED YEAR)



**\$215.1M**

**Total  
Economic  
Impact**



**2,150**

**Total  
Jobs  
Generated**



**\$25.3M**

**Total  
State & Local  
Tax Revenues**

# LIVING DESERT ZOO AND GARDENS IMPACTS

## ONE-TIME CAPITAL EXPENDITURE IMPACTS

### DIRECT SPENDING ONE-TIME IMPACTS

The Living Desert Zoo and Gardens already invested and has plans to further invest in significant capital to expand the Zoo's footprint and operation.

The expansion is expected to cost \$40.9 million.



## \$40.9 MILLION

Living Desert Zoo and Gardens Capital Expenditure Direct Spending Impact

### ONE-TIME CAPITAL EXPENDITURE ECONOMIC IMPACTS

The Living Desert Zoo and Gardens' capital expenditure direct spending impact of \$40.9 million is expected to generate a total economic impact of \$62.8 million, which is expected to support 509 part-time and full-time jobs and generate \$3.0 million in state and local taxes.



## \$62.8 MILLION

Total Economic Impact of the Living Desert Zoo and Gardens Capital Expenditure

### ONE-TIME IMPACTS OF THE LIVING DESERT ZOO AND GARDENS CAPITAL EXPENDITURES



## \$62.8M

Total Economic Impact



## 509

Total Jobs Generated



## \$3.0M

Total State & Local Tax Revenues





Section 3

# **DIRECT IMPACTS**

# Direct Impact Approach

**The Living Desert Zoo and Gardens generated an estimated \$98.2 million in direct spending in FY 22/23.**

The accompanying table outlines the direct spending impacts attributable to the Living Desert Zoo and Gardens. These direct impacts ultimately serve as the inputs for the economic impact model.

The Living Desert Zoo and Gardens' direct spending is comprised of the following categories:

1. Approximately \$20.2 million in **operating expenditures** in FY 22/23.
2. Approximately \$77.9 million in **off-site spending by non-local patrons** in FY 22/23, including spending at local restaurants, retailers, and recreation/entertainment venues.

## Direct spending impacts attributable to the Zoo

(\$ millions)

	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	Stabilized Year
<b>Total annual direct spending</b>	<b>\$63.6</b>	<b>\$45.1</b>	<b>\$57.0</b>	<b>\$89.7</b>	<b>\$98.2</b>	<b>\$141.9</b>
Operating expenditures	\$13.2	\$12.8	\$10.1	\$17.1	\$20.2	\$32.4
Visitor off-site spending	\$50.3	\$32.3	\$46.8	\$72.7	\$77.9	\$109.5

Source: Living Desert Zoo and Gardens, Tourism Economics  
Note: Totals may not sum due to rounding.

# Zoo Operational Spending

**The Living Desert Zoo and Gardens employed 252 part-time and full-time employees and incurred \$20.2 million in operating expenses in FY 22/23.**

The Living Desert Zoo and Gardens spent \$20.2 million in operational expenditures in FY 22/23, which included spending on employee salaries and wages, professional fees and contracts, park supplies, repairs and maintenance, marketing, and utilities, among others.

The Living Desert Zoo and Gardens employed a total of 67 part-time and 185 full-time employees that earned a total of \$11.1 million in FY 22/23.

**Living Desert Zoo and Gardens operational spending**  
(\$ millions and number of employees)

	<b>FY 18/19</b>	<b>FY 19/20</b>	<b>FY 20/21</b>	<b>FY 21/22</b>	<b>FY 22/23</b>	<b>Stabilized Year</b>
Operating expenses	\$13.2	\$12.8	\$10.1	\$17.1	\$20.2	\$32.4
Salaries & wages	\$7.0	\$7.3	\$5.7	\$7.7	\$11.1	\$16.1
Employees	194	197	157	211	252	400
Full-time	134	139	127	162	185	307
Part-time	60	58	30	49	67	93

Source: Living Desert Zoo and Gardens

# Zoo Visitor Count and Origin

**The Living Desert Zoo and Gardens welcomed 616,900 total visitors in FY 22/23 and is expected to welcome 850,000 visitors in a stabilized year of operations post expansion.**

In FY 22/23, the Living Desert Zoo and Gardens welcomed 616,900 visitors, which excludes school tours.

Approximately 77% or 473,800 of the 616,900 visitors originated from outside Greater Palm Springs – including 63% that stayed overnight and 14% that visited for the day. These visitors spent money while at the Zoo and at off-site establishments in the local economy, including local restaurants, hotels, retailers, and recreation / entertainment venues.

## Living Desert Zoo and Gardens visitor count by origin (number of visitors)

	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	Stabilized Year
<b>Total visitors</b>	<b>508,900</b>	<b>345,500</b>	<b>469,200</b>	<b>634,100</b>	<b>616,900</b>	<b>850,000</b>
Locals	126,200	97,100	116,400	178,800	143,100	225,000
Day-trippers	81,900	49,900	75,900	87,900	84,800	128,700
Overnighters	300,800	198,500	277,000	367,400	389,000	496,300

Source: Living Desert Zoo and Gardens  
Note: total patrons excludes school tours.

# Zoo Visitor Spending by Industry

**The 473,800 visitors that originated from outside Greater Palm Springs spent \$77.9 million at off-site establishments in the local economy in FY 22/23.**

In FY 22/23, the 473,800 visitors to the Living Desert Zoo and Gardens spent \$77.9 million at off-site establishments in the local economy, including local restaurants, hotels, retailers, and recreation / entertainment venues.

The 850,000 visitors that are expected to go to the Zoo in a stabilized year of operations post expansion are expected to spend \$109.5 million at off-site establishments in the local economy.

## Living Desert Zoo and Gardens visitor spending

(\$ millions)

	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	Stabilized Year
<b>Total visitor spending</b>	<b>\$50.3</b>	<b>\$32.3</b>	<b>\$46.8</b>	<b>\$72.7</b>	<b>\$77.9</b>	<b>\$109.5</b>
Lodging	\$17.9	\$10.8	\$15.2	\$30.1	\$32.2	\$45.2
Food & beverage	\$14.5	\$9.6	\$14.2	\$19.0	\$20.5	\$28.8
Entertainment	\$7.0	\$4.6	\$6.9	\$9.2	\$9.9	\$13.9
Retail	\$6.4	\$4.3	\$6.3	\$8.4	\$9.1	\$12.8
Local transportation	\$4.5	\$3.0	\$4.4	\$5.9	\$6.3	\$8.9

Source: Tourism Economics

Note: Totals may not sum due to rounding.

# Direct Spending (FY 22/23)

**The Living Desert Zoo and Gardens' direct spending impacts of \$98.2 million (including visitor spending and operational spending) was spread across a wide range of sectors within the local economy.**

In addition to the \$77.9 million in visitor spending, the Living Desert Zoo and Gardens spent \$20.2 million in operating expenditures. In total, the Zoo generated \$98.2 million in direct spending impact.

The direct spending impact of \$98.2 million in the local economy was spread across a number of industries, including \$32.2 million in lodging expenditures, \$20.5 million in food and beverage expenditures, \$20.2 million in operating expenditures, \$9.9 million in entertainment/recreation spending, \$9.1 million in retail purchases, and \$6.3 million in local transportation.





Section 4

# **ECONOMIC IMPACTS SUMMARY**

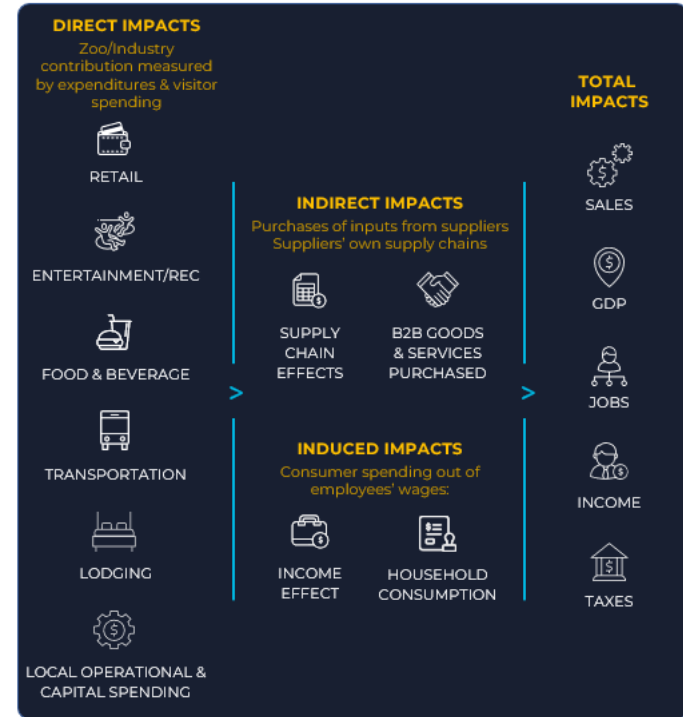
# Economic Impact Approach

The economic impacts of the Living Desert Zoo and Gardens' direct spending were estimated using regional Input-Output (I-O) models based on customized IMPLAN (www.implan.com) models for the Riverside County economy. IMPLAN is recognized as an industry standard in local-level I-O models. An I-O model represents a profile of an economy by measuring the relationships among industries and consumers to track the flow of industry revenue to wages, profits, capital, taxes and suppliers. The supply chain is traced as dollars flow through the economy, representing indirect impacts. The model also calculates the induced impacts of spending. Induced impacts represent benefits to the economy as incomes earned as a result of direct spending are spent in the local economy, generating additional sales, jobs, taxes, and income.

The modeling process begins with aligning the direct expenditure measurements with the related sectors in the model (e.g. hotels, restaurants, retail, and recreation). The model is then run to trace the flow of these expenditures through the economy. In this process, the inter-relationships between consumers and industries generate each level of impact.

IMPLAN calculates three levels of impact – direct, indirect, and induced – for a broad set of indicators. These include the following:

- Business sales (also called gross output)
- Household income (including wages and benefits)
- Employment
- Federal taxes
- State and local taxes





# Economic Impact Summary

**The Zoo generated a total economic impact of \$148.1 million, which supported 1,484 part-time and full-time jobs and generated \$17.9 million in state and local taxes in FY 22/23.**

The accompanying table outlines the economic impacts in Riverside County attributable to the Living Desert Zoo and Gardens in FY 18/19 through FY 22/23 and in a stabilized year of operations post expansion.

Details for FY 22/23, the stabilized year of operations post expansion, and the capital expenditures are provided in the following three sections.

## Living Desert Zoo and Gardens economic impact summary (\$ millions and number of employees)

	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	Stabilized Year
<b>Total business sales</b>	<b>\$96.1</b>	<b>\$68.8</b>	<b>\$86.0</b>	<b>\$135.3</b>	<b>\$148.1</b>	<b>\$215.1</b>
Direct business sales	\$63.6	\$45.1	\$57.0	\$89.7	\$98.2	\$141.9
<b>Total personal income</b>	<b>\$34.8</b>	<b>\$26.2</b>	<b>\$30.9</b>	<b>\$47.2</b>	<b>\$54.9</b>	<b>\$83.0</b>
Direct personal income	\$24.4	\$18.4	\$21.7	\$33.2	\$38.5	\$58.4
<b>Total employment</b>	<b>1,007</b>	<b>761</b>	<b>901</b>	<b>1,342</b>	<b>1,484</b>	<b>2,150</b>
Direct employment	719	534	647	963	1,059	1,534
<b>Total taxes</b>	<b>\$18.1</b>	<b>\$12.3</b>	<b>\$16.2</b>	<b>\$26.6</b>	<b>\$28.8</b>	<b>\$41.3</b>
Total state & local taxes	\$11.1	\$7.2	\$10.0	\$16.6	\$17.9	\$25.3
Total federal taxes	\$7.0	\$5.1	\$6.2	\$9.9	\$10.9	\$15.9
<b>Direct taxes</b>	<b>\$13.1</b>	<b>\$8.8</b>	<b>\$11.7</b>	<b>\$19.4</b>	<b>\$21.0</b>	<b>\$30.1</b>
Direct state & local taxes	\$8.3	\$5.3	\$7.4	\$12.5	\$13.4	\$19.0
Direct federal taxes	\$4.9	\$3.5	\$4.3	\$6.9	\$7.6	\$11.1

Source: Tourism Economics  
Note: Totals may not sum due to rounding.



