INDIO

City of Festivals

CITY OF INDIO, CALIFORNIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR 1998-1999

CITY OF INDIO, CALIFORNIA

Comprehensive Annual Financial Report

Year ended June 30, 1999

(with Independent Auditors' Report Thereon)

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INTRODUCTORY SECTION

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CITY OF INDIO

Home of The Spin Game
Landmark Golf Club

October 15, 1999

Honorable Mayor and City Council
City of Indio
Indio, California

The Comprehensive Annual Financial Report (CAFR) of the City of Indio, California for the fiscal year ended June 30, 1999, is hereby submitted. Responsibility for the accuracy of financial data, and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data are accurate in all materials respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

CONTENTS OF CAFR

The Comprehensive Annual Financial Report is presented in three sections: Introductory, Financial, and Statistical. The Introductory Section includes this transmittal letter, the City's organizational chart and a list of principle officials. The Financial Section includes the General Purpose Financial Statements and the combining and individual fund and account group financial statements and schedules. The statistical section includes selected financial and other useful information.

SINGLE AUDIT

Governments that receive federal financial assistance generally are required to undergo an annual single audit in conformity with the provisions of the 1996 Amendments to the Single Audit Act of 1984 and the U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations". The single audit is designed to simplify financial reporting of expenditures of $300,000 or more that originate from a variety of federal programs or sources, rather than a separate audit report for each source of federal funds. Nonfederal entities, such as the City of Indio are subject to the Single Audit requirements. Information related to this single audit including the schedule of federal financial assistance, findings and recommendations, and the auditor's reports on the internal control structure and compliance with applicable laws and regulations, are included in a separate report.

CITY OF INDIO • 100 CIVIC CENTER MALL • P.O. DRAWER 1788 • INDIO, CA 92202

DEPARTMENT TELEPHONE NUMBERS, ALL IN 760 AREA CODE
CITY CLERK 342-6570 • CITY MANAGER 342-6580 • DEVELOPMENT SERVICES 342-6541
FINANCE 342-6560 • FIRE 347-0756 • HUMAN RESOURCES 342-6540 • CITY HALL FAX 342-6556 • POLICE 347-8522 FAX 347-4317
PUBLIC SERVICES/ENGINEERING/BUILDING 342-6530 • CITY YARD 347-1058
SENIOR CENTER 347-5111

REPORTING ENTITY

This report includes all funds and account groups of the City and it's component units. The City provides a full range of municipal services and is considered a "full service" city. These services include police protection; construction and maintenance of highways, streets, and infrastructure; planning, zoning and engineering; code enforcement; park development and maintenance; a water utility; and general administration and support services. The City also contracts with Riverside County/CDF for fire protection and emergency medical services, and a private firm for solid waste collection services.

In addition to general government activities, the governing body is financially accountable to the Indio Redevelopment Agency, Indio Public Financing Authority, Indio Housing Authority, and the Indio Industrial Development Authority. As required by Statement No. 14 of the Governmental Accounting Standards Board (GASB), these financial statements present the government and it's blended component units, entities for which the government is considered to be financially accountable. The component units mentioned above, although legally separate entities, are, in substance part of the government's operations and accordingly, data from these units are combined, or blended, with data of the primary government. Each blended component unit has a June 30 year end.

INTERNAL CONTROL STRUCTURE & BUDGETARY CONTROLS

The City's accounting system includes internal control procedures which provide reasonable assurance that the City's assets are safeguarded against loss from unauthorized use or disposition, and that adequate records are maintained for preparing financial statements and maintaining accountability for assets. The City's internal control procedures adequately safeguard assets and provide reasonable assurance of the proper recording of financial transactions. The concept of reasonable assurance recognizes that the cost of control cannot exceed the benefit derived and the evaluation of cost and benefits received calls for judgments to be made by management.

In addition, the City maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City's governing body. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is at the fund level. The City maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts are carried over at year end.

ECONOMIC OUTLOOK

The City is located in the eastern part of Riverside County, in the Coachella Valley, one of the fastest growing regions in the nation. The economic problems which beset the State and local economies over the last few years appear to be easing. The combined development activity in Indio last year is highlighted by $54.4 million of construction valuation which included single family homes and 209 commercial/industrial units. Overall, General Fund revenues remained relatively static. However, certain categories of revenues reflecting the general status of commerce did show an increase. Both sales taxes and the transient occupancy tax increased by almost 15% over the previous year.

MAJOR INITIATIVE - FOR THE FUTURE

The City has taken steps to assure that the undeveloped land north of Interstate 10 is ready for development. Updated land use guidelines included in the General Plan 2020 are now in place to guide development in that area. In addition, the construction of water, streets, and wastewater infrastructure has been completed through the Shadow Hills Assessment District (A.D. 90-1). As a result, this portion of Indio is positioned to assure quality growth throughout the next decade. In addition, revitalization of the downtown area is underway with local businesses forming a Business Improvement District (BID) using self-assessments to make façade improvements and finance targeted marketing efforts. This combined with a continuing development of county office spaces around the Larson Justice Center, the regional civil and criminal courthouse for Riverside County, will allow business and restaurant opportunities for the many daily visitors to the downtown area.

A U.S. Home Corporation development, "Heritage Palms" , is currently under construction. Heritage Palms is an 1100 unit active adult community with an 18 hole championship golf course open to the public. "The Hills", a 36 hole golf course was completed recently. The Hills includes a 20,000 sq. ft. clubhouse, and a 400 room resort hotel and residential sites in the planning stages. "The Plantation", a private golf club development adjacent to Empire and Eldorado Polo Clubs, is now in place and includes a number of custom home sites. Landmark "Home of the Skins Game" will open in December 1999 and Shadow Hills Estates in January 2000.

A regional auto mall, the "I-10 Auto Center", was completed within the past year. In partnership with Riverside County, Indio has annexed the auto mall site along Interstate 10 corridor. Also along Interstate 10 is the proposed RV Adventure Showcase. This development, which is in the planning stages, would include an RV rally field, golf & tennis resort and spa, a convention oriented hotel, and facilities for manufacturers of recreational vehicles, boats and marine products. This development is projected to produce retail sales of $375 million and when fully operational and add 1,150 new jobs to the local economy. The City of Indio has embarked on the development of upscale "Motor Coach" destination locations.

GENERAL GOVERNMENT FUNCTIONS

Revenues and Expenditures from general government functions include activity in the General, Special Revenue, Debt Service, and Capital Projects Funds, and are together referred to as Governmental Fund Types.

The following depicts revenue sources by function.

FUNCTION	*CURRENT YEAR FY*	*% OF TOTAL*	*PRIOR YEAR FY*	*$ CHANGE FROM PRIOR YEAR*	*% CHANGE FROM PRIOR YEAR*
Taxes	12,514,125	57%	11,770,844	743,281	6%
Licenses & Permits	579,775	3%	487,786	91,989	19%
Intergovernmental	4,493,588	21%	5,573,040	(1,079,452)	(19%)
Charges for Services	1,674,973	8%	998,196	676,777	40%
Assessments	821,164	4%	978,077	(156,913)	(16%)
Use of Money & Property	1,305,888	6%	1,355,533	(49,645)	(4%)
Miscellaneous	273,422	1%	278,607	(5,185)	(2%)
TOTAL	21,662,935	100%	21,442,083	220,852	1%

APPROPRIATION LIMITATION

As required by Article XIII B of the California Constitution, the City's appropriation limitation for FY 1998-99 spending was calculated at $42,800,000. Appropriations subject to limitation totaled $9,700,000 million, or about 23% of the allowed limit.

PROPRIETARY FUNDS

Proprietary Fund Types consist of Enterprise and Internal Service Funds. Enterprise Funds consist of the Water Revenue Maintenance & Operations Fund, Oasis Palms Water System, and the Water Production Facilities Fund which, for financial reporting purposes, are combined into a single Water Fund. Also included in the Enterprise Funds are the City's Municipal Golf Course Revenues. The Internal Service Funds are similar to Enterprise Funds in the measurement focus and operating nature, except that they provide services internally to other City departments rather than to public customers. The Internal Service Funds include the Mobile Equipment Fund. Also included are the

Workers Compensation Self Insurance Fund, and Unemployment Self Insurance Fund which, for financial reporting purposes, are combined into a single Self Insurance Fund.

The Municipal Golf Course operating revenues for FY1998-99 totaled $869,318. Operating expenditures totaled $550.546. Operating revenues increased by $349,599 when compared to prior year revenues or 67%. Operating expenditures increased by $159,252 or 41%.

The Water Enterprise Funds operating revenues for FY 1998-99 totaled $3,823,225. Operating expenses totaled $2,893,045. Operating revenues increased by $408,831 when compared to prior year revenues, or 11%. Operating Expenditures increased by $353,693 or almost 12%.

The Internal Service Funds operating revenues for FY 1998-99 totaled $1,719,120. Operating expenses totaled $2,199.482. Operating revenues increased by $545,673 when compared to prior year revenues, or 32%. Operating expenditures increased by $1,286,958 or 59%.

FIDUCIARY FUNDS

Agency Funds, a type of Fiduciary Fund, are used to account for assets held by the City as a trustee or agent for individuals, organizations, other governmental entities, or other funds of the City. The Desert Sands School District Fund is used to account for pass through tax increment funds held by the Indio Redevelopment Agency as custodian in trust for the District pursuant to their pass through agreement. During FY 1998-99 assets increased by $310,291 due to receipt of Pass Thru Tax Increment funds held in trust at the Districts request.