Section 5

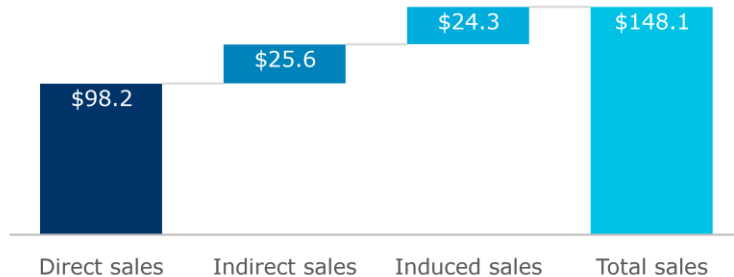
# **ECONOMIC IMPACTS (FY 22/23)**

# Business Sales by Industry

The Living Desert Zoo and Gardens' operations and visitor spending generated a total economic impact of **\$148.1 million in FY 22/23.**

The \$98.2 million in Zoo operational spending and off-site spending by visitors generated \$25.6 million in indirect expenditures and \$24.3 million in induced expenditures, resulting in a total economic impact of \$148.1 million in the local economy in FY 22/23.

## Business sales impacts by industry, FY 22/23 (\$ millions)



## Business sales impacts by industry, FY 22/23 (\$ millions)

	Direct Business Sales	Indirect Business Sales	Induced Business Sales	Total Business Sales
<b>Total, all industries</b>	<b>\$98.2</b>	<b>\$25.6</b>	<b>\$24.3</b>	<b>\$148.1</b>
<b>By industry</b>				
Lodging	\$32.3	\$0.0	\$0.0	\$32.3
Food & Beverage	\$20.6	\$1.5	\$2.4	\$24.5
Recreation and Entertainment	\$21.7	\$0.9	\$0.3	\$22.9
Finance, Insurance and Real Estate	\$0.4	\$7.7	\$7.9	\$16.0
Business Services	\$7.1	\$6.9	\$1.7	\$15.8
Retail Trade	\$9.1	\$0.5	\$2.3	\$11.8
Other Transport	\$3.5	\$1.6	\$0.6	\$5.6
Education and Health Care		\$0.1	\$3.8	\$3.9
Gasoline Stations	\$2.6	\$0.0	\$0.2	\$2.8
Wholesale Trade		\$1.3	\$1.2	\$2.5
Personal Services		\$0.8	\$1.6	\$2.4
Government		\$1.5	\$0.9	\$2.4
Construction and Utilities	\$0.8	\$1.0	\$0.5	\$2.3
Communications		\$1.4	\$0.7	\$2.1
Manufacturing		\$0.4	\$0.1	\$0.5
Air Transport		\$0.0	\$0.0	\$0.1
Agriculture, Fishing, Mining		\$0.0	\$0.0	\$0.0

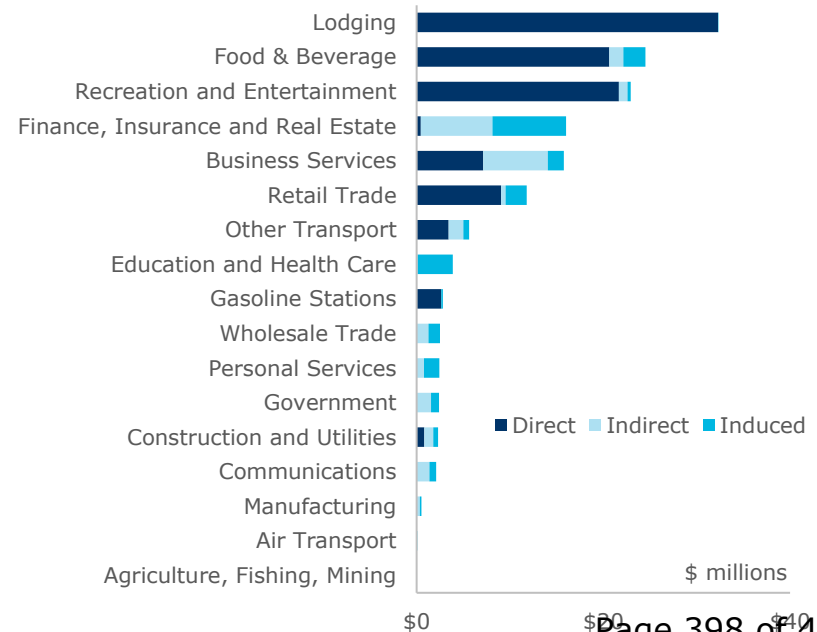
Source: Tourism Economics  
Note: Totals many not sum due to rounding.

# Business Sales by Industry

**The Living Desert Zoo and Gardens' operations and visitor spending generated a total economic impact of \$148.1 million in FY 22/23.**

The lodging industry was the most impacted industry with \$32.3 million in total output in FY 22/23. The food & beverage industry and recreation and entertainment industry followed with \$24.5 million and \$22.9 million in total business sales, respectively.

**Business sales impacts by industry, FY 22/23**  
(\$ millions)

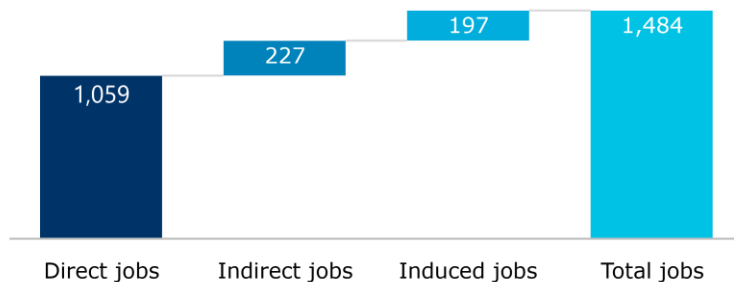


# Employment by Industry

**The Living Desert Zoo and Gardens' operations and visitor spending generated a total employment impact of 1,484 part-time and full-time jobs in FY 22/23.**

The Zoo operations and visitor spending directly supported 1,059 full-time and part-time jobs. Indirect and induced impacts generated 227 indirect jobs and 197 induced jobs.

**Employment impacts by industry, FY 22/23**  
(part-time and full-time jobs)



**Employment impacts by industry, FY 22/23**  
(part-time and full-time jobs)

	Direct Employment	Indirect Employment	Induced Employment	Total Employment
<b>Total, all industries</b>	<b>1,059</b>	<b>227</b>	<b>197</b>	<b>1,484</b>
<b>By industry</b>				
Recreation and Entertainment	322	15	6	343
Lodging	313	0	0	313
Food & Beverage	254	23	34	311
Business Services	61	82	19	162
Other Transport	61	20	9	90
Retail Trade	38	5	27	71
Finance, Insurance and Real Estate	2	49	18	69
Education and Health Care		2	44	45
Personal Services		10	25	36
Construction and Utilities	6	4	2	12
Government		8	4	12
Wholesale Trade		5	4	9
Communications		3	2	5
Gasoline Stations	2	0	1	3
Manufacturing		1	0	2
Agriculture, Fishing, Mining		0	0	0
Air Transport		0	0	0

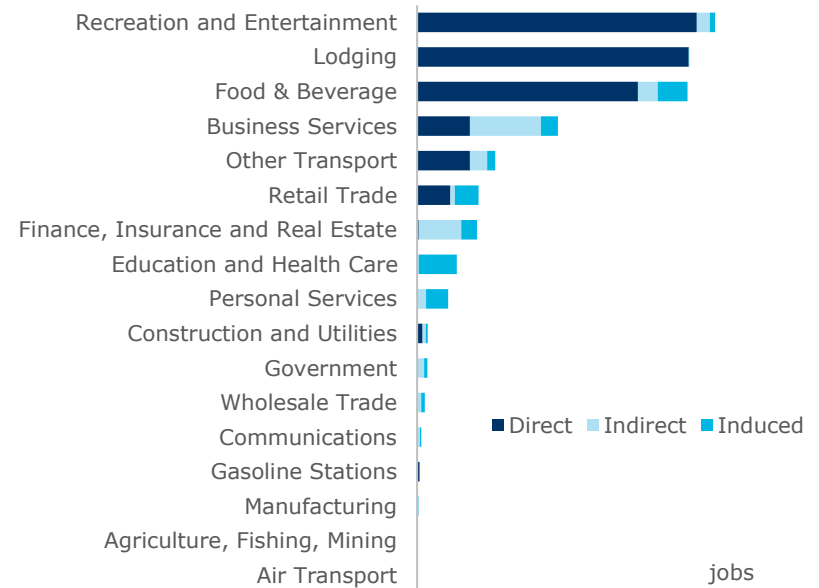
Source: Tourism Economics  
Note: Totals many not sum due to rounding.

# Employment by Industry

**The Living Desert Zoo and Gardens' operations and visitor spending generated a total employment impact of 1,484 part-time and full-time jobs in FY 22/23.**

The recreation and entertainment ranked first with 343 total jobs in FY 22/23. The lodging industry sector followed with 313 total jobs.

**Employment impacts by industry, FY 22/23**  
(part-time and full-time jobs)

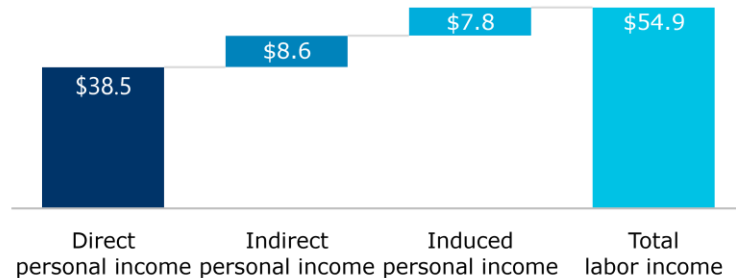


# Labor Income by Industry

**The Living Desert Zoo and Gardens' operations and visitor spending generated \$54.9 million in total labor income in FY 22/23.**

The Zoo generated \$38.5 million in direct personal income, \$8.6 million in indirect labor income, and \$7.8 million in induced personal income, resulting in \$54.9 million in total labor income in FY 22/23.

## Labor income impacts by industry, FY 22/23 (\$ millions)



## Labor income impacts by industry, FY 22/23 (\$ millions)

	Direct Personal Income	Indirect Personal Income	Induced Personal Income	Total Personal Income
<b>Total, all industries</b>	<b>\$38.5</b>	<b>\$8.6</b>	<b>\$7.8</b>	<b>\$54.9</b>
<b>By industry</b>				
Lodging	\$13.4	\$0.0	\$0.0	\$13.4
Recreation and Entertainment	\$12.2	\$0.3	\$0.1	\$12.6
Food & Beverage	\$7.3	\$0.7	\$1.0	\$9.0
Business Services	\$2.4	\$3.2	\$0.8	\$6.4
Other Transport	\$1.6	\$0.8	\$0.3	\$2.7
Education and Health Care		\$0.0	\$2.2	\$2.2
Retail Trade	\$1.1	\$0.2	\$0.8	\$2.1
Finance, Insurance and Real Estate	\$0.1	\$1.1	\$0.5	\$1.7
Personal Services		\$0.6	\$1.1	\$1.6
Government		\$0.7	\$0.3	\$1.1
Construction and Utilities	\$0.3	\$0.2	\$0.1	\$0.7
Wholesale Trade		\$0.3	\$0.3	\$0.7
Communications		\$0.3	\$0.1	\$0.4
Gasoline Stations	\$0.1	\$0.0	\$0.1	\$0.2
Manufacturing		\$0.1	\$0.0	\$0.1
Agriculture, Fishing, Mining		\$0.0	\$0.0	\$0.0
Air Transport		\$0.0	\$0.0	\$0.0

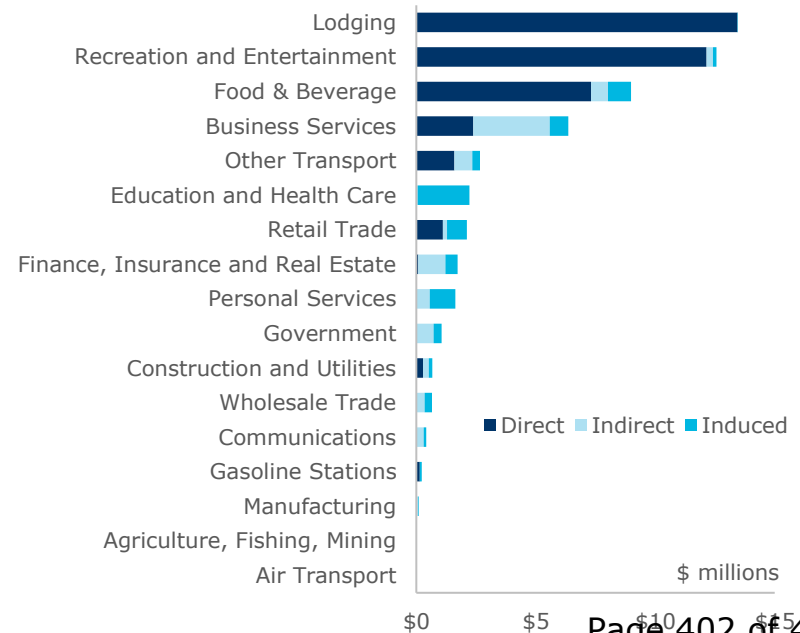
Source: Tourism Economics  
Note: Totals may not sum due to rounding.

# Labor Income by Industry

**The Living Desert Zoo and Gardens' operations and visitor spending generated \$54.9 million in total labor income in FY 22/23.**

In FY 22/23, the lodging industry was the most impacted industry with \$13.4 million in total labor income. The recreation and entertainment industry followed with \$12.6 million in total labor income, including \$12.2 million in direct labor income and \$0.4 million in indirect and induced labor income.

**Labor income impacts by industry, FY 22/23**  
(\$ millions)



Source: Tourism Economics



# Tax Generation

**The Living Desert Zoo and Gardens' operations and visitor spending generated \$28.8 million in governmental revenue in FY 22/23.**

The Zoo's operations and visitor spending generated a total fiscal (tax) impact of \$28.8 million in FY 22/23.

The State of California government collected \$9.6 million, and the local government collected \$8.3 million as a result of the Living Desert Zoo and Gardens.

## State and local tax revenue, FY 22/23 (\$ millions)

	State	Local	Total
<b>Total taxes</b>	<b>\$9.6</b>	<b>\$8.3</b>	<b>\$17.9</b>
Sales	\$7.0	\$1.5	\$8.5
Bed Tax	\$0.1	\$4.2	\$4.3
Personal Income	\$1.6	\$0.0	\$1.6
Corporate	\$0.3	\$0.0	\$0.3
Social Insurance	\$0.2	\$0.0	\$0.2
Excise and Fees	\$0.3	\$0.4	\$0.7
Property	\$0.1	\$2.2	\$2.3

## Total tax revenue, FY 22/23 (\$ millions)

	Direct	Indirect / Induced	Total
<b>Total Tax Revenues</b>	<b>\$21.0</b>	<b>\$7.8</b>	<b>\$28.8</b>
<b>Federal</b>	<b>\$7.6</b>	<b>\$3.3</b>	<b>\$10.9</b>
Personal Income	\$2.8	\$1.3	\$4.1
Corporate	\$0.4	\$0.3	\$0.6
Indirect Business	\$0.3	\$0.2	\$0.5
Social Insurance	\$4.1	\$1.6	\$5.7
<b>State and Local</b>	<b>\$13.4</b>	<b>\$4.5</b>	<b>\$17.9</b>
Sales	\$5.7	\$2.8	\$8.5
Bed Tax	\$4.3	\$0.0	\$4.3
Personal Income	\$1.1	\$0.5	\$1.6
Corporate	\$0.2	\$0.1	\$0.3
Social Insurance	\$0.2	\$0.1	\$0.2
Excise and Fees	\$0.5	\$0.3	\$0.7
Property	\$1.6	\$0.7	\$2.3

Source: Tourism Economics



## Section 6

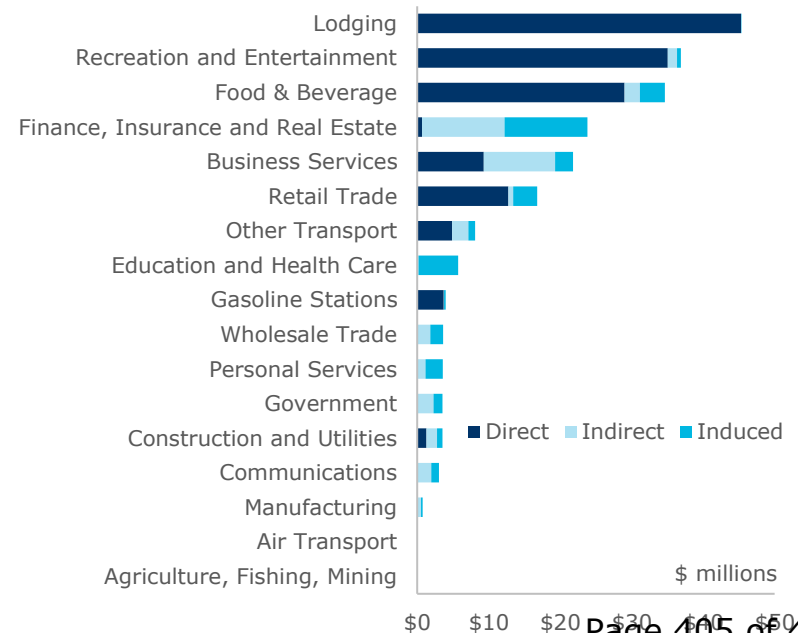
# **ECONOMIC IMPACTS (STABILIZED YEAR)**

# Business Sales by Industry

**Business sales impacts by industry, stabilized year**  
(\$ millions)

	Direct Business Sales	Indirect Business Sales	Induced Business Sales	Total Business Sales
<b>Total, all industries</b>	<b>\$141.9</b>	<b>\$37.4</b>	<b>\$35.8</b>	<b>\$215.1</b>
<b>By industry</b>				
Lodging	\$45.3	\$0.0	\$0.0	\$45.3
Recreation and Entertainment	\$35.0	\$1.3	\$0.5	\$36.8
Food & Beverage	\$29.0	\$2.1	\$3.5	\$34.6
Finance, Insurance and Real Estate	\$0.7	\$11.5	\$11.6	\$23.8
Business Services	\$9.3	\$9.9	\$2.5	\$21.8
Retail Trade	\$12.8	\$0.7	\$3.3	\$16.8
Other Transport	\$4.9	\$2.3	\$0.9	\$8.1
Education and Health Care		\$0.2	\$5.6	\$5.7
Gasoline Stations	\$3.7	\$0.0	\$0.2	\$4.0
Wholesale Trade		\$1.9	\$1.8	\$3.6
Personal Services		\$1.2	\$2.4	\$3.6
Government		\$2.3	\$1.3	\$3.5
Construction and Utilities	\$1.3	\$1.4	\$0.8	\$3.5
Communications		\$2.0	\$1.1	\$3.0
Manufacturing		\$0.5	\$0.2	\$0.8
Air Transport		\$0.0	\$0.1	\$0.1
Agriculture, Fishing, Mining		\$0.0	\$0.0	\$0.1

**Business sales impacts by industry, stabilized year**  
(\$ millions)



Source: Tourism Economics

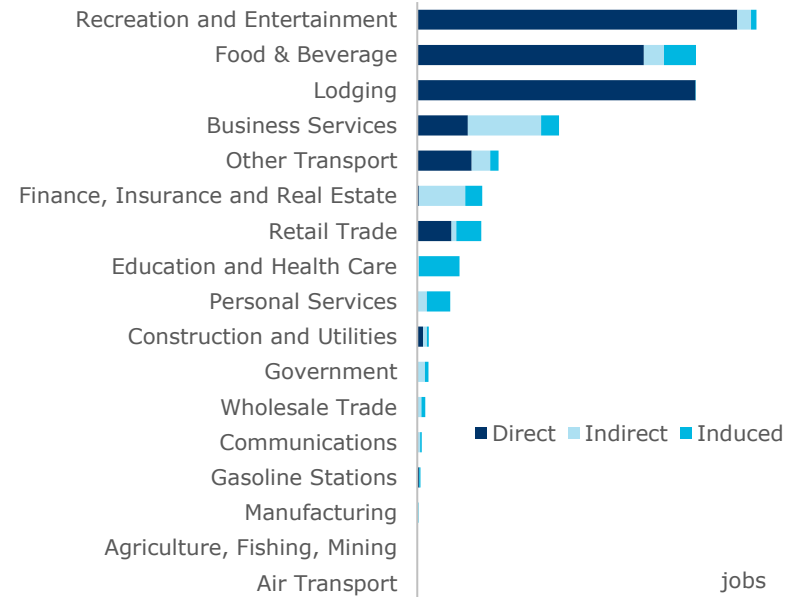
Source: Tourism Economics

# Employment by Industry

Employment impacts by industry, stabilized year  
(part-time and full-time jobs)

	Direct Employment	Indirect Employment	Induced Employment	Total Employment
<b>Total, all industries</b>	<b>1,534</b>	<b>327</b>	<b>289</b>	<b>2,150</b>
<b>By industry</b>				
Recreation and Entertainment	504	21	9	535
Food & Beverage	357	32	51	439
Lodging	439	0	0	439
Business Services	79	116	28	223
Other Transport	85	29	13	128
Finance, Insurance and Real Estate	3	73	26	102
Retail Trade	54	7	40	101
Education and Health Care		2	64	67
Personal Services		15	37	52
Construction and Utilities	9	6	3	18
Government		12	5	17
Wholesale Trade		7	6	13
Communications		4	3	7
Gasoline Stations	3	0	2	5
Manufacturing		2	1	3
Agriculture, Fishing, Mining		0	0	1
Air Transport		0	0	0

Employment impacts by industry, stabilized year  
(part-time and full-time jobs)