DEBT ADMINISTRATION

The City had the following obligations outstanding as of June 30, 1999:

Bond Issue/Obligation	Funding Source	Amount Outstanding
Special Assessment District Bonds with City Commitment	Future Special Assessments collected from District property owners	$ 3,110,000
Tax Allocation Bonds	Future tax increment revenues collected by the Agency	$15,910,000
Capital Leases	Unrestricted revenues of the City	$ 35,495

CASH MANAGEMENT

Cash temporarily idle during the year and not restricted for other uses was invested in the California Local Agency Investment Fund (LAIF). Investments in LAIF are highly liquid and deposits may be converted to cash within twenty-four hours without loss of interest. Of LAIF's total investments as of June 30, 1999 approximately 18% were invested in Certificates of Deposit or Bank Notes, 17% in government securities of five years or less, 25% in Prime Commercial Paper of less than one year, and 40% in other types of investments. The year to date yield for June 30, 1999 for the Pooled Money Investment Account and other LAIF deposits was 5.4%.

RISK MANAGEMENT

The City is a member of the Independent Cities Risk Management Authority, a self insured public entity formed by several cities in California to pool their insurance risk and help lower the overall cost of providing insurance coverage for excess municipal liability, excess workers compensation & employers liability, automobile physical damage, and property loss. The insurance limits are $20,000,000 for municipal liability in excess of $100,000 self insured retention, $1,00,000 each occurrence for workers compensation in excess of $300,000 self insured retention, $12,492,614 for property loss after a $2,500 deductible, and $500,000,000 limit for automobile physical damage after a $5,000 deductible.

INDEPENDENT AUDIT

Each year the City requires an independent annual audit of its general purpose financial statements. This document includes the report of Conrad & Associates, LLP, independent auditors for the general purpose financial statements of the City, expressing an unqualified opinion on those financial statements.

ACKNOWLEDGMENTS

The preparation of this report could not have been accomplished without the dedicated services of the entire staff of the Finance Department

Stephen P. Compton
Director of Finance

CITY OF INDIO

List of Principal Officials

June 30, 1999

CITY COUNCIL

Marcos Lopez
Mayor

Melanie Fesmire
Mayor Pro Tem

Ben Godfrey
Council Member

Jacquie Bethel
Council Member

Michael Wilson
Council Member

ADMINISTRATION AND DEPARTMENT DIRECTORS

City Manager	Harold L. Schilling
City Clerk	Juanita Ramos
Director of Community Development	Gary Werner
Director of Finance	Stephen P. Compton
Chief of Police	George Rawson

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FINANCIAL SECTION

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CONRAD AND ASSOCIATES, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

1100 MAIN STREET, SUITE C
IRVINE, CALIFORNIA 92614
(949) 474-2020
Fax (949) 263-5520

The Honorable Mayor and City Council
City of Indio, California

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying general purpose financial statements of the City of Indio, California, as of and for the year ended June 30, 1999, as listed in the table of contents. These general purpose financial statements are the responsibility of the management of the City of Indio, California. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Indio, California as of June 30, 1999, and the results of its operations and cash flows of its proprietary fund types for the year then ended, in conformity with generally accepted accounting principles.

The information regarding the year 2000 issue identified as *required supplementary information* in the accompanying table of contents is not a required part of the basic financial statements, but is supplementary information required by the Governmental Accounting Standards Board. We did not audit and do not express an opinion on such information. Further, we were unable to apply to this information the procedures prescribed by professional standards because of the difficulty in ascertaining whether the information presented includes a sufficiently complete description of the year 2000 issue as it relates to the reporting government. In addition, we do not provide assurance that the City of Indio is or will become year 2000 compliant, that the City of Indio's year 2000 remediation efforts will be successful in whole or in part, or that parties with which the City of Indio does business are or will become year 2000 compliant.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and individual fund financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and is not a required part of the general purpose financial statements of the City of Indio, California. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole. The scope of our audit did not include the statistical schedules listed in the table of contents and we do not express an opinion on them.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 29, 1999 on our consideration of the City of Indio's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Conrad and Associates, L.L.P.

September 29, 1999

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CITY OF INDIO

Combined Balance Sheet - All Fund Types and Account Groups

June 30, 1999

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
Assets and Other Debits				
Assets:				
Cash and investments (note 2)	$ 464,518	6,419,884	2,386,535	11,618,504
Cash with fiscal agent (note 2)	10,000	330,373	495,919	-
Receivables:				
Accounts	542,615	29,309	-	116,216
Interest	356,828	-	-	-
Utility billing	-	-	-	-
Loans	-	-	-	50,000
Notes (note 4)	-	-	-	3,454,758
Litigation	-	-	-	-
Due from other funds (note 3)	843,853	-	-	82,000
Due from other governments	783,084	615,203	10,858	243,588
Advances to other funds	-	-	-	-
Inventory	-	-	-	-
Prepaid items	2,790	-	-	465
Land held for resale	-	-	-	1,275,000
Property, plant and equipment (net, where applicable, of accumulated depreciation) (note 5)	-	-	-	-
Other debits:				
Amount available in debt service funds	-	-	-	-
Amount to be provided for long-term debt	-	-	-	-
Total assets and other debits	$3,003,688	7,394,769	2,893,312	16,840,531
Liabilities, Equity and Other Credits				
Liabilities:				
Accounts payable	$ 90,648	42,634	-	153,253
Retentions payable	-	10,050	-	-
Accrued wages payable	-	-	-	-
Due to other funds (note 3)	82,000	408,908	-	434,945
Due to other governments	-	-	92,058	-
Deposits payable	404,770	34,117	-	26,750
Interest payable	-	-	-	-
Advances from other funds (note 6)	-	-	-	-
Notes payable (notes 6, 7 and 14)	-	-	-	-
Capital leases payable (notes 6 and 8)	-	-	-	-
Compensated absences payable (note 6)	-	-	-	-
Claims payable (notes 6 and 9)	-	-	-	-
Revenue refunding bonds payable (note 6, 11, 12 and 14)	-	-	-	-
Tax allocation bonds payable	-	-	-	-
Special assessment debt with government commitment (notes 6, 13 and 14)	-	-	-	-
Total liabilities	577,418	495,709	92,058	614,948
Equity and other credits:				
Investment in general fixed assets	-	-	-	-
Contributed capital (note 15)	-	-	-	-
Retained earnings unreserved	-	-	-	-
Fund balances (note 16):				
Reserved	87,423	569,156	2,801,254	5,078,756
Unreserved	2,338,847	6,329,904	-	11,146,827
Total equity and other credits	2,426,270	6,899,060	2,801,254	16,225,583
Total liabilities, equity and other credits	$3,003,688	7,394,769	2,893,312	16,840,531

See accompanying notes to general purpose financial statements.

Proprietary Fund Types		Fiduciary Fund Type	Account Groups		Totals (Memorandum Only)	
Enterprise	Internal Service	Agency	General Fixed Assets	General Long-Term Debt	1999	1998
4,666,611	1,131,714	620,582	-	-	27,308,348	17,407,423
-	60,509	-	-	-	896,801	918,726
47,934	121,566	-	-	-	857,640	765,228
-	-	-	-	-	356,828	254,732
553,749	-	-	-	-	553,749	490,152
-	-	-	-	-	50,000	50,000
4,890,000	-	-	-	-	8,344,758	8,214,421
-	-	-	-	-	-	9,350,000
-	-	-	-	-	925,853	4,111,907
-	-	-	-	-	1,652,733	1,869,922
-	750,000	-	-	-	750,000	1,050,000
30,202	43,450	-	-	-	73,652	244,237
413	-	-	-	-	3,668	29,637
-	-	-	-	-	1,275,000	1,275,000
14,550,129	1,156,168	-	9,962,014	-	25,668,311	25,557,514
-	-	-	-	2,801,254	2,801,254	2,963,564
-	-	-	-	22,626,199	22,626,199	22,557,445
24,739,038	3,263,407	620,582	9,962,014	25,427,453	94,144,794	97,109,908
33,417	4,660	-	-	-	324,612	481,249
109,078	-	-	-	-	119,128	231,661
-	-	-	-	-	-	425,161
-	-	-	-	-	925,853	4,111,907
-	-	620,582	-	-	712,640	434,528
81,563	-	-	-	-	547,200	1,889,594
-	-	-	-	-	-	89,261
-	-	-	-	750,000	750,000	1,050,000
-	-	-	-	4,992,500	4,992,500	4,887,500
-	-	-	-	35,495	35,495	112,570
62,278	6,734	-	-	287,109	356,121	795,940
-	1,124,092	-	-	342,349	1,466,441	1,392,637
-	-	-	-	15,910,000	15,910,000	11,625,000
-	-	-	-	-	-	3,980,000
-	-	-	-	3,110,000	3,110,000	3,325,000
286,336	1,135,486	620,582	-	25,427,453	29,249,990	34,832,008
-	-	-	9,962,014	-	9,962,014	9,617,136
11,058,605	1,449,482	-	-	-	12,508,087	12,508,087
13,394,097	678,439	-	-	-	14,072,536	13,943,417
-	-	-	-	-	8,536,589	8,537,776
-	-	-	-	-	19,815,578	17,671,484
24,452,702	2,127,921	-	9,962,014	-	64,894,804	62,277,900
24,739,038	3,263,407	620,582	9,962,014	25,427,453	94,144,794	97,109,908

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CITY OF INDIO

Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types

Year ended June 30, 1999

	General	Special Revenue	Debt Service	Capital Projects	Totals (Memorandum Only) 1999	1998
Revenues:						
Taxes	$ 9,078,570	838,425	2,124,544	472,586	12,514,125	11,770,844
Licenses and permits	579,775	-	-	-	579,775	487,786
Intergovernmental	2,389,674	1,949,860	-	154,054	4,493,588	5,573,040
Charges for services	1,336,060	-	-	338,913	1,674,973	998,196
Fines and forfeits	115,766	180,707	-	-	296,473	128,378
Special assessments	-	197,661	320,186	6,844	524,691	849,699
Investment income	162,489	270,616	310,743	562,040	1,305,888	1,355,533
Miscellaneous	71,189	-	-	202,233	273,422	278,607
Total revenues	13,733,523	3,437,269	2,755,473	1,736,670	21,662,935	21,442,083
Expenditures:						
Current:						
General government	3,858,335	686,326	47,377	867,058	5,459,096	5,519,272
Public safety	8,627,175	294,577	-	-	8,921,752	9,469,406
Public works	1,372,358	308,542	-	-	1,680,900	1,501,419
Parks, recreation and culture	373,549	-	-	-	373,549	177,710
Debt service:						
Pass-through payments	-	-	513,647	-	513,647	506,484
Principal	-	65,000	675,000	-	740,000	1,715,000
Interest	-	275,680	1,139,755	-	1,415,435	1,511,433
Other fiscal charges	-	247,892	16,526	-	264,418	687,068
Payments to bond escrow	-	357,913	-	-	357,913	-
Capital outlay	-	1,011,029	-	918,035	1,929,064	4,218,687
Total expenditures	14,231,417	3,246,959	2,392,305	1,785,093	21,655,774	25,306,479
Excess (deficiency) of revenues over (under) expenditures	(497,894)	190,310	363,168	(48,423)	7,161	(3,864,396)
Other financing sources (uses):						
Operating transfers in	2,016,683	424,912	13,791	130,270	2,585,656	3,275,071
Operating transfers out	-	(909,512)	(644,269)	(105,475)	(1,659,256)	(2,158,464)
Proceeds of advances	-	-	-	-	-	300,000
Proceeds of notes	-	-	105,000	9,765	114,765	105,000
Proceeds of bonds, net of discount	-	4,390,420	-	-	4,390,420	11,489,229
Payments to bond escrow	-	(3,809,749)	-	-	(3,809,749)	(10,223,429)
Proceeds of settlement	-	-	-	-	-	9,850,000
Settlement of litigation	-	-	-	(250,000)	(250,000)	(1,350,000)
Sale of general fixed assets	13,910	-	-	-	13,910	2,332
Total other financing sources (uses)	2,030,593	96,071	(525,478)	(215,440)	1,385,746	11,289,739
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	1,532,699	286,381	(162,310)	(263,863)	1,392,907	7,425,343
Fund balances at beginning of year, as restated (note 24)	893,571	6,612,679	2,963,564	16,489,446	26,959,260	18,783,917
Fund balances at end of year	$ 2,426,270	6,899,060	2,801,254	16,225,583	28,352,167	26,209,260

See accompanying notes to financial statements.

CITY OF INDIO

Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types

Year ended June 30, 1999

	General		
	Budget	Actual	Variance-Favorable (Unfavorable)
Revenues:			
Taxes	$ 8,278,005	9,078,570	800,565
Licenses and permits	462,341	579,775	117,434
Intergovernmental	2,251,511	2,389,674	138,163
Charges for services	884,781	1,336,060	451,279
Fines and forfeits	95,591	115,766	20,175
Special assessments	-	-	-
Investment income	90,368	162,489	72,121
Miscellaneous	83,066	71,189	(11,877)
Total revenues	12,145,663	13,733,523	1,587,860
Expenditures:			
Current:			
General government	3,752,691	3,858,335	(105,644)
Public safety	8,964,214	8,627,175	337,039
Public works	1,128,389	1,372,358	(243,969)
Parks, recreation and culture	403,753	373,549	30,204
Debt Service:			
Pass-through payments	-	-	-
Principal	-	-	-
Interest	-	-	-
Other fiscal charges	-	-	-
Payments to bond escrow	-	-	-
Capital outlay	-	-	-
Total expenditures	14,249,047	14,231,417	17,630
Excess (deficiency) of revenues over expenditures	(2,103,384)	(497,894)	1,605,490
Other financing sources (uses):			
Operating transfers in	1,735,455	2,016,683	281,228
Operating transfers out	-	-	-
Proceeds of notes	-	-	-
Proceeds of bonds, net of discount	-	-	-
Payments to bond escrow	-	-	-
Settlement of litigation	-	-	-
Sale of general fixed assets	2,848	13,910	11,062
Total other financing sources (uses)	1,738,303	2,030,593	292,290
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(365,081)	1,532,699	1,897,780
Fund balances at beginning of year, as restated (noted 24)	893,571	893,571	-
Fund balances at end of year	$ 528,490	2,426,270	1,897,780

See accompanying notes to financial statements.

Special Revenue			Debt Service			Capital Projects		
Budget	Actual	Variance-Favorable (Unfavorable)	Budget	Actual	Variance-Favorable (Unfavorable)	Budget	Actual	Variance-Favorable (Unfavorable)
715,000	838,425	123,425	1,900,000	2,124,544	224,544	231,423	472,586	241,163
-	-	-	-	-	-	-	-	-
3,963,165	1,949,860	(2,013,305)	-	-	-	1,000,000	154,054	(845,946)
-	-	-	-	-	-	227,000	338,913	111,913
40,000	180,707	140,707	-	-	-	-	-	-
131,081	197,661	66,580	337,720	320,186	(17,534)	50,000	6,844	(43,156)
11,810	270,616	258,806	23,000	310,743	287,743	462,749	562,040	99,291
-	-	-	-	-	-	-	202,233	202,233
4,861,056	3,437,269	(1,423,787)	2,260,720	2,755,473	494,753	1,971,172	1,736,670	(234,502)
338,766	686,326	(347,560)	66,000	47,377	18,623	791,762	867,058	(75,296)
320,606	294,577	26,029	-	-	-	-	-	-
686,655	308,542	378,113	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	535,000	513,647	21,353	-	-	-
125,000	65,000	60,000	675,000	675,000	-	-	-	-
223,928	275,680	(51,752)	886,700	1,139,755	(253,055)	120,000	-	120,000
-	247,892	(247,892)	2,500	16,526	(14,026)	-	-	-
-	357,913	(357,913)	-	-	-	-	-	-
5,927,859	1,011,029	4,916,830	-	-	-	7,103,550	918,035	6,185,515
7,622,814	3,246,959	4,375,855	2,165,200	2,392,305	(227,105)	8,015,312	1,785,093	6,230,219
(2,761,758)	190,310	2,952,068	95,520	363,168	267,648	(6,044,140)	(48,423)	5,995,717
370,000	424,912	54,912	-	13,791	13,791	1,630,270	130,270	(1,500,000)
(870,721)	(909,512)	(38,791)	(374,270)	(644,269)	(269,999)	-	(105,475)	(105,475)
-	-	-	-	105,000	105,000	-	9,765	9,765
-	4,390,420	4,390,420	-	-	-	-	-	-
-	(3,809,749)	(3,809,749)	-	-	-	-	-	-
-	-	-	-	-	-	-	(250,000)	(250,000)
-	-	-	-	-	-	-	-	-
(500,721)	96,071	596,792	(374,270)	(525,478)	(151,208)	1,630,270	(215,440)	(1,845,710)
(3,262,479)	286,381	3,548,860	(278,750)	(162,310)	116,440	(4,413,870)	(263,863)	4,150,007
6,612,679	6,612,679	-	2,963,564	2,963,564	-	16,489,446	16,489,446	-
3,350,200	6,899,060	3,548,860	2,684,814	2,801,254	116,440	12,075,576	16,225,583	4,150,007

CITY OF INDIO

Combined Statement of Revenues, Expenses and Changes in Retained Earnings - All Proprietary Fund Types

Year ended June 30, 1999

	Enterprise	Internal Service	Totals (Memorandum Only) 1999	1998
Operating revenues:				
Charges for services	$ 4,618,115	1,306,038	5,924,153	5,036,641
Sale of merchandise	66,418	-	66,418	48,094
Miscellaneous	8,010	413,082	421,092	22,825
Total operating revenues	4,692,543	1,719,120	6,411,663	5,107,560
Operating expenses:				
Personnel services	1,129,821	117,913	1,247,734	1,292,857
Contractual services	376,721	40,821	417,542	341,440
Claims and judgments	-	1,428,450	1,428,450	259,827
Materials and supplies	258,687	149,538	408,225	272,569
Utilities	696,271	-	696,271	476,853
Repairs and maintenance	469,411	166,278	635,689	361,006
Depreciation	428,895	294,482	723,377	733,853
Mobile equipment charges	83,785	-	83,785	104,765
Miscellaneous	-	2,000	2,000	-
Total operating expenses	3,443,591	2,199,482	5,643,073	3,843,170
Operating income (loss)	1,248,952	(480,362)	768,590	1,264,390
Nonoperating revenues (expenses):				
Investment income	445,725	15,037	460,762	756,040
Gain on sale of assets	2,255	-	2,255	12,476
Total nonoperating revenues (expenses)	447,980	15,037	463,017	768,516
Operating transfers:				
Operating transfers in	-	43,504	43,504	63,569
Operating transfers out	(969,904)	-	(969,904)	(1,180,176)
Total operating transfers	(969,904)	43,504	(926,400)	(1,116,607)
Net income (loss)	727,028	(421,821)	305,207	916,299
Retained earnings at beginning of year, as restated (note 24)	12,667,069	1,100,260	13,767,329	13,027,118
Retained earnings at end of year	$13,394,097	678,439	14,072,536	13,943,417

See accompanying notes to financial statements.