Source: Tourism Economics

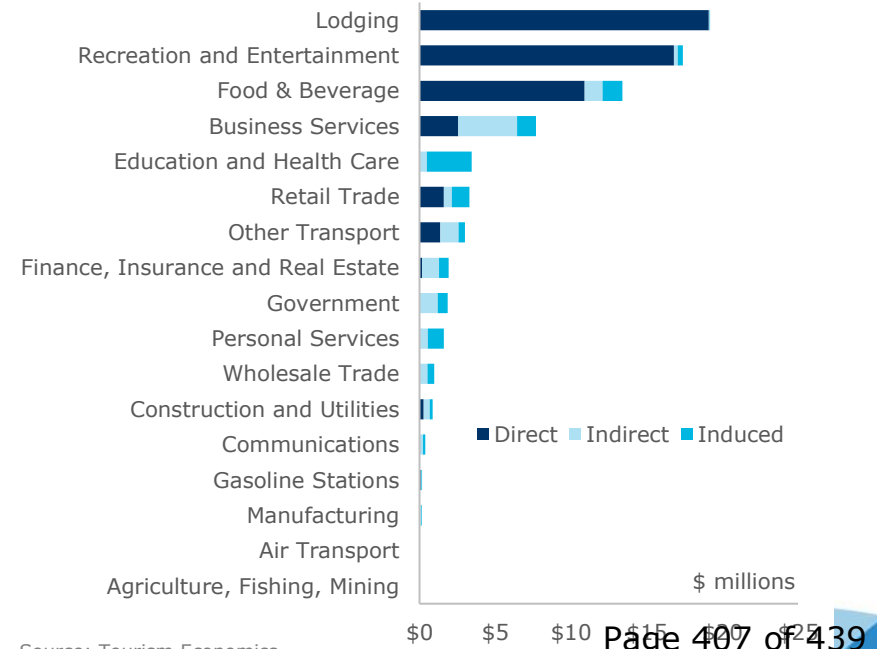
Source: Tourism Economics

# Labor Income by Industry

**Labor income impacts by industry, stabilized year**  
(\$ millions)

	Direct Personal Income	Indirect Personal Income	Induced Personal Income	Total Personal Income
<b>Total, all industries</b>	<b>\$58.4</b>	<b>\$12.8</b>	<b>\$11.8</b>	<b>\$83.0</b>
<b>By industry</b>				
Lodging	\$21.0	\$0.1	\$0.0	\$21.1
Recreation and Entertainment	\$18.6	\$0.3	\$0.4	\$19.2
Food & Beverage	\$12.0	\$1.3	\$1.5	\$14.7
Business Services	\$2.8	\$4.3	\$1.4	\$8.5
Education and Health Care	\$0.0	\$0.5	\$3.3	\$3.8
Retail Trade	\$1.8	\$0.6	\$1.3	\$3.6
Other Transport	\$1.5	\$1.3	\$0.5	\$3.3
Finance, Insurance and Real Estate	\$0.2	\$1.2	\$0.7	\$2.1
Government		\$1.3	\$0.7	\$2.0
Personal Services	\$0.1	\$0.5	\$1.2	\$1.8
Wholesale Trade	\$0.1	\$0.5	\$0.5	\$1.1
Construction and Utilities	\$0.3	\$0.4	\$0.2	\$0.9
Communications	\$0.0	\$0.3	\$0.2	\$0.4
Gasoline Stations	\$0.1	\$0.0	\$0.1	\$0.2
Manufacturing		\$0.1	\$0.0	\$0.1
Air Transport		\$0.0	\$0.0	\$0.0
Agriculture, Fishing, Mining		\$0.0	\$0.0	\$0.0

**Labor income impacts by industry, stabilized year**  
(\$ millions)



Source: Tourism Economics

Source: Tourism Economics

# Tax Generation

## Total tax revenue, stabilized year

(\$ millions)

	Direct	Indirect / Induced	Total
<b>Total Tax Revenues</b>	<b>\$30.1</b>	<b>\$11.1</b>	<b>\$41.3</b>
<b>Federal</b>	<b>\$11.1</b>	<b>\$4.8</b>	<b>\$15.9</b>
Personal Income	\$4.2	\$1.8	\$6.0
Corporate	\$0.5	\$0.4	\$0.9
Indirect Business	\$0.4	\$0.2	\$0.6
Social Insurance	\$6.0	\$2.3	\$8.4
<b>State and Local</b>	<b>\$19.0</b>	<b>\$6.3</b>	<b>\$25.3</b>
Sales	\$8.0	\$4.0	\$12.0
Bed Tax	\$6.0	\$0.0	\$6.0
Personal Income	\$1.6	\$0.7	\$2.3
Corporate	\$0.2	\$0.2	\$0.4
Social Insurance	\$0.3	\$0.0	\$0.4
Excise and Fees	\$0.7	\$0.4	\$1.0
Property	\$2.3	\$1.0	\$3.2

## State and local tax revenue, stabilized year

(\$ millions)

	State	Local	Total
<b>Total taxes</b>	<b>\$13.7</b>	<b>\$11.6</b>	<b>\$25.3</b>
Sales	\$9.9	\$2.1	\$12.0
Bed Tax	\$0.1	\$5.9	\$6.0
Personal Income	\$2.3	\$0.0	\$2.3
Corporate	\$0.4	\$0.0	\$0.4
Social Insurance	\$0.4	\$0.0	\$0.4
Excise and Fees	\$0.5	\$0.6	\$1.0
Property	\$0.2	\$3.1	\$3.2

Source: Tourism Economics



Section 7

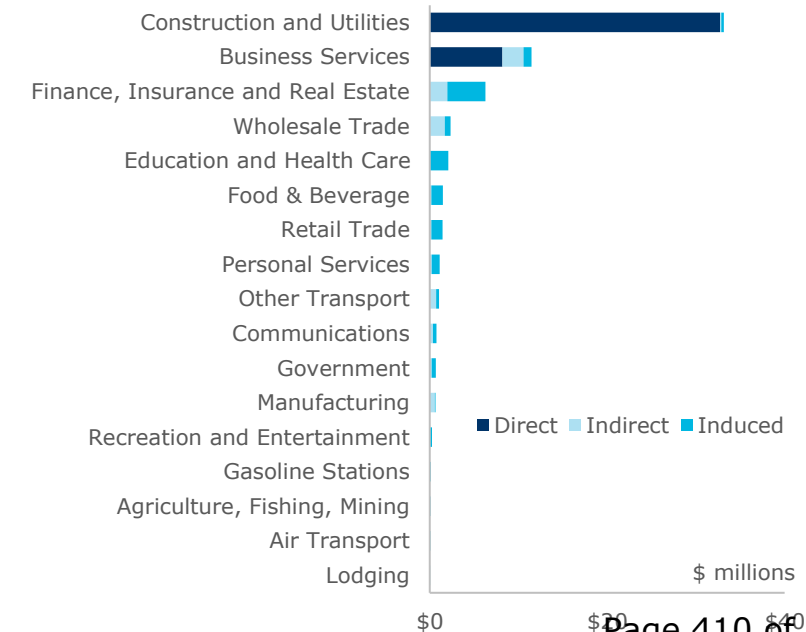
# **CAPITAL EXPENDITURE IMPACTS**

# Business Sales by Industry

**Business sales impacts by industry, capital expenditures**  
(\$ millions)

	Direct Business Sales	Indirect Business Sales	Induced Business Sales	Total Business Sales
<b>Total, all industries</b>	<b>\$40.9</b>	<b>\$8.6</b>	<b>\$13.3</b>	<b>\$62.8</b>
<b>By industry</b>				
Construction and Utilities	\$32.7	\$0.1	\$0.3	\$33.1
Business Services	\$8.2	\$2.4	\$0.9	\$11.5
Finance, Insurance and Real Estate		\$2.0	\$4.3	\$6.3
Wholesale Trade		\$1.7	\$0.7	\$2.3
Education and Health Care		\$0.0	\$2.1	\$2.1
Food & Beverage		\$0.2	\$1.3	\$1.5
Retail Trade		\$0.2	\$1.2	\$1.4
Personal Services		\$0.2	\$0.9	\$1.1
Other Transport		\$0.7	\$0.3	\$1.0
Communications		\$0.3	\$0.4	\$0.7
Government		\$0.2	\$0.5	\$0.7
Manufacturing		\$0.6	\$0.1	\$0.6
Recreation and Entertainment		\$0.0	\$0.2	\$0.2
Gasoline Stations		\$0.0	\$0.1	\$0.1
Agriculture, Fishing, Mining		\$0.0	\$0.0	\$0.1
Air Transport		\$0.0	\$0.0	\$0.0
Lodging		\$0.0	\$0.0	\$0.0

**Business sales impacts by industry, capital expenditures**  
(\$ millions)



Source: Tourism Economics

Source: Tourism Economics

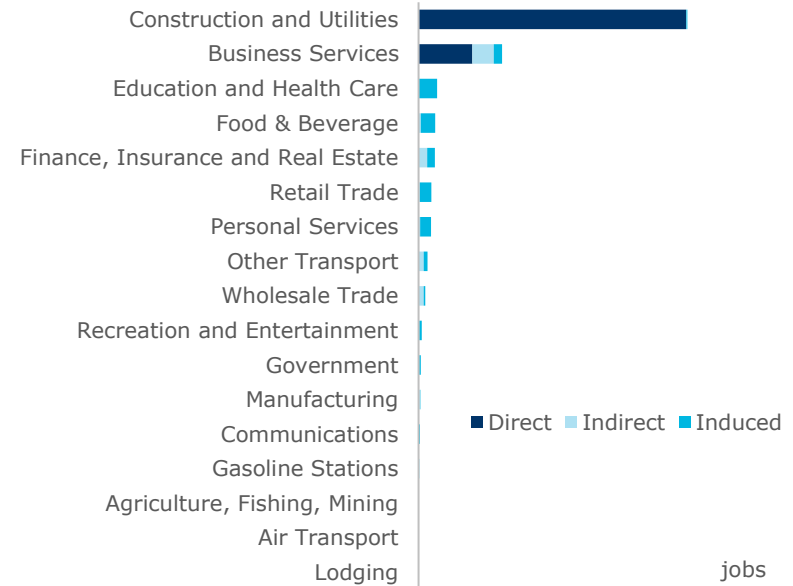


# Employment by Industry

## Employment impacts by industry, capital expenditures (part-time and full-time jobs)

	Direct Employment	Indirect Employment	Induced Employment	Total Employment
<b>Total, all industries</b>	<b>359</b>	<b>56</b>	<b>94</b>	<b>509</b>
<b>By industry</b>				
Construction and Utilities	299	0	1	300
Business Services	60	24	9	93
Education and Health Care		0	21	21
Food & Beverage		2	16	19
Finance, Insurance and Real Estate		10	9	18
Retail Trade		1	13	14
Personal Services		2	12	14
Other Transport		6	4	10
Wholesale Trade		6	2	8
Recreation and Entertainment		1	3	4
Government		1	2	3
Manufacturing		2	0	2
Communications		1	1	1
Gasoline Stations		0	1	1
Agriculture, Fishing, Mining		0	0	0
Air Transport		0	0	0
Lodging		0	0	0