CITY OF INDIO

Combined Statement of Cash Flows - All Proprietary Fund Types

Year ended June 30, 1999

	Enterprise	Internal Service	1999	1998
Cash flows from operating activities:				
Cash received from customers	$4,624,354	-	4,624,354	3,997,589
Cash received from user departments	-	1,186,328	1,186,328	1,173,448
Cash payments to suppliers for goods and services	(1,980,095)	(1,790,729)	(3,770,824)	(1,871,230)
Cash payments to employees for services	(1,204,655)	(140,389)	(1,345,044)	(1,311,599)
Other operating revenues (expenses)	(14,758)	769,606	754,848	(113,128)
Net cash provided by (used for) operating activities	1,424,846	24,816	1,449,662	1,875,080
Cash flows from noncapital financing activities				
Cash transferred from other funds	-	43,504	43,504	63,569
Cash transferred to other funds	(969,904)	-	(969,904)	(1,461,193)
Long-term advances collected	300,000	-	300,000	-
Interfund loans	3,643,890	281,017	3,924,907	(1,874,203)
Net cash provided by (used for) noncapital financing activities	2,973,986	324,521	3,298,507	(3,271,827)
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	(489,296)	-	(489,296)	(285,237)
Proceeds from sale of fixed assets	2,255	-	2,255	-
Net cash provided by (used for) capital and related financing activities	(487,041)	-	(487,041)	(285,237)
Cash flows from investing activities:				
Interest received on investments	445,725	15,037	460,762	756,040
Net cash provided by investing activities	445,725	15,037	460,762	756,040
Net increase (decrease) in cash and cash equivalents	4,357,516	364,374	4,721,890	(925,944)
Cash and cash equivalents at beginning of year	309,095	827,849	1,136,944	2,062,888
Cash and cash equivalents at end of year	$4,666,611	1,192,223	5,858,834	1,136,944

CITY OF INDIO

Combined Statement of Cash Flows - All Proprietary Fund Types

(Continued)

	Enterprise	Internal Service	1999	1998
Reconciliation of operating income to net cash provided by (used for) operating activities:				
Operating income (loss)	$1,248,952	(480,362)	768,590	1,264,390
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:				
Depreciation	428,895	294,482	723,377	733,853
Decrease (increase) in accounts receivable	(19,625)	(119,710)	(139,335)	(9,183)
Decrease (increase) in utility billing receivable	(63,597)	-	(63,597)	22,077
Decrease (increase) in inventory receivable	(5,501)	-	(5,501)	(117,001)
Decrease (increase) in prepaid items	3,666	-	3,666	(1,105)
Increase (decrease) in accounts payable	(73,760)	(3,642)	(77,402)	65,474
Increase (decrease) in retention payable	(22,768)	-	(22,768)	(8,257)
Increase (decrease) in accrued wages payable	(31,837)	(4,415)	(36,252)	9,107
Increase (decrease) in claims payable	-	356,524	356,524	(104,871)
Increase (decrease) in deposits payable	3,418	-	3,418	5,076
Increase (decrease) in compensated absences	(42,997)	(18,061)	(61,058)	15,520
Total adjustments	175,894	505,178	681,072	610,690
Net cash used in operating activities	$1,424,846	24,816	1,449,662	1,875,080
Noncash transactions affecting financial position:				
Contributions of fixed assets	$ -	-	-	407,577

CITY OF INDIO

Notes to Financial Statements

Year ended June 30, 1999

(1) Summary of Significant Accounting Policies

The financial statements of the City of Indio, California (City) have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

(a) Reporting Entity

The City of Indio was incorporated on May 16, 1930 under the general laws of the State of California. The City operates under the Council-Administrator form of government.

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

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

Redevelopment Agency of the City of Indio

The Redevelopment Agency ("Agency") was activated in January, 1981 by the City of Indio pursuant to the State of California Health and Safety Code Section 33000 entitled "Community Redevelopment Law". The primary purpose of the Agency is to eliminate blighted areas by encouraging development of residential, commercial, industrial, recreational and public facilities within the project areas. Even though the Agency is legally separate, it is reported as if it were part of the City because the City Council also serves as the governing board of the Agency. Upon completion, separate financial statements of the Agency can be obtained at City Hall.

(1) Summary of Significant Accounting Policies, (Continued)

Indio Public Financing Authority

The Indio Public Financing Authority ("Authority") is a joint exercise of powers authority organized and existing under and by virtue of the Joint Exercise of Powers Act. The City and the Agency formed the Authority by the execution of a joint exercise of powers agreement dated as of April 1, 1992. Pursuant to the Joint Powers Act, the Authority is authorized to issue revenue bonds to provide funds to make loans to public entities, such revenue bonds are to be repaid from the repayments of such loans. The Authority is governed by a five-member Board which consists of all members of the City Council. The Mayor of the City is the Chairperson of the Authority. The City Manager acts as the Executive Director, the City Clerk acts as the Secretary and the Finance Director of the City acts as the Treasurer of the Authority. Upon completion, separate financial statements of the Authority can be obtained at City Hall.

Housing Authority of the City of Indio

The Housing Authority of the City of Indio was activated by the City Council of Indio in 1985. The purpose of the Housing Authority is to respond to the need for affordable housing in Indio by providing a financing mechanism to encourage such development in the City. Even though it is legally separate, it is reported as if it were part of the City because the City Council also serves as the governing board of the Authority. Separate financial statements of the Authority are not prepared.

Industrial Development Authority

The Industrial Development Authority of the City of Indio was activated by the City Council of the City of Indio on December 4, 1985. The purpose of the Industrial Development Authority is to assist the community in industry development by providing a financing mechanism to encourage such development in the City. The City Council serves as the governing board of the Industrial Development Authority. No separate financial statements of the Industrial Development Authority are prepared.

(b) Fund Accounting

The basic accounting and reporting entity is a "fund". A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts, recording resources, related liabilities, obligations, reserves and equities segregated for the purpose of carrying out specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

(1) Summary of Significant Accounting Policies, (Continued)

(b) Fund Accounting, (Continued)

The accounting records of the City are organized on the basis of funds and account groups for reporting purposes as follows:

GOVERNMENTAL FUNDS

General Fund

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

Special Revenue Funds

The Special Revenue Funds are used to account for revenues derived from specific sources which are usually required by law or administrative regulation to be accounted for in a separate fund.

Debt Service Funds

The Debt Service Funds are used to account for the resources set aside for repayment of general long-term debt.

Capital Projects Funds

The Capital Projects Funds are used to account for financial resources used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds).

PROPRIETARY FUNDS

Enterprise Funds

Enterprise Funds are used to account for operations (a) that are financed primarily through user charges, or (b) where the governing body has decided that determination of net income is appropriate.

(1) Summary of Significant Accounting Policies, (Continued)

Internal Service Funds

The Internal Service Funds are used to finance and account for activities involved in rendering services to various departments within the City. Costs of services used are accumulated in these funds and charged to the user departments as such services are rendered.

FIDUCIARY FUNDS

The Agency Funds are used to account for money and property held by the City as trustee or custodian for individuals, organizations and other governmental units.

ACCOUNT GROUPS

General Fixed Assets Account Group

The General Fixed Assets Account Group is used to maintain control and cost information on capital assets owned by the City other than those accounted for in Proprietary Funds.

General Long-Term Debt Account Group

The General Long-Term Debt Account Group is used to account for all long-term debt of the City except debt that is accounted for in the Proprietary Funds.

(c) Measurement Focus and Basis of Accounting

Governmental (general, special revenue, debt service and capital projects) fund types are accounted for on a "spending" measurement focus. Accordingly, only current assets and current liabilities are included on their balance sheets. The reported fund balance provides an indication of available, spendable resources. Operating statements for governmental fund types report increases (revenues) and decreases (expenditures) in available spendable resources.

The proprietary (enterprise and internal service) fund types are accounted for on an "income determination" or "cost of services" measurement focus. Accordingly, all assets and liabilities are included on the balance sheet, and the reported fund equity provides an indication of the economic net worth of the fund. Operating statements for proprietary fund types report increases (revenues) and decreases (expenses) in total economic net worth.

Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

(1) Summary of Significant Accounting Policies, (Continued)

(c) Measurement Focus and Basis of Accounting

The modified accrual basis of accounting is followed by the governmental and agency funds. Under the modified accrual basis of accounting, revenues are susceptible to accrual when they become both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures, other than interest on long-term debt, are recorded when a current liability is incurred. Liabilities are considered current when they are normally expected to be liquidated with expendable available financial resources.

Property tax assessments are recognized as revenue in the fiscal year for which they are levied. Taxes, subventions, taxpayer-assessed taxes and entitlements held at year-end by an intermediary collecting government are recognized as revenue under the modified accrual basis of accounting. Reimbursement grant revenues are recognized when the related expenditures are incurred. Revenues from the use of money and property are recorded when earned.

Material delinquent and total uncollected current year property taxes (net of estimated uncollectibles) are recorded as current year receivables. Property taxes (net of estimated uncollectibles) that are levied and measureable in the current year, but not available to finance current period expenditures, are recorded as a receivable and as deferred revenues. The deferred revenues are recognized as revenue in the fiscal year in which they become available.

Licenses, permits, fines, forfeits, charges for services, and miscellaneous revenues are recorded as governmental fund revenues when received in cash because they are generally not measurable until actually received.

The proprietary funds are accounted for using the accrual basis of accounting. Revenues are recognized when they are earned and expenses are recorded when the related liability is incurred. Unbilled service receivables, if material, have been reflected in the financial statements as an accrued revenue. The City applies all applicable GASB pronouncements in accounting and reporting for its proprietary operations as well as the following pronouncements issued on or before November 30, 1989, unless these pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board (APB) Opinions, and Accounting Research Bulletins (ARBs) of the Committee on Accounting Procedure.

(1) Summary of Significant Accounting Policies, (Continued)

(d) Budgetary Data

Before the beginning of the fiscal year, the City Manager submits to the City Council a proposed budget for the year commencing the following July 1. Public hearings are then conducted to obtain taxpayer comments and the budget is subsequently adopted through passage of a resolution.

All appropriated amounts are as originally adopted or as amended by the City Council and lapse at year-end. Encumbrances and continuing appropriations are rebudgeted on July 1 by Council action. Original appropriations may be modified by supplementary budget revisions and transfers among budget categories. The City Council approves all budget changes at the department level. The City Manager is authorized to make budget transfers within departments. There were no significant budget amendments during the fiscal year.

Formal budgetary integration is employed as a management control device during the year for the general, special revenue, debt service and capital projects funds. Budgets for general, special revenue, debt service and capital projects funds are adopted on a basis consistent with generally accepted accounting principles.

The City maintains budgetary controls to ensure compliance with legal provisions embodied in the appropriated budget approved by the City Council. The level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is the department level. For budgeting purposes, the General Fund is composed of several departments while all other budgeted funds are each considered to be a single department.

(e) Appropriations Limit

Under Article XIIIB of the California Constitution (the Gann Spending Limitation Initiative), the City is restricted as to the amount of annual appropriations from the proceeds of taxes, and if proceeds of taxes exceed allowed appropriations, the excess must either be refunded to the State Controller or returned to the taxpayers through revised tax rates, revised fee schedules or other refund arrangements. For the fiscal year ended June 30, 1999, proceeds of taxes did not exceed appropriations.

(1) Summary of Significant Accounting Policies, (Continued)

(f) Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of funds are recorded in order to reserve that portion of the fund balance, is employed in the governmental funds. Encumbrances are reported as reservations of fund balances since they do not constitute expenditures or liabilities.

(g) Cash and Investments

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

Changes in fair value that occur during a fiscal year are recognized as *investment income* reported for that fiscal year. *Investment income* includes interest earnings, changes in fair value, and any gains or losses realized upon the liquidation, maturity, or sale of investments.

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

(h) Cash Equivalents

For the purposes of the statement of cash flows, cash equivalents are defined as short-term 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 also represent the proprietary funds' share in the cash and investment pool of the City of Indio. Cash equivalents have an original maturity date of three months or less from the date of purchase. The following items on the combined balance sheet were considered cash and cash equivalents for purposes of the statement of cash flows:

	Enterprise	Internal Service
Cash and investments	$4,666,611	1,131,714
Cash and investments with fiscal agents	-	60,509
	$4,666,611	1,192,223

(1) Summary of Significant Accounting Policies. (Continued)

(i) Advances to Other Funds

Long-term interfund advances are recorded as a receivable and as reserved fund balance by the advancing governmental fund.

(j) Inventories

Inventories are stated at average cost. Physical counts of inventory are taken on a cyclical basis during each fiscal year with perpetual records adjusted to actual at that time. The City uses the consumption method of accounting for inventories.

(k) Due from Other Governments

The amounts recorded as a receivable due from other governments include sales taxes, property taxes, and grant revenues, collected or provided by Federal, State, County and City Governments and unremitted to the City as of June 30, 1999. The County of Riverside assesses, bills, and collects property taxes for the City.

(l) Property Taxes

Under California law, property taxes are assessed and collected by the counties up to 1% of assessed value, plus other increases approved by the voters. The property taxes go into a pool, and are then allocated to the cities based on complex formulas. Accordingly, the City of Indio accrues only those taxes which are received within 60 days after year end.

The property tax calendar is as follows:

Lien Date:	March 1
Levy Date:	July 1
Due Date:	First Installment - November 1
	Second Installment - February 1
Delinquent Date:	First Installment - December 11
	Second Installment - April 11

Taxes are collected by Riverside County and are remitted to the City periodically. Dates and percentages are as follows:

December 10	30% Advance
January 16	Collection No. 1
April 10	10% Advance
May 15	Collection No. 2
July 31	Collection No. 3

(1) Summary of Significant Accounting Policies. (Continued)

(m) Claims and Judgments

The City records a liability for litigation, judgments, and claims when it is probable that an asset has been impaired or a liability has been incurred prior to year end and the probable amount of loss (net of any insurance coverage) can be reasonably estimated.

(n) Employee Leave Benefits

If material, a proprietary fund liability is accrued for all earned but unused leave benefits relating to the operations of the proprietary funds. A current liability is accrued in the governmental funds for material leave benefits due on demand to governmental fund employees that have terminated prior to year end. All other amounts are recorded in the general long-term debt account group. These noncurrent amounts will be recorded as fund expenditures in the year in which they are paid or become due on demand to terminated employees.

In accordance with GASB Statement No. 16, a liability is recorded for unused vacation and similar compensatory leave balances since the employees' entitlement to these balances are attributable to services already rendered and it is probable that virtually all of these balances will be liquidated by either paid time off or payments upon termination or retirement.

Under GASB Statement No. 16 a liability is recorded for unused sick leave balances only to the extent that it is probable that the unused balances will result in termination payments. This is estimated by including in the liability the unused balances of employees currently entitled to receive termination payment, as well as those who are expected to become eligible to receive termination benefits as a result of continuing their employment with the City. Other amounts of unused sick leave are excluded from the liability since their payment is contingent solely upon the occurrence of a future event (illness) which is outside the control of the City and the employee.

(o) Property, Plant and Equipment

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds, and the related assets are reported in the general fixed assets account group. All purchased fixed assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated fixed assets are valued at their estimated fair market value on the date received.

(1) Summary of Significant Accounting Policies, (Continued)

(o) Property, Plant and Equipment, (Continued)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Public domain ("infrastructure") general fixed assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are not capitalized, as these assets are immovable and of value only to the government.

Assets in the general fixed assets account group are not depreciated.

Depreciation of all exhaustible fixed assets used by proprietary funds is charged as an expense against their operation. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Buildings	20 years
Improvements	10-50 years
Equipment	3-25 years

(p) Due to Other Governments

The amounts recorded as a liability due to other governments includes tax increment owed to various districts and other entities within the City of Indio. The City is under agreement with such entities to pass a portion of the gross property tax increment through to them.

(q) Deferred Revenue

Deferred revenue consists primarily of special assessment property taxes that are measurable but not considered available to finance current operations.

(r) Interfund Transfers

Operating transfers are reported as other sources and uses of funds in the statement of revenues, expenditures and changes in fund balance.

(1) Summary of Significant Accounting Policies, (Continued)

(s) Comparative Data

Comparative total data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the City's financial position and operations. However, a complete presentation of prior year data (i.e., presentation of prior year totals by fund type) has not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read. Certain reclassifications of prior year data have been made in order to enhance their comparability with current year figures.

(t) Memorandum Only - Total Columns

Total columns on the general purpose financial statements are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or changes in financial position in conformity with generally accepted accounting principles. Neither are such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

(2) Cash and Investments

Cash and investments held by the City at June 30, 1999 consisted of the following:

Petty cash	$ 2,325
Demand deposits	(315,242)
State of California Treasurer's investment pool (LAIF)	27,621,265
Total cash and investments held by the City	$27,308,348

Cash and investments held by fiscal agent at June 30, 1999 consisted of the following:

Demand deposits	$ 70,511
Mutual funds (money market)	826,290
Total cash and investments held by fiscal agent	$896,801

The City and its component units are generally authorized under provisions of the City's investment policy and Section 53601 of the Government Code to invest in investment instruments so long as the investment is appropriate when investment objectives and policies are taken into consideration. Investment instruments may include:

(2) Cash and Investments, (Continued)

- U.S. Treasury obligations (bills, notes and bonds)
- U.S. Government agency securities
- Local Agency Investment Fund (California State Pool)
- Certificates of deposit
- Commercial paper (limited to 15% of portfolio)
- Repurchase agreements
- Money market funds (bond reserves held by trustee only)
- Bankers' acceptances (limited to 40% of portfolio)
- Interest bearing checking accounts
- General demand checking accounts

Under the California Government Code, a financial institution is required to secure deposits made by state or local governmental units by pledging securities held in the form of an undivided collateral pool. The market value of the pledged securities in the collateral pool must equal at least 110% 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% of the secured public deposits.