## Employment impacts by industry, capital expenditures (part-time and full-time jobs)



Source: Tourism Economics

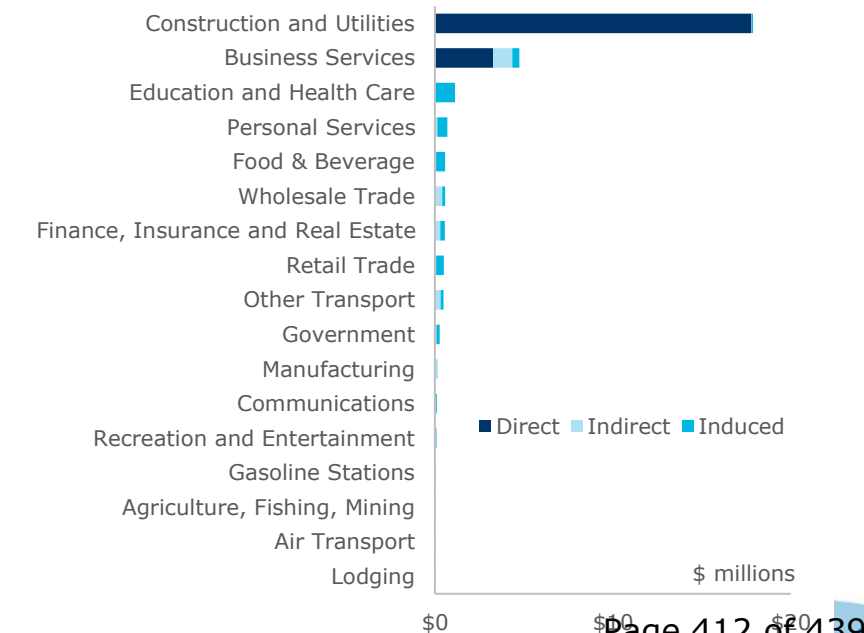
Source: Tourism Economics

# Labor Income by Industry

**Labor income impacts by industry, capital expenditures**  
(\$ millions)

	Direct Personal Income	Indirect Personal Income	Induced Personal Income	Total Personal Income
<b>Total, all industries</b>	<b>\$21.0</b>	<b>\$2.7</b>	<b>\$4.0</b>	<b>\$27.7</b>
<b>By industry</b>				
Construction and Utilities	\$17.8	\$0.0	\$0.1	\$17.9
Business Services	\$3.3	\$1.1	\$0.4	\$4.7
Education and Health Care		\$0.0	\$1.1	\$1.1
Personal Services		\$0.1	\$0.6	\$0.7
Food & Beverage		\$0.1	\$0.5	\$0.6
Wholesale Trade		\$0.4	\$0.2	\$0.6
Finance, Insurance and Real Estate		\$0.3	\$0.3	\$0.6
Retail Trade		\$0.1	\$0.4	\$0.5
Other Transport		\$0.3	\$0.2	\$0.5
Government		\$0.1	\$0.2	\$0.3
Manufacturing		\$0.1	\$0.0	\$0.1
Communications		\$0.1	\$0.1	\$0.1
Recreation and Entertainment		\$0.0	\$0.1	\$0.1
Gasoline Stations		\$0.0	\$0.0	\$0.0
Agriculture, Fishing, Mining		\$0.0	\$0.0	\$0.0
Air Transport		\$0.0	\$0.0	\$0.0
Lodging		\$0.0	\$0.0	\$0.0

**Labor income impacts by industry, capital expenditures**  
(\$ millions)



Source: Tourism Economics

Source: Tourism Economics

# Tax Generation

## Total tax revenue, capital expenditures

(\$ millions)

	Direct	Indirect / Induced	Total
<b>Total Tax Revenues</b>	<b>\$5.3</b>	<b>\$3.1</b>	<b>\$8.4</b>
<b>Federal</b>	<b>\$4.0</b>	<b>\$1.5</b>	<b>\$5.4</b>
Personal Income	\$1.8	\$0.5	\$2.3
Corporate	\$0.0	\$0.1	\$0.2
Indirect Business	\$0.0	\$0.1	\$0.1
Social Insurance	\$2.1	\$0.7	\$2.8
<b>State and Local</b>	<b>\$1.3</b>	<b>\$1.7</b>	<b>\$3.0</b>
Sales	\$0.3	\$0.7	\$1.0
Personal Income	\$0.7	\$0.2	\$0.9
Corporate	\$0.0	\$0.1	\$0.1
Social Insurance	\$0.1	\$0.0	\$0.1
Excise and Fees	\$0.1	\$0.2	\$0.2
Property	\$0.2	\$0.5	\$0.7

## State and local tax revenue, capital expenditures

(\$ millions)

	State	Local	Total
<b>Total taxes</b>	<b>\$1.9</b>	<b>\$1.1</b>	<b>\$3.0</b>
Sales	\$0.8	\$0.2	\$1.0
Personal Income	\$0.9	\$0.0	\$0.9
Corporate	\$0.1	\$0.0	\$0.1
Social Insurance	\$0.1	\$0.0	\$0.1
Excise and Fees	\$0.1	\$0.1	\$0.2
Property	\$0.0	\$0.7	\$0.7

Source: Tourism Economics

Source: Tourism Economics



Section 8

# **CITY KEY FINDINGS (FY 22/23)**

# City Summary Findings (FY 22/23)

The following section presents the economic impacts generated by Living Desert Zoo and Garden patrons off-site spending in five cities within Greater Palm Springs in FY 22/23.

These figures exclude the economic impact generated by the Living Desert Zoo and Garden’s operational expenditures, which were included in the aggregated Zoo impacts for all Greater Palm Springs presented in the prior sections.

The accompanying table outlines the economic impacts generated by off-site visitor spending in each city: Palm Springs accounted for the largest portion (\$30.9 million), followed by Palm Desert (\$24.9 million), La Quinta (\$14.9 million), Rancho Mirage (\$14.0 million), and Indian Wells (\$7.9 million).

## Living Desert Zoo and Gardens Summary Economic Impacts (\$ millions and number of jobs)

	<b>Indian Wells</b>	<b>Palm Desert</b>	<b>Palm Springs</b>	<b>La Quinta</b>	<b>Rancho Mirage</b>
Business Sales	\$7.9	\$24.9	\$30.9	\$14.9	\$14.0
Personal Income	\$2.7	\$8.5	\$10.5	\$5.1	\$4.7
Employment	74	235	292	140	132
Taxes	\$1.8	\$5.4	\$7.2	\$3.3	\$3.0
State & local taxes	\$1.2	\$3.6	\$5.0	\$2.2	\$2.0
Federal taxes	\$0.6	\$1.8	\$2.2	\$1.1	\$1.0

Source: Living Desert Zoo and Gardens, Tourism Economics  
Note: Totals may not sum due to rounding.

# LIVING DESERT ZOO AND GARDENS IMPACTS: INDIAN WELLS

## VISITOR SPENDING ECONOMIC IMPACTS (FY 22/23)

### DIRECT SPENDING (FY 22/23)

The Living Desert Zoo and Gardens generated significant economic impacts in Indian Wells as Zoo patrons spent money at businesses and establishments in Indian Wells during their trip to the Zoo, including local restaurants, retailers, and recreation/entertainment venues.

In FY 22/23, Zoo patrons spent \$5.5 million in Indian Wells, as outlined below.



**\$5.5 MILLION**

**Zoo Patron Spending In Indian Wells (FY 22/23)**



**\$2.7M** LODGING



**\$1.8M** ENTERTAINMENT



**\$0.7M** LOCAL TRANSPORTATION



**\$0.2M** FOOD & BEVERAGE



**\$0.1M** RETAIL

### ECONOMIC IMPACTS

The Living Desert Zoo and Gardens' patron spending impact of \$5.5 million generated a total economic impact of \$7.9 million in the Indian Wells economy, which supported 74 part-time and full-time jobs and generated \$1.2 million in state and local taxes in FY 22/23.



**\$7.9 MILLION**

**Total Economic Impact of the Living Desert Zoo and Gardens (FY 22/23)**

### ECONOMIC IMPACTS OF THE LIVING DESERT ZOO AND GARDENS IN INDIAN WELLS (FY 22/23)



**\$7.9M**

**Total  
Economic  
Impact**



**74**

**Total  
Jobs  
Generated**



**\$1.2M**

**Total  
State & Local  
Tax Revenues**

# LIVING DESERT ZOO AND GARDENS IMPACTS: PALM DESERT

## VISITOR SPENDING ECONOMIC IMPACTS (FY 22/23)

### DIRECT SPENDING (FY 22/23)

The Living Desert Zoo and Gardens generated significant economic impacts in Palm Desert as Zoo patrons spent money at businesses and establishments in Palm Desert during their trip to the Zoo, including local restaurants, retailers, and recreation/entertainment venues.

In FY 22/23, Zoo patrons spent \$17.2 million in Palm Desert, as outlined below.

 **\$17.2 MILLION**  
Zoo Patron Spending In Palm Desert (FY 22/23)

 **\$6.2M** LODGING

 **\$4.7M** FOOD & BEVERAGE

 **\$3.0M** RETAIL

 **\$2.0M** ENTERTAINMENT

 **\$1.4M** LOCAL TRANSPORTATION

### ECONOMIC IMPACTS

The Living Desert Zoo and Gardens' patron spending impact of \$17.2 million generated a total economic impact of \$24.9 million in the Palm Desert economy, which supported 235 part-time and full-time jobs and generated \$3.6 million in state and local taxes in FY 22/23.



**\$24.9 MILLION**

Total Economic Impact of the Living Desert Zoo and Gardens  
(FY 22/23)

### ECONOMIC IMPACTS OF THE LIVING DESERT ZOO AND GARDENS IN PALM DESERT (FY 22/23)

  
**\$24.9M**  
Total  
Economic  
Impact

  
**235**  
Total  
Jobs  
Generated

  
**\$3.6M**  
Total  
State & Local  
Tax Revenues

# LIVING DESERT ZOO AND GARDENS IMPACTS: PALM SPRINGS

## VISITOR SPENDING ECONOMIC IMPACTS (FY 22/23)

### DIRECT SPENDING (FY 22/23)

The Living Desert Zoo and Gardens generated significant economic impacts in Palm Springs as Zoo patrons spent money at businesses and establishments in Palm Springs during their trip to the Zoo, including local restaurants, retailers, and recreation/entertainment venues.

In FY 22/23, Zoo patrons spent \$21.1 million in Palm Springs, as outlined below.


 **\$21.1 MILLION**  
Zoo Patron Spending In Palm Springs (FY 22/23)

 **\$11.7M** LODGING

 **\$5.4M** FOOD & BEVERAGE

 **\$1.3M** RETAIL

 **\$1.7M** LOCAL TRANSPORTATION

 **\$1.1M** ENTERTAINMENT

### ECONOMIC IMPACTS

The Living Desert Zoo and Gardens' patron spending impact of \$21.1 million generated a total economic impact of \$30.9 million in the Palm Springs economy, which supported 292 part-time and full-time jobs and generated \$5.0 million in state and local taxes in FY 22/23.




**\$30.9 MILLION**

Total Economic Impact of the Living Desert Zoo and Gardens  
(FY 22/23)

### ECONOMIC IMPACTS OF THE LIVING DESERT ZOO AND GARDENS IN PALM SPRINGS (FY 22/23)

  
**\$30.9M**  
Total  
Economic  
Impact

  
**292**  
Total  
Jobs  
Generated

  
**\$5.0M**  
Total  
State & Local  
Tax Revenues



# LIVING DESERT ZOO AND GARDENS IMPACTS: LA QUINTA

## VISITOR SPENDING ECONOMIC IMPACTS (FY 22/23)

### DIRECT SPENDING (FY 22/23)

The Living Desert Zoo and Gardens generated significant economic impacts in La Quinta as Zoo patrons spent money at businesses and establishments in La Quinta during their trip to the Zoo, including local restaurants, retailers, and recreation/entertainment venues.

In FY 22/23, Zoo patrons spent \$10.3 million in La Quinta, as outlined below.

 **\$10.3 MILLION**  
Zoo Patron Spending In La Quinta (FY 22/23)

 **\$3.8M** FOOD & BEVERAGE

 **\$3.8M** LODGING

 **\$1.2M** RETAIL

 **\$0.9M** ENTERTAINMENT

 **\$0.5M** LOCAL TRANSPORTATION

### ECONOMIC IMPACTS

The Living Desert Zoo and Gardens' patron spending impact of \$10.3 million generated a total economic impact of \$14.9 million in the La Quinta economy, which supported 140 part-time and full-time jobs and generated \$2.2 million in state and local taxes in FY 22/23.