Deposits of cities and other state or local governments are classified in three categories to give an indication of the level of custodial risk assumed by the entity. Category 1 includes deposits that are insured or collateralized with securities held by the City or its agent in the City's name. Category 2 includes deposits collateralized with securities held by the pledging financial institution's trust department or agent in the City's name. Category 2 also includes deposits collateralized by an interest in an undivided collateral pool held by an authorized Agent of Depository and subject to certain regulatory requirements under State law. Category 3 includes deposits collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the City's name. Category 3 also includes any uncollateralized deposits:

(2) Cash and Investments. (Continued)

	Category 1	Category 2	Category 3	Bank Balance	Carrying Amount
Deposits held by City:					
Demand deposits	$201,442	299,941	-	501,383	(315,242)
Deposits held by fiscal agent:					
Demand deposits	70,509	-	-	70,509	70,511
	$271,951	299,941	-	571,892	(244,731)

Investments of cities and other state or local governments are classified in three categories to give an indication of the level of custodial risk assumed by the entity at year-end. Category 1 includes investments that are insured or registered or for which the securities are held by the City or the City's custodial agent (which must be a different institution other than the party through which the City purchased the securities) in the City's name. Investments held "in the City's name" include securities held in a separate custodial or fiduciary account and identified as owned by the City in the custodian's internal accounting records. Category 2 includes uninsured and unregistered investments for which the securities are held in the City's name by the dealer's agent (or by the trust department of the dealer if the dealer was a financial institution and another department of the institution purchased the securities for the City). Category 3 includes uninsured and unregistered investments for which the securities are held by the dealer's agent but not in the City's name. Category 3 also includes all securities held by the broker-dealer agent of the City (the party that purchased the securities for the City) regardless of whether or not the securities are being held in the City's name. None of the investments held by the City or its fiscal agents are subject to categorization.

	Carrying Amount
Investments held by City not subject to categorization:	
Investment in State Treasurer's Investment Pool	$27,621,265
Investments held by fiscal agent not subject to categorization:	
Investment in mutual funds (Money Market)	826,290
	$28,447,555

The carrying amount of all investments reflected in the above table is at fair value.

(2) Cash and Investments, (Continued)

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based upon the City's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Included in LAIF's investment portfolio are collateralized mortgage obligations, mortgage-backed securities issued by federal agencies, government-sponsored enterprises, and corporations.

(3) Due From and To Other Funds

Interfund receivable and payable balances at June 30, 1999 are as follows:

Fund	Interfund Receivable	Interfund Payable
General Fund	$843,853	82,000
Special Revenue Fund:		
Federal Aid Urban	-	408,417
Business Improvement District	-	491
Capital Projects Funds:		
Redevelopment Agency	82,000	264,149
Capital Expenditures	-	170,796
Totals	$925,853	925,853

(4) Notes Receivable

The following represents notes receivable to the City at June 30, 1999:

	Outstanding at June 30, 1999
A note for $1,040,000, with interest at 8%, was issued to the City by Michael B. Burns as a rehabilitation loan. The note is payable at $119,266 per year, principal and interest, through April 4, 2004.	$ 476,773

(4) Notes Receivable, (Continued)

	Outstanding at June 30, 1999
A note for $7,517 was issued to the City by Lizzy McCoy for a rehabilitation project. The note is payable in monthly installments of $88 including interest at 7% per annum.	3,787
Two notes for $52,375 and $20,366 was issued to the City by Del Guidice Development. The notes are payable in monthly installments of $1,037 and $3,464, respectively, including interest at 7% per annum.	71,374
A promissory note for $250,000 was issued September 12, 1995 to the City by Taymar Industries for a rehabilitation project with no interest except in the event of a default. Equal quarterly installments of principal only in the amount of $8,929 shall be paid for 27 consecutive quarters commencing three months after the date of the promissory note.	124,000
A promissory note secured by deed of trust for $2,682,407 was issued to the City by Lawrence M. Chank on August 3, 1995 for the construction of the Metro 8 theaters. Interest is at 1% above prime. Monthly interest only payments are due beginning two years after the note proceeds are deposited with the borrower until such time that permanent financing is obtained, not to exceed 20 years.	2,241,212
Advances on a $250,000 note in the amount of $195,894 was provided to the Old Town Indio Business Association. The note is repayable when and if the organization becomes self-supporting and creates assets that can be leveraged for use or as collateral, a more stable form of security for repayment of outstanding indebtedness can be established. The note includes interest at 6% per annum.	195,894
A promissory note for $84,898 was issued to the City by JPH Enterprises, Inc. The note is repayable out of property tax increment generated by the property or the positive cash flow as outlined in Section 5.27 of the DDA, whichever is the lesser amount. Interest is at 1% above prime rate per annum.	123,907
A note for $114,000 was issued by Fashion Knitwear. The note accrues interest at 9%. Fashion Knitwear is obligated to make interest only monthly payments through January 2000. After which principal and interest as payable in monthly installments of $1,498.	114,000

(4) Notes Receivable, (Continued)

	Outstanding at June 30, 1999
A note of $60,000 was issued by Hills Cabinet. The note is forgiven at $6,000 a year for 10 years as long as the business remains in Indio.	24,000
There are six demand promissory notes outstanding between the Water Enterprise fund and the Indio Redevelopment Agency aggregating $4,890,000 including accrued interest of $315,000 at June 30, 1999. Interest is set at a rate per annum equivalent to the City's average investment earning rate earned on Debt Service funds. The notes are payable by the Date Capital Project Area.	4,890,000
Notes amounting to $140,281 were issued as interest-free commercial rehabilitation loans. The principal is due in installments of varying amounts in 1995 through 2001.	79,811
Total	$8,344,758

(5) Property, Plant and Equipment

Activities relating to General Fixed Assets are presented as follows:

	Balance at July 1, 1998	Additions	Deletions	Balance at June 30, 1999
Land	$ 607,024	-	-	607,024
Building	3,692,738	-	-	3,692,738
Improvements other than buildings	2,258,095	-	-	2,258,095
Improvements to land	311,548	-	-	311,548
Machinery and equipment	2,747,731	360,963	16,085	3,092,609
Total	$9,617,136	360,963	16,085	9,962,014

(5) Property, Plant and Equipment, (Continued)

A summary of proprietary fund type property, plant and equipment at June 30, 1999 is as follows:

	Enterprise			Internal Service
	Water Fund	Golf Fund	Total	Mobile Equipment Fund
Land	$ 155,777	386,141	541,918	-
Buildings	153,632	20,000	173,632	-
Improvements other than buildings	18,862,716	72,130	18,934,846	-
Machinery and equipment	838,296	19,006	857,302	3,155,468
Totals	20,010,421	497,277	20,507,698	3,155,468
Less accumulated depreciation	(5,920,013)	(37,556)	(5,957,569)	(1,999,300)
Net property, plant and equipment	$14,090,408	459,721	14,550,129	1,156,168

CITY OF INDIO

Notes to Financial Statements, (Continued)

Year ended June 30, 1999

(6) Changes in General Long-Term Debt

Activities relating to long-term obligations are presented as follows:

	Balance at July 1, 1998	Additions	Deletions	Balance at June 30, 1999
Advances from other funds:				
Redevelopment Agency	$ 300,000	-	(300,000)	-
Auto Mall	750,000*	-	-	750,000
	1,050,000	-	(300,000)	750,000
Notes payable	4,887,500	105,000	-	4,992,500
Capital lease obligations:				
City Hall phone lease payable	17,232	-	(10,589)	6,643
Police computer lease payable	57,247	-	(45,401)	11,846
Minolta copiers lease payable	38,091	-	(21,085)	17,006
	112,570	-	(77,075)	35,495
Compensated absences payable	665,870	-	(378,761)	287,109
Claims payable	625,069	-	(282,720)	342,349
Tax Allocation Bonds:				
1992 Revenue (Tax Allocation) Bonds	3,980,000	-	(3,980,000)	-
	3,980,000	-	(3,980,000)	-
Tax Increment Revenue Refunding Bonds:				
1997 Series A	1,105,000	-	(20,000)	1,085,000
1997 Series B	7,935,000	-	(115,000)	7,820,000
1997 Series C	2,585,000	-	(25,000)	2,560,000
1999 Series	-	4,445,000	-	4,445,000
	11,625,000	4,445,000	(160,000)	15,910,000
Special assessment debt with government commitment:				
Golden Triangle Assessment District	90,000	-	(90,000)	-
Shadow Hills Assessment District	3,235,000	-	(125,000)	3,110,000
	3,325,000	-	(215,000)	3,110,000
Total general long-term debt	$26,271,009	4,550,000	(5,393,556)	25,427,453

* The beginning balance for "Advances from other Funds" was increased by $750,000 to reflect a long-term advance that was not reflected in the prior year.