**\$14.9 MILLION**

Total Economic Impact of the Living Desert Zoo and Gardens  
(FY 22/23)

### ECONOMIC IMPACTS OF THE LIVING DESERT ZOO AND GARDENS IN LA QUINTA (FY 22/23)

  
**\$14.9M**  
Total  
Economic  
Impact

  
**140**  
Total  
Jobs  
Generated

  
**\$2.2M**  
Total  
State & Local  
Tax Revenues

# LIVING DESERT ZOO AND GARDENS IMPACTS: RANCHO MIRAGE

## VISITOR SPENDING ECONOMIC IMPACTS (FY 22/23)

### DIRECT SPENDING (FY 22/23)

The Living Desert Zoo and Gardens generated significant economic impacts in Rancho Mirage as Zoo patrons spent money at businesses and establishments in Rancho Mirage during their trip to the Zoo, including local restaurants, retailers, and recreation/entertainment venues.

In FY 22/23, Zoo patrons spent \$9.7 million in Rancho Mirage, as outlined below.



**\$9.7 MILLION**

**Zoo Patron Spending In Rancho Mirage (FY 22/23)**



**\$3.5M** LODGING



**\$2.4M** FOOD & BEVERAGE



**\$2.4M** ENTERTAINMENT



**\$0.8M** LOCAL TRANSPORTATION



**\$0.5M** RETAIL

### ECONOMIC IMPACTS

The Living Desert Zoo and Gardens' patron spending impact of \$9.7 million generated a total economic impact of \$14.0 million in the Rancho Mirage economy, which supported 132 part-time and full-time jobs and generated \$2.0 million in state and local taxes in FY 22/23.



**\$14.0 MILLION**

**Total Economic Impact of the Living Desert Zoo and Gardens (FY 22/23)**

### ECONOMIC IMPACTS OF THE LIVING DESERT ZOO AND GARDENS IN RANCHO MIRAGE (FY 22/23)



**\$14.0M**

**Total  
Economic  
Impact**



**132**

**Total  
Jobs  
Generated**



**\$2.0M**

**Total  
State & Local  
Tax Revenues**

# About Tourism Economics



Tourism Economics is an Oxford Economics company with a singular objective: combine an understanding of the travel sector with proven economic tools to answer the most important questions facing our clients. More than 500 companies, associations, and destination work with Tourism Economics every year as a research partner. We bring decades of experience to every engagement to help our clients make better marketing, investment, and policy decisions. Our team of highly-specialized economists deliver:

- Global travel data-sets with the broadest set of country, city, and state coverage available
- Travel forecasts that are directly linked to the economic and demographic outlook for origins and destinations
- Economic impact analysis that highlights the value of visitors, events, developments, and industry segments
- Policy analysis that informs critical funding, taxation, and travel facilitation decisions
- Market assessments that define market allocation and investment decisions

Tourism Economics operates out of regional headquarters in Philadelphia and Oxford, with offices in Belfast, Buenos Aires, Dubai, Frankfurt, and Ontario.

Oxford Economics is one of the world's foremost independent global advisory firms, providing reports, forecasts and analytical tools on 200 countries, 100 industrial sectors and over 3,000 cities. Our best-of-class global economic and industry models and analytical tools give us an unparalleled ability to forecast external market trends and assess their economic, social and business impact. Headquartered in Oxford, England, with regional centers in London, New York, and Singapore, Oxford Economics has offices across the globe in Belfast, Chicago, Dubai, Miami, Milan, Paris, Philadelphia, San Francisco, and Washington DC, we employ over 250 full-time staff, including 150 professional economists, industry experts and business editors—one of the largest teams of macroeconomists and thought leadership specialists.

For more information:

[info@tourismeconomics.com](mailto:info@tourismeconomics.com)



Café/Marketplace Revenue Estimates

		FYE 23	FYE 24	FYE 25	FYE 26	FYE 27	FYE 28	FYE 29	FYE 30	FYE 31	FYE 32	FYE 33	FYE 34
Yearly Attendance 6% Growth Rate		600,000	636,000	674,160	714,610	757,486	802,935	851,111	902,178	956,309	1,013,687	1,074,509	1,138,979
Capture Rate				14.16%	14.16%	14.16%	14.16%	14.16%	14.16%	14.16%	14.16%	14.16%	14.16%
Average Transaction (Net After Taxes)		4%	Inflation	\$26.69	\$27.76	\$28.87	\$30.02	\$31.22	\$32.47	\$33.77	\$35.12	\$36.53	\$37.99
Potential F&B Revenue (Net After Taxes)				\$2,547,856	\$2,808,756	\$3,096,373	\$3,413,441	\$3,762,978	\$4,148,306	\$4,573,093	\$5,041,378	\$5,557,615	\$6,126,715
Evening Rental Events (Weddings, Corporate, Social, Gala)	Projections are VERY conservative.	150	Guests	\$1,350,000	\$1,404,000	\$1,460,160	\$1,518,566	\$1,579,309	\$1,642,481	\$1,708,181	\$1,776,508	\$1,847,568	\$1,921,471
Facility Rental		\$250	per Guests										
Catering		4%	Inflation										
Equipment & Décor Rental		36	Events /year										
Total Revenue Projection				\$3,897,856	\$4,212,756	\$4,556,533	\$4,932,008	\$5,342,287	\$5,790,788	\$6,281,274	\$6,817,886	\$7,405,183	\$8,048,186
Estimated Revenue over first 10 years	\$57,284,754												
			Ten Year Estimate	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Estimated Indian Wells Share of Sales Tax		\$ 572,847.54	\$ 38,978.56	\$ 42,127.56	\$ 45,565.33	\$ 49,320.08	\$ 53,422.87	\$ 57,907.88	\$ 62,812.74	\$ 68,178.86	\$ 74,051.83	\$ 80,481.86	

**RESOLUTION NO. 2023-38****A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF INDIAN WELLS, CALIFORNIA, ADOPTING A COMMUNITY ASSISTANCE FUNDING POLICY AND RESCINDING PRIOR DISCRETIONARY FUNDING POLICIES**

**WHEREAS**, the City Council of the City of Indian Wells recognizes the importance of a prudent long-term financial plan, as well as the value in providing financial assistance to organizations whose work benefits the City and the Coachella Valley; and

**WHEREAS**, the City desires and intends to adopt a funding plan for community assistance expenditures consistent with a prudent long-term financial plan; and

**WHEREAS**, the City desires and intends to amend the funding plan to make provisions for pledging monies.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF INDIAN WELLS, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:**

**SECTION 1.** The City Council hereby **RESCINDS** prior resolutions amending or approving the Community Assistance Policy, including Resolution No. 2022-40.

**SECTION 2.** The City Council hereby **ADOPTS** that specific Community Assistance Funding Policy set forth in Exhibit "A" attached hereto and incorporated herein by reference.

**SECTION 3.** This Resolution shall take effect upon adoption.

**PASSED, APPROVED, AND ADOPTED** by the City Council of the City of Indian Wells, California, at a regular meeting held on this 2<sup>nd</sup> day of November 2023.

E-SIGNED by Donna J.H. Griffith  
on 2023-11-03 14:24:49 PDT

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**DONNA J.H. GRIFFITH**  
**MAYOR**

**CERTIFICATION FOR RESOLUTION NO. 2023-38**

I, Angelica Avila, City Clerk of the City Council of the City of Indian Wells, California, **DO HEREBY CERTIFY** that the whole number of the members of the City Council is five (5); that the above and foregoing Resolution was duly and regularly passed and adopted at a regular meeting of the City Council of the City of Indian Wells on this 2<sup>nd</sup> day of November 2023, by the following vote:

AYES: Griffith, Peabody, Reed, Sanders, Whitman  
NOES: None

**ATTEST:**

**APPROVED AS TO FORM:**

E-SIGNED by Angelica Avila  
on 2023-11-03 14:48:32 PDT

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**ANGELICA AVILA**  
**CITY CLERK**

E-SIGNED by Todd Leishman  
on 2023-11-03 14:47:35 PDT

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**TODD LEISHMAN**  
**CITY ATTORNEY**

## **EXHIBIT "A"**

### **CITY OF INDIAN WELLS COMMUNITY ASSISTANCE FUNDING POLICY**

#### **1. PURPOSE OF THIS POLICY**

The Policy's purpose is to establish annual procedures and approvals associated with funding community assistance expenditures during the development of the City budget. In addition, the Policy sets defined processes to ensure the City's financial goals are maintained and opportunities for public input are available.

The City Council defines community assistance funding as optional expenditures that the City Council can disburse annually to financial aid-worthy non-profit organizations within the Coachella Valley that provide services that the City may not otherwise offer.

Budgetary approval is required for all community assistance funding. The City Council will publicly discuss community assistance funding at budgetary study sessions and council meetings during the review and adoption of the City budget. Public input is essential during these meetings.

#### **2. COMMUNITY ASSISTANCE FUNDING**

Community Assistance Funding for each new budget year shall be established as follows:

- A. For each new budget year, the amount of the community assistance funding budget shall be established by calculating twenty-five percent (25%) of the prior year's General Fund's Net Change in Fund Balance (after all capital contributions) using year-end estimates established during the last quarter of each fiscal year.
- B. Maximum funding shall not exceed \$200,000 during each budget year.
- C. Annual funding shall be split into two separate pools. The Grants-in-Aid program shall receive 80% of the available funding. The second pool shall operate at the sole discretion of the City Council and will receive the remaining 20% of the available funding.
- D. The City has qualified its ability to meet its financial obligations under the current General Fund cash flow plan as approved and amended by the Finance Committee and consistent with the adoption of the City's Annual Budget.
- E. If funds are insufficient, the amount of community assistance funding shall be reduced or eliminated until all criteria have been met.
- F. Budget Roll Forwards: Prior to the close of each fiscal year, the Finance Director shall roll forward any unexpended community assistance funds from either pool. For the avoidance of doubt, any unexpended community assistance funds shall "roll forward" into the next year's budget, shall be available for spending, and shall be separate from the annual calculation establishing the annual Community Assistance Funding Program.

### **3. EXTRAORDINARY FUNDING REQUESTS IN EXCESS OF \$200,000**

Extraordinary funding requests received by the City of more than \$200,000 shall be considered separately from the policy requirements set forth above and shall be subject to the following criteria prior to City Council approval:

- A. City staff shall request and require documentation in keeping with Community Assistance Grant Program Requirements. The Extraordinary Grants Committee will review the funding proposal as required for all Community Assistance Grants. The Committee shall make a written recommendation to the City Council of their findings.
- B. A staff report summarizing the Committee's recommendations shall be placed on the City Council agenda for consideration.
- C. The Applicant shall have the opportunity to present to the Council when the item is scheduled for Council consideration.
- D. If the City Council approves by a majority vote to move the item forward, a Community Involvement component will be required. The Applicant will oversee and direct the Community Involvement component at the Applicant's own expense. This component shall include a program to inform the public about the long-range financial impact, share the funding proposal, and obtain feedback from the community. This will be accomplished through press releases, distributing informational materials pertinent to the proposal, public hearings, meetings, and surveys. The following steps must be taken and reviewed before a final decision by the City Council regarding the potential funding of a proposal exceeding \$200,000:
  - i. The City will hold a minimum of one Public Hearing and Town Hall meeting to discuss the said proposal with the Applicant present.
  - ii. A minimum of one written communication shall be sent via U.S. Postal Service to all Indian Wells residents to include summary information on the funding request, the budgetary impact to the City is funded, and the date, time, and location of Public Hearing and Town Hall meeting to accept community input on proposed funding. Each mailing shall be at the expense of the Applicant.
  - iii. The Applicant shall cause to be submitted to the media no less than one press release announcing the date, time, and location of the public hearing or meeting held to discuss and take testimony regarding the funding proposal.
  - iv. A Community-wide mail survey or cloud-based online civic engagement platform/poll shall be used to provide an additional vehicle to inform and provide community feedback as it relates to the funding proposal. Each poll shall be at the expense of the Applicant. A subsequent report on the poll results shall be provided to the City Council.



- v. The City Council shall be responsible for ensuring that legal and financial advice has been obtained and must consider whether the scope of the proposed funding request warrants further legal or financial advice from an independent source.

At such a time that all of the above community input methods have been completed, and considering the information obtained, the City Council shall determine the award of any such funding during a regularly scheduled City Council meeting.

# INDIAN WELLS CITY COUNCIL

## December 7, 2023



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**To:** City Council  
**From:** City Manager Department  
**Prepared by:** Micaela Wilkey, Senior Management Analyst  
**Subject:** **Sponsorship for Desert International Horse Park**

### RECOMMENDED ACTIONS:

Council **APPROVES** Finance Committee Recommended Sponsorship for Desert International Horse Park.

### DISCUSSION:

Desert International Horse Park (DIHP) reached out to staff seeking sponsorship. The attached sponsorship was presented to Staff for consideration. Staff presented the information to the Indian Wells Finance Committee for discussion with the Finance Committee recommending full sponsorship for \$25,0000 for Council approval.

With nearly 1.6 million square feet of competition and riding space, the Desert International Horse Park is one of North America's most extensive equestrian facilities. Offering 15 weeks of world-class competition from October through March, the facility is a destination location for thousands of equestrians, their horses, family, and friends for several months annually. Competitors from all over the world travel to Thermal, CA, not only to compete but also to enjoy everything the desert has to offer.

At Desert International Horse Park, they aspire to build the equestrian sport on the West Coast and ensure that West Coast athletes have an equal opportunity to enjoy the sport and achieve their aspirations, regardless of what those may be, at an internationally recognized horse park.

[Click here for the promotional video link of Desert International Horse Park.](#)

For FY 2023-24, DIHP has sponsorship with the City of La Quinta, La Quinta Resort is the host hotel, and they are currently finalizing a sponsorship with Visit Greater Palm Springs.

## **Sponsorship Benefits:**

The proposed sponsorship agreement is a Silver Sponsorship. Many of the items they offer for Indian Wells would only be available with a Gold or higher-level sponsorship - the total value is linked to a \$50-\$100K sponsorship package. Indian Wells' \$25,000 sponsorship would provide the city with the following benefits for FY 2023-2024:

- **One (1) VIP table in our Hospitality Desert Circuit 2024 (Jan. – March)**
  - Included as a sponsor benefit only for Gold Sponsors (\$50,000 or higher)
    - Value: \$2,000 for a table of eight (8) (excludes food/beverages)
- **VIP Viewing Event for up to fifty (50) guests** during Desert Circuit 2024
  - Included as a sponsor benefit only for Platinum Sponsors (\$100,000 or higher)
    - Value: \$5,000 (excludes food/beverages)
- **Six (6) Custom-branded signage in the Grand Prix Arena and Grass Field** (3'x8' coroplast panels)
  - Require payment at all levels of sponsorship, customarily.
    - Value: 6 at \$250 each, total value of \$1,500
- **Up to Three (3) Full-Page Advertisements in all Prize Lists**
  - Four (4) prize lists in total (three for hunter-jumpers; one for dressage)
    - Value: \$12,000 (\$1,000 per ad per prize list - bulk pricing)
- **One (1) Full-Page Advertisement for the Show Program** (distributed to all VIPs, sponsors, special guests, etc.)
  - Included as a sponsor benefit ONLY for Gold and Platinum Sponsors
    - Value: \$5,000 minimum
- **CIW-branded Materials in the VIP Pavilion**
  - Included as a sponsor benefit ONLY for Gold and Platinum Sponsors
    - Value: \$5,000 minimum
- **Right to Media**
  - Value: \$1,500 to \$5,000 depending on media requested
- **Social Media**
  - Value: Email, Social Media, PA Announcements, live streams, etc. They don't have a value, but based on their social following and attendance, we estimate this to be around \$20,000.

The confidentiality clause on page 5 will be removed since we must disclose our agreements.

## **FISCAL IMPACT:**

The Finance Committee has proposed endorsing complete sponsorship in the amount of \$25,000. Should the Council opt to allocate funds to the Desert International Horse Park, the financing will be derived from the City's General Fund. This unanticipated funding request obliges the initiation of a supplemental appropriation. In accordance with the

Council's approved budget, a projected net profit of \$1,061,210 is anticipated in the General Fund for the fiscal year. Moreover, it is pertinent to observe that year-to-date transient occupancy tax revenues have exceeded the year-to-date budgeted amount by \$390,199 and have exceeded last year's year-to-date actuals by \$253,354. Lastly, General Fund expenditures are aligning with the budgeted expectations.

## **ATTACHMENTS:**

1. DIHP Sponsorship Agreement



# SPONSORSHIP AGREEMENT

This following sponsorship agreement (the "agreement") commences October 1, 2023 and expires April 1, 2024.

## Between "ORGANIZER"

*Desert International Horse Park (DIHP)*

**Steve Hankin, President/CEO**

PO Box 5700 La Quinta, CA 92248

## and "SPONSOR"

*City of Indian Wells (CIW)*

**Micaela Wilkey, Senior Management Analyst**

44-950 Eldorado Drive, Indian Wells, CA 92210-7497

The "**Organizer**" has the exclusive right to organize and conduct competitions, which are to be held in Thermal, CA: and the "**Sponsor**" has determined to provide financial support for the Event in exchange for specified promotional rights to be provided by the Organizer from October 1, 2023, to April 1, 2024 (the "Term"). In consideration of the mutual agreements and promises contained herein, the parties hereto agree as follow:

## Deliverables for SILVER Sponsorship:

SPONSORSHIP BENEFITS	Quantity	
<b>One (1) VIP table</b> in our Hospitality Pavilion during one (1) week of National Sunshine Series 2023 OR Desert Circuit 2024	1	Includes premium dining for eight (8) guests in our beautiful ringside pavilion during a major evening event
<b>VIP Viewing Event for up to fifty (50) guests</b> during Desert Circuit 2024	1	Event to take place in conjunction with a major specialty class running on our grass competition field; includes dedicated host to provide information on the class, the horses and riders, how points are determined, etc.; opportunity to add food and beverages services from our onsite catering company for an additional fee



SPONSORSHIP BENEFITS (CONT.)	Quantity	Details
Custom-branded signage in the Grand Prix Arena and Grass Field (3'x8' coroplast panels)	6 in total	Provided at no additional cost for 2023/2024 season
Full-Page Advertisements	3	Up to three (3) full-page, full-color ads included in all prize lists for the 2023/2024 season
CIW-branded Materials in the VIP Pavilion	N/A	Opportunity to provide CIW materials (brochures, guides, etc.) for VIP guests; DIHP to replenish as needed
Dedicated Email Blasts	3	Dedicated emails distributed to DIHP subscribers highlighting CIW-supported events and initiatives
Social Media Posts	10	Dedicated social media posts highlighting CIW-supported events and initiatives
PA Announcements	2x Daily	Twice-daily public address announcements throughout the season
Commercial - Live Stream & Video Scoreboards	Daily	30-second commercial placement during all live stream coverage and on video scoreboards during the season
Logo Placement - Live Stream & Video Scoreboards	Daily	Logo included as part of live stream coverage and shown on video scoreboards during the season



SPONSORSHIP BENEFITS (CONT.)	Quantity	Details
Right to Media	TBD	DIHP will provide any relevant photos, video, or other media to the CIW as requested
Website/Sponsor Matrix	1	Logo displayed on DIHP website and anywhere the DIHP sponsor matrix is employed/published

## Additional Notes/Comments

- CIW to provide preferred pricing for DIHP-organized events at the Indian Wells Gold Resort during the term of the agreement
- CIW to facilitate private booking of *Shots in the Dark* on Wednesday, November 29, 2023, for our Major League Show Jumping “draw party”
  - Approximately 75-100 DIHP-invited guests to be in attendance
  - Admission fees, food and beverages to be paid for by DIHP
- CIW to assist DIHP with cross-promotional opportunities on the CIW website and/or other platforms

## Sponsorship Fee

In consideration of the full performance by Organizer of all its obligations hereunder and of all rights granted hereunder to Sponsor, Sponsor shall pay to Organizer as follows:

**\$25,000 for the 23-24 Season**

**Sponsorship Payment due October 15, 2023.**

ORGANIZER SIGNATURE

Steve Hankin, President/CEO

SPONSOR SIGNATURE

Micaela Wilkey, Senior Management Analyst

SIGNING DATE

SIGNING DATE



## TERMS AND CONDITIONS

### **1.Non-Exclusivity.**

Sponsor acknowledges and agrees that this Agreement, the Sponsorship Rights and any other rights granted to Sponsor hereunder are non-exclusive as to Sponsor's line of business, products or services, or otherwise and that DIHP is entitled to enter into one or more sponsorship or other similar arrangements with other Persons.

### **2.Termination.**

**(a)Default.** If either Party defaults in the performance of, or compliance with, any term or condition of this Agreement, the other Party may terminate this Agreement by written notice. Termination of this Agreement shall be effective 30 days from the date of receipt of such notice, unless, within 30 days after receipt of such notice, the defaulting Party has corrected the default or if such default is capable of correction, has taken timely and reasonable steps to correct and will complete such correction within another 30 days.

**(b)Insolvency or Bankruptcy.** If either Party (i) becomes insolvent or is generally unable to pay, or fails to pay, its debts as they become due, (ii) files or has filed against it, a petition for voluntary or involuntary bankruptcy or otherwise becomes subject, voluntarily or involuntarily, to any proceeding under any domestic or foreign bankruptcy or insolvency law, (iii) seeks reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition, or other relief with respect to it or its debts, (iv) makes or seeks to make a general assignment for the benefit of its creditors, or (v) applies for or has a receiver, trustee, custodian, or similar agent appointed by order of any court of competent jurisdiction to take charge of or sell any material portion of its property or business, the other Party may terminate this Agreement immediately upon written notice.

**(c)Discontinuance of Use of Marks.** Upon expiration or termination of this Agreement, Sponsor shall immediately cease any new uses of all DIHP Marks, as well as any statements of association with DIHP or the Horse Park. Sponsor acknowledges that its failure to cease the use of the DIHP Marks at the termination or expiration of this Agreement will result in immediate and irreparable harm to DIHP and the Horse Park and to the rights of any subsequent sponsor. Sponsor agrees that in the event of such failure to cease such use, DIHP shall be entitled to equitable relief by way of temporary and permanent injunctions and such other and further relief as any court with jurisdiction may deem just and proper. Upon expiration or termination of this Agreement, DIHP and the Horse Park shall immediately cease any new uses of all Sponsor Marks.

**(d)Termination Is Without Prejudice to Terminating Party's Rights.** Any termination of this Agreement pursuant to this Section 6 shall be without prejudice to the terminating Party's rights and remedies available at law or equity.



### 3. Intellectual Property.

**(a) Ownership of Marks.** Nothing herein contained shall be construed as an assignment or grant to:

**(i)** Sponsor of any right, title or interest in or to the DIHP Marks, or in or to any copyright, design patent or trademark thereto, beyond the grant of the licensing rights on the terms herein specified. Sponsor hereby agrees that its every use of the DIHP Marks shall inure to the benefit of DIHP and that Sponsor shall not at any time acquire any rights in the DIHP Marks by virtue of any use it may make of such marks.

**(ii)** DIHP of any right, title or interest in or to the Sponsor Marks, or in or to any copyright, design patent or trademark thereto, beyond the grant of the licensing rights on the terms herein specified. DIHP hereby agrees that its every use of the Sponsor Marks shall inure to the benefit of Sponsor, and DIHP shall not at any time acquire any rights in Sponsor Marks by virtue of any use DIHP may make of such marks.