(7) Notes Payable

Redevelopment Agency Notes Payable to the Water Fund

There are six demand promissory notes payable to the City of Indio Water Fund, aggregating to $4,890,000 at June 30, 1999. Interest is set at a rate per annum equivalent to the City's average investment earning rate from Debt Service funds. The notes are to be repaid by the Date Capital Project Area of the Agency.

General Fund Notes Payable to the Redevelopment Agency

There are three demand promissory notes payable to the Indio Redevelopment Agency at June 30, 1999. Interest is set at a rate per annum equivalent to the City's average investment earnings rate from the Debt Service Funds. The notes are payable by the General Fund. The outstanding amount aggregates to $102,500 at June 30, 1999.

(8) Obligations under Capital Leases

City Hall Telephone System Lease A five year municipal lease agreement was entered into on January 6, 1995 for the purchase of a GTE telephone system for $46,861. Monthly payments of $978, representing principal and interest, are to be made during the term of the lease. Upon completion of all lease payments, the City has the option to purchase the equipment for $1. The annual interest rate is 9.25% and the outstanding balance at June 30, 1999 is $6,643.

Police Computer Lease A five year contract was entered into on September 6, 1994 for the purchase of computer equipment to be used by the Police Department. Payments of principal and interest are payable in monthly installments of $3,953 commencing October 6, 1994. Upon completion of all lease payments the City has the option to purchase the equipment for $1. The balance at June 30, 1999 on this contract is $11,846.

Minolta Copiers Lease - A four year contract was entered into November 21, 1996 for the purchase of ten copiers. Payments of principal and interest are payable in quarterly installments of $5,896 ending March 2000. Upon completion of all lease payments the city has the option to purchase the copiers for $1. The balance at June 30, 1999 on this contract is $17,006.

(8) Obligations under Capital Leases, (Continued)

The calculation of the present value of the future lease payments is as follows:

Amount of future lease payments for the year ending June 30:	City Hall Telephone System	Police Computer	Minolta Copiers	Totals
2000	$6,849	11,951	17,687	36,487
Less amount representing interest	(206)	(105)	(681)	(992)
Present value of future lease payments	$6,643	11,846	17,006	35,495

(9) Claims Payable/Self Insurance

Independent Cities Risk Management Authority

The Independent Cities Risk Management Authority (ICRMA) was formed under a joint exercise of powers agreement between local governments for the purpose of jointly funding insurance programs. The City currently is insured through ICRMA for workers' compensation and general liability. The ICRMA is composed of approximately thirty cities. The activity is managed by expert outside specialists and a governing board is composed of representatives of the various cities participating in the ICRMA. Member cities may be assessed individually or as a group in the event of unexpected losses and premiums paid in excess of estimated risk have been refunded. The likelihood of the need for excess premiums is remote given the claims history of the cities involved and the length of time necessary to settle large claims.

Claims payable in the internal service fund type represent estimates of claims against the City of Indio for workers' compensation. General liability claims payable are recorded in the General Long-Term Debt Account Group. The estimated claims payable represents the claims administrator's best estimate of the amount to be paid on workers' compensation and general liability claims and incurred but not yet reported claims. The compensation and general liability claims and incurred but not yet reported claims. The City is self-insured for the first $250,000 of each workers' compensation claim. The Independent Cities Risk Management Authority (ICRMA) provides insurance coverage for individual workers' compensation claims in excess of $250,000 up to a maximum regulated by California Statute. An amount of $1,124,092 is recorded as claims payable in the internal service fund for workers' compensation. ICRMA provides for general liability insurance coverage in excess of $100,000 with a maximum of $10,000,000. An amount of $342,349 is recorded in the General Long-Term Debt Group of the City for estimated liability claims payable at June 30, 1999.

(9) Claims Payable/Self Insurance. (Continued)

Changes in the claim payable amounts in fiscal years 1998 and 1999 were as follows:

	Beginning of Fiscal Year Liability	Current Year Claims and Prior Year Changes in Estimates	Claim Payments	Balance at Fiscal Year End
1997-98	$1,562,269	702,685	(872,317)	1,392,637
1998-99	1,392,637	1,032,045	(958,241)	1,466,441

(10) Defeasance of Debt

On August 1, 1997, the Authority issued $11,625,000 of Authority Tax Increment Revenue Refunding Bonds, 1997 Series A, B and C. The Authority used a portion of those bond proceeds to advance refund a portion of the issued $14,000,000 1992 Revenue (Tax Allocation) Bonds. The Authority purchased certain U.S. Government securities and other instruments that were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on $9,640,000 of the 1992 bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. At June 30, 1999, $9,505,000 of this portion of the 1992 bonds are considered defeased.

On May 5, 1999, the Indio Redevelopment Agency issued $4,445,000 of Housing Set-Aside Revenue Refunding Bonds to enable the Agency to pay its 1992 Housing Loan to the Indio Public Financing Authority. With those proceeds, the Indio Public Financing Authority was able to advance refund the outstanding balance on the 1992 bonds that had not been defeased. The Authority purchased certain U.S. Government securities and other instruments that were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the remaining portion ($3,915,000) of the 1992 bonds. As a result, that portion of the 1992 bonds is considered defeased and the liability for those bonds has been removed from the general long-term debt account group. This advance refunding decreased the total debt service payments over the next 23 years by $563,100 and obtained an economic gain of $342,800. At June 30, 1999, $3,915,000 of this portion of the 1992 bonds are considered defeased.

(11) Tax Increment Revenue Refunding Bonds

On August 1, 1997, the Authority issued $1,105,000 of Taxable Tax Increment Revenue Refunding Bonds, 1997 Series A, $7,935,000 of Tax Increment Revenue Refunding Bonds, 1997 Series B and $2,585,000 of Tax Increment Revenue Refunding Bonds, 1997 Series C. The proceeds were used to advance refund a portion of the 1992 Revenue (Tax Allocation) Bonds and to retire the outstanding balance of the 1987 Tax Allocation Bonds. The bonds are payable solely from tax increment revenues of the Redevelopment Agency.

The Series A bonds consist of $1,105,000 of term bonds. These bonds accrue interest at a rate of 7.48% with the principal amount maturing on August 15, 2019. The Series A term bonds are subject to mandatory redemption from sinking account payments prior to their maturity in principal amounts ranging from $20,000 to $95,000, as outlined in the bond indenture. The outstanding balance at June 30, 1999 was $1,085,000.

The Series B bonds consist of $2,490,000 of serial bonds and $5,445,000 of term bonds. The serial bonds accrue interest at rates ranging from 3.90% to 5.20%. Principal payments are due each August 15 in amounts ranging from $115,000 to $225,000, with the final principal payment on August 15, 2012. The term bonds accrue interest at a rate of 5.35% with $1,330,000 of the term bonds maturing on August 15, 2017 and the remaining $4,115,000 of the term bonds maturing on August 15, 2027. The Series B term bonds are subject to mandatory redemption from sinking account payments prior to their maturity in principal amounts ranging from $235,000 to $460,000, as outlined in the bond indenture. The outstanding balance at June 30, 1998 was $7,820,000.

The Series C bonds consist of $2,585,000 of term bonds. These bonds accrue interest at a rate of 6.50% with the principal amount maturing on August 15, 2027. The Series C term bonds are subject to mandatory redemption from sinking account payments prior to their maturity in principal amounts ranging from $25,000 to $185,000, as outlined in the bond indentures. The outstanding balance at June 30, 1999 was $2,560,000.

As required in the official statement, each bond issue is required to maintain a reserve fund. The required amount of the reserve fund for the Series B Bonds was $275,183. The required amount of the reserve fund for the Series C Bonds was $200,800. At June 30, 1998, the actual reserves for Series B and C were $290,564 and $205,131, respectively. In the case of the Series A reserve fund and the portion of the Series B reserve fund relating to the Indio Centre Parity Loan, the Authority substituted a reserve facility in place of making a cash deposit to such reserve funds. The indentures provide that in lieu of a cash deposit, the Authority may satisfy the reserve requirements by means of a qualified reserve fund credit instrument, which consists of a quality surety bond,

(11) Tax Increment Revenue Refunding Bonds. (Continued)

insurance policy or similar financial undertaking. The Authority deposited a Financial Guaranty Insurance Policy issued by MBIA Insurance Corporation in the reserve fund for the Series A Bonds and in the reserve fund for the Series B Bonds relating to that portion of the Series B reserve fund to be funded by the Indio Centre Parity Loan.

(12) 1999 Housing Set-Aside Revenue Refunding Bonds

On May 5, 1999, the Redevelopment Agency issued $4,445,000 of Housing Set-Aside Revenue Refunding Bonds, Series 1999. The proceeds were used to enable the Agency to pay its 1992 Housing Loan to the Indio Public Financing Authority. The bonds are payable solely from housing set-aside tax increment revenues of the Redevelopment Agency.

These bonds consist of $1,420,000 of serial bonds and $3,025,000 of term bonds. The serial bonds accrue interest at rates ranging from 3.35% to 5.00%. Principal payments are due each August 15 in amounts ranging from $100,000 to $160,000, with the final principal payment on August 15, 2009. The term bonds accrue interest at a rate of 5.375% maturing on August 15, 2022. The term bonds are subject to mandatory redemption from sinking account payments prior to their maturity in principal amounts ranging from $165,000 to $315,000, as outlined in the bond indenture. The outstanding balance at June 30, 1999 was $4,445,000.