**(b) Use According to Specifications.** Sponsor agrees to use the DIHP Marks only in accordance with DIHP's specifications and guidelines as may be provided from time to time in writing. DIHP agrees to use the Sponsor Marks only in accordance with Sponsor's specifications and guidelines as may be provided from time to time in writing.

**(c) Approval of Use of DIHP Marks.** Sponsor shall submit to DIHP all advertising or promotional materials related to this Agreement a minimum of ten days prior to the production of such materials for DIHP's written approval.

**(d) Name and Likeness.** Sponsor acknowledges that this Agreement does not grant it any rights with respect to the name, likeness, or other attributes of any owner of DIHP, or any competitor, customer or other sponsor of DIHP or the Horse Park, or otherwise.

**(e) No Contests Without Approval.** Unless otherwise indicated in this Agreement, Sponsor has no right to run contests, sweepstakes, or promotions in connection with the DIHP Marks or this Agreement or for the award of invitations, tickets or other benefits acquired by Sponsor under this Agreement. In the event DIHP grants Sponsor the right to run a contest, sweepstakes or promotion, Sponsor shall comply with all applicable federal, state and local laws, rules, regulations or orders applicable to any such activities and hereby indemnifies the DIHP Indemnitees from any failure to so comply.

### 4. Confidentiality.

The Parties shall each keep confidential all provisions of this Agreement and (unless required by law or judicial process after making reasonable efforts to resist disclosure, including without limitation the requirements of any securities exchange), shall not disclose any of same to any third party (other than such Party's respective lenders or potential lenders, and the agents, counsel, and advisors of such Party) without first obtaining the prior written consent of the other Party.

## 5. Representations and Warranties of the Parties.

**(a) Representations and Warranties of DIHP.** DIHP represents and warrants to Sponsor that **(i)** DIHP is duly organized, validly existing, and in good standing in the jurisdiction of its formation, **(ii)** DIHP has the full right, power, and authority to enter into this Agreement and to perform its obligations under this Agreement, **(iii)** the execution of this Agreement has been duly authorized by all necessary action on the part of DIHP, **(iv)** when executed and delivered by each of DIHP and Sponsor, this Agreement will constitute the legal, valid, and binding obligation of DIHP, enforceable against DIHP in accordance with its terms, except as may be limited by any applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws and equitable principles related to or affecting creditors' rights generally or the effect of general principles of equity, and **(v)** DIHP or its Affiliates own or otherwise have sufficient rights in and to the DIHP Marks to grant the rights and licenses granted herein.

**(b) Representations and Warranties of Sponsor.** Sponsor represents and warrants to DIHP that **(i)** Sponsor is duly organized, validly existing, and in good standing in the jurisdiction of its formation, **(ii)** Sponsor has the full right, power, and authority to enter into this Agreement and to perform its obligations under this Agreement, **(iii)** the execution of this Agreement has been duly authorized by all necessary action on the part of Sponsor, **(iv)** when executed and delivered by each of Sponsor and DIHP, this Agreement will constitute the legal, valid, and binding obligation of Sponsor, enforceable against Sponsor in accordance with its terms, except as may be limited by any applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws and equitable principles related to or affecting creditors' rights generally or the effect of general principles of equity, and **(v)** Sponsor owns or otherwise have sufficient rights in and to the Sponsor Marks to grant the rights and licenses granted herein.

## 6. Indemnification and Insurance.

**(a) Indemnification by Sponsor.** Sponsor hereby agrees to and does **(i)** waive any and all suits, actions, claims, losses, demands, damages, liabilities, costs and reasonable expenses, including court costs and reasonable attorneys' fees (collectively, "**Claims**"), Sponsor may have now or in the future against DIHP and its Affiliates and each of their respective officers, directors, managers, members, stockholders, partners, employees, Affiliates, agents, insurers, and assigns (collectively, the "**DIHP Indemnitees**" and each, a "**DIHP Indemnitee**") for damage to or destruction of Sponsor's property, excepting only claims caused by the gross negligence or willful misconduct of a DIHP Indemnitee, **(ii)** fully compensate the DIHP Indemnitees for damage to or destruction of their tangible property caused by, resulting from, or arising out of Sponsor's, or its employees', invitees', guests', or agents' negligence or willful misconduct under this Agreement, **(iii)** defend, indemnify, protect and hold the DIHP Indemnitees harmless from and against any and all claims by Sponsor's officers, directors, employees, insurers, invitees, and agents for any personal injury or death or any property damage, regardless of how caused, including claims caused in whole or in part by the act, omission or negligence of any DIHP Indemnitee, excepting with respect to any DIHP Indemnitee only claims caused by the gross negligence or willful misconduct of such DIHP Indemnitee, to the extent of such gross negligence or willful misconduct, **(iv)** defend, indemnify, protect and hold harmless the DIHP Indemnitees against Sponsor's breach of any provision of this Agreement or any representation or warranty made by it herein, and

**(v)** defend, indemnify, protect and hold harmless the DIHP Indemnitees against any and all Claims by third parties, including, without limitation, all costs, liabilities, judgments, expenses, damages and reasonable attorneys' fees, arising out of or in connection with **(A)** any breach by Sponsor of any provision of this Agreement or any representation or warranty made by it herein, **(B)** the use of the Sponsor Marks displayed in any advertising materials or in the Horse Park, and **(C)** any negligence or willful misconduct of Sponsor, its employees, servants and agents hereunder or in respect hereto.

**(b)Indemnification by DIHP.** DIHP hereby agrees to (i) defend, indemnify, protect and hold harmless Sponsor against DIHP's breach of any provision of this Agreement or any representation or warranty made by it herein, and (ii) defend, indemnify, protect and hold harmless the Sponsor against any and all Claims by third parties, including, without limitation, all costs, liabilities, judgments, expenses, damages and reasonable attorneys' fees, arising out of or in connection with the use of the DIHP Marks as permitted under this Agreement.

**(c)Limitations on Damages. DIHP shall not be liable under or in connection with this Agreement, for any indirect, consequential, incidental, special, punitive or exemplary damages, any lost revenue, sales, profits, opportunity or goodwill, regardless of the basis of the claim. In no event shall DIHP's aggregate liability under or in connection with this Agreement exceed the aggregate Sponsorship Fee paid to DIHP by Sponsor in the six-month period immediately preceding the events giving rise to the claim.**

**(d)Insurance.** During the Term, Sponsor shall maintain insurance with responsible and reputable insurance companies or associations in such amounts and covering such risks as is usually carried by companies engaged in similar businesses as Sponsor.

## **7.Arbitration.**

Any dispute arising under or relating to this Agreement shall be resolved exclusively by arbitration under the Commercial Arbitration Rules of the American Arbitration Association, with the venue of any such arbitration proceeding to be in Los Angeles, California or such other location as maybe agreed by the Parties. The arbitrator for any dispute shall be selected according to the Commercial Arbitration Rules of the American Arbitration Association. The award rendered by the arbitrator shall be final, shall identify a prevailing Party, and judgment may be entered upon the award in accordance with applicable law in any court having jurisdiction thereof. The fees and expenses of the arbitrators shall be paid by the non-prevailing Party. In addition, the prevailing Party's reasonable attorneys' fees and costs shall be paid by the non- prevailing Party.

## **8.Miscellaneous Provisions.**

**(a)Entire Agreement.** This Agreement, including the Schedules attached hereto, constitute the sole and entire agreement of the Parties with respect to the subject matter contained herein and therein, and supersedes all prior and contemporaneous understandings, agreements, representations, and warranties, both written and oral, regarding such subject matter.

**(b)Governing Law.** This Agreement shall be construed in accordance with and governed by the law of the State of California (without regard to the choice of law provisions thereof).

**(c) Notices.** All notices, requests, demands, claims, and other communications hereunder shall be in writing. Any notice, request, demand, claim, or other communication hereunder shall be deemed duly given **(i)** when delivered personally to the recipient, **(ii)** one Business Day after being sent to the recipient by nationally-recognized overnight courier service (charges prepaid), **(iii)** upon delivery confirmation after being sent to the recipient by facsimile transmission, (iv) by electronic mail (including the delivery of documents in PDF format), upon acknowledgement by the recipient of receipt of such notice, or (v) four Business Days after being mailed to the recipient by certified or registered mail, return receipt requested and postage prepaid, and addressed to the intended recipient as set forth below:

If to DIHP, to:

Coachella Horse Park LLC

P.O. Box 5700

La Quinta, CA 92248-5700

Attention: Steve Hankin, President & CEO

Email: [steve@deserthorsepark.com](mailto:steve@deserthorsepark.com)

*with a copy (which shall not constitute hereunder) to:*

Coviello Weber & Dahill LLP

707 Westchester Avenue, Suite 300

White Plains, NY 10604

Attention: Paul R. Weber, Esq.

Email: [pweber@cwdlaw.com](mailto:pweber@cwdlaw.com)

If to Sponsor, to:

City of Indian Wells

44-950 Eldorado Drive

Indian Wells, CA 92210-7497

Attention: Micaela Wilkey

[mwilkey@indianwells.com](mailto:mwilkey@indianwells.com)

**(d) Assignment.** Sponsor may not assign, sell, transfer, pledge or exchange this Agreement or its rights or obligations hereunder by operation of law or otherwise without the prior written consent of DIHP, which consent shall be granted or withheld in DIHP's sole discretion. DIHP may not assign, sell, transfer, pledge or exchange this Agreement or its rights or obligations hereunder by operation of law or otherwise without the prior written consent of Sponsor, which consent shall be granted or withheld in Sponsor's sole discretion; provided that, DIHP may freely assign, sell, transfer, pledge or exchange this Agreement or its rights or obligations hereunder (i) as collateral security for financing arrangements, (ii) to any Affiliate or successor entity, or (iii) in connection with a Sale of DIHP. This Agreement and all of the terms and provisions hereof will be binding upon and will inure to the benefit of the Parties hereto and their respective successors and permitted assigns, upon proper assignment where required.

**(e)Force Majeure.** DIHP shall not be liable or responsible to Sponsor, nor be deemed to have defaulted under or breached this Agreement, for any failure or delay in fulfilling or performing any term of this Agreement, when and to the extent such failure or delay is caused by or results from acts beyond DIHP's reasonable control, including, without limitation: **(i)** acts of God, **(ii)** flood, fire, earthquake, or explosion, **(iii)** war, invasion, hostilities (whether war is declared or not), terrorist threats or acts, riot, or other civil unrest, **(iv)** government order or law, including executive orders. **(v)** actions, embargoes, or blockades in effect on or after the date of this Agreement, **(vi)** action by any Governmental Authority, **(vii)** national or regional emergency, **(viii)** epidemic, pandemic, viral or communicable disease outbreak (including COVID-19 (coronavirus)), whether human or animal, **(ix)** quarantines, **(x)** strikes, labor stoppages or slowdowns, or other industrial disturbances, (xi) shortage of adequate power or transportation facilities, (xii) lack of or inability to obtain fuel, power, components, or materials, (xiii) disruption of supply chains, or (xiv) other similar causes beyond DIHP's control (each, a **"Force Majeure Event"**). DIHP shall provide notice within ten days of the Force Majeure Event to Sponsor. A Force Majeure Event shall not entitle Sponsor to terminate this Agreement or to any damages under this Agreement; provided that, Sponsor shall receive a pro-rated refund of any amounts paid by Sponsor to DIHP under this Agreement based on the total number of days of the Shows that Sponsor could not participate in due to such Force Majeure Event.

**(f)Liability Waivers.** Sponsor acknowledges and understands that all visitors to the Horse Park, including Sponsor's employees or guests, are required to obtain credentials through DIHP and sign DIHP's standard forms of liability waivers.

**THANK YOU FOR YOUR  
SUPPORT THIS SEASON!**