As required in the official statement, a reserve fund is required to be maintained. The amount to be maintained in the reserve fund is an amount equal to or greater than the maximum annual debt service on the bonds. The required amount of the reserve fund was $332,779. At June 30, 1999 the actual reserve amount was $333,447.

(13) Special Assessment Debt with Government Commitment

There is a special assessment bond outstanding at June 30, 1999 and is described as follows:

Shadow Hills Assessment District

The City of Indio issued $3,688,364 of Limited Obligation Improvement Bonds on March 15, 1993 for the construction of improvements to the City's Assessment District No. 90-1 (Shadow Hills). The bonds consist of $2,303,364 of serial bonds and $1,385,000 of term bonds. The serial bonds mature between September 2, 1994 and September 2, 2008 in amounts ranging from $108,364 to $225,000. The interest rates range between 3.50% and 6.90%. The term bonds are due on September 2, 2013 and accrue interest at 7%. The bonds are secured by unpaid assessments levied against the property owners. A reserve fund of $340,427 is required and is fully funded at June 30, 1999. The outstanding principal balance at June 30, 1999 is $3,110,000.

(14) Debt Service Requirements to Maturity

The annual requirements to amortize the outstanding bonds of the City as of June 30, 1999, including interest payments of $16,123,260, are as follows:

Year Ending June 30	1997 Series A Revenue Refunding Bonds	1997 Series B Revenue Refunding Bonds	1997 Series C Revenue Refunding Bonds	1999 Series Revenue Allocation Bonds	Shadow Hills A.D.	Totals
2000	105,223	525,217	195,425	275,623	339,645	1,441,133
2001	103,353	524,988	198,313	329,386	336,945	1,492,985
2002	101,483	524,421	196,038	330,079	338,607	1,490,628
2003	104,426	523,543	198,600	330,319	339,308	1,496,196
2004	102,182	527,233	196,000	325,279	338,995	1,489,689
2005-2009	515,705	2,630,950	984,827	1,632,521	1,684,235	7,448,238
2010-2014	509,685	2,614,240	983,789	1,622,256	1,351,850	7,081,820
2015-2019	497,387	2,618,247	973,789	1,560,891	-	5,650,314
2020-2024	98,553	2,839,588	969,877	973,731	-	4,881,749
2025-2028	-	1,898,856	771,652	-	-	2,670,508
Totals	2,137,997	15,227,283	5,668,310	7,380,085	4,729,585	35,143,260
Less: Interest payments	(1,052,997)	(7,407,283)	(3,108,310)	(2,935,085)	(1,619,585)	(16,123,260)
Outstanding principal	$1,085,000	7,820,000	2,560,000	4,445,000	3,110,000	19,020,000

(15) Changes in Contributed Capital

Activities relating to contributed capital are presented as follows:

	Enterprise			Internal Service
	Water Fund	Golf Fund	Total	Mobile Equipment Fund
Balance at July 1, 1998	$10,642,464	416,141	11,058,605	1,449,482
Current year contribution	-	-	-	-
Balance at June 30, 1999	$10,642,464	416,141	11,058,605	1,449,482

(16) Fund Balances

Fund balances at June 30, 1999 consisted of the following reserves and designations:

	General	Special Revenue	Debt Service	Capital Projects
Reserved for:				
Encumbrances	$ 84,633	238,783	-	298,533
Prepaid items	2,790	-	-	465
Noncurrent receivables	-	-	-	3,504,758
Debt service	-	330,373	2,801,254	-
Land held for resale	-	-	-	1,275,000
Subtotal	87,423	569,156	2,801,254	5,078,756
Unreserved:				
Designated for:				
Special projects and programs	-	6,433,124	-	11,146,827
Undesignated	2,338,847	(103,220)	-	-
Subtotal	2,338,847	6,329,904	-	11,146,827
Total fund balance	$2,426,270	6,899,060	2,801,254	16,225,583

(17) Accumulated Deficits

The following funds reported an accumulated deficit in fund balance/retained earnings as of June 30, 1999:

	Accumulated Deficit
Special Revenue Funds:	
ISTEA	$ (38,938)
Asset Forfeiture	(9,884)
Capital Projects:	
Capital Expenditures	(61,304)
Internal Service Funds:	
Self Insurance	(791,988)

(18) Expenditures in Excess of Appropriations

Expenditures for the year ended June 30, 1999 exceeded the appropriations of the following departments of the General Fund or funds of the City as follows:

	Budget	Actual	Variance-Favorable (Unfavorable)
General Fund:			
General government:			
City council	$ 46,491	51,528	(5,037)
City attorney	526,500	667,472	(140,972)
Building and grounds	343,125	374,266	(31,141)
Elections	-	17,706	(17,706)
Promotion and publicity	268,860	305,103	(36,243)
Sundry	705,086	1,006,971	(301,885)
Public safety:			
COPS FAST grant program	74,046	90,894	(16,848)
Public works:			
Engineering administration	139,982	241,442	(101,460)
Public services/administration and engineering	-	5,959	(5,959)
Street cleaning	831,319	936,576	(105,257)
Traffic control	157,088	187,935	(30,847)
Yard and shops	-	446	(446)
Parks and recreation:			
Parks	223,980	232,802	(8,822)
Special Revenue Funds:			
Air Quality	12,368	115,082	(102,714)
Low and Moderate Housing	348,928	594,365	(245,437)
Asset Forfeiture	-	35,544	(35,544)
Local Law Enforcement Block Grant Fund	60,598	94,238	(33,640)
Auto Mall	-	750,000	(750,000)
Business Improvement District Fund	-	2,284	(2,284)
Debt Service Funds:			
Shadow Hills Assessment District Fund	337,720	349,610	(11,890)
Redevelopment Agency Funds	1,733,610	1,948,727	(215,117)
Golden Triangle Fund	93,870	93,968	(98)
Capital Projects Funds:			
Transfer Center Fund	-	86,614	(86,614)

(19) Debt Issued Without Government Commitment

$2,000,000 ($1,500,000 1996 Series A and $500,000 Series B) City of Indio Multifamily Housing Revenue Bonds, Olive Court Apartments Project

On October 16, 1996, the City of Indio authorized the issuance of $1,500,000 of Series A Multifamily Housing Revenue Bonds and $500,000 of Series B Variable Rate Demand Multifamily Housing Subordinate Revenue Bonds. The project is known as the Olive Court Apartments Project. The first maturity date is December 1, 2001 and the final maturity date is December 1, 2026. The bonds are not a general obligation of the City of Indio but are limited to certain revenues and receipts and certain other security pledged for the payment thereof pursuant to the Indenture of Trust pursuant to which the bonds were issued. The combined principal outstanding at June 30, 1999 was $1,960,000.

$11,000,000 Housing Authority of City of Indio Variable Rate Demand Multifamily Housing Revenue Bonds, 1985 Series A, Smoketree Apartments Project

On December 5, 1985 the Housing Authority of the City of Indio issued $11,000,000 of 1985 Series A Variable Rate Multifamily Housing Revenue Bonds. The Bonds mature on December 1, 2007 subject to certain redemption provisions. The project is known as the Smoketree Apartments Project. The Bonds are not a general obligation of the City of Indio or Housing Authority of the City of Indio but are limited obligations payable by the Housing Authority of the City of Indio solely from certain revenues and receipts and certain other security pledged for the payment thereof pursuant to the Indenture of Trust pursuant to which the Bonds were issued. The principal amount of the Bonds outstanding at June 30, 1999 was $9,325,000.

$8,500,000 City of Indio Multifamily Mortgage Revenue Refunding Bonds (Montevideo Apartments Project), 1988 Series

On October 1, 1988 the City of Indio issued $8,500,000 of 1988 Series Multifamily Mortgage Revenue Refunding Bonds. The Bonds bear interest at 8.625% and mature on October 1, 1998. The project is known as the Montevideo Apartments Project. The Bonds were issued to refund the City of Indio's Multifamily Mortgage Revenue Bonds, Issue of 1983. The proceeds of the prior Bonds were loaned to Monroe Associates, a California general partnership to finance the construction of a multifamily rental housing project within the City of Indio. The Bonds are payable solely from the trust estate as defined and do not constitute an indebtedness of the City of Indio. The principal amount of the Bonds outstanding at June 30, 1999 was $8,500,000.

(19) Debt Issued Without Government Commitment, (Continued)

$11,200,000 City of Indio Variable Rate Demand Multifamily Housing Revenue Bonds (Western Federal Savings and Loan Association Project - Sunrise Pointe Apartments), 1985 Series A

On June 8, 1985 the City of Indio issued $11,200,000 of 1985 Series A Variable Rate Demand Multifamily Housing Revenue Bonds. The Bonds mature on June 1, 2005. The project is known as the Western Federal Savings and Loan Association Project. The Developer of the project was Quality Investments, Inc., a California corporation. The bonds are not a general obligation of the City of Indio and are payable only from certain revenues and receipts and certain other security pledged for the payment of the bonds pursuant to the Indenture of Trust. The principal amount of the bonds outstanding at June 30, 1999 was $4,970,000.

(20) Segments of Enterprise Activities

The City maintains two enterprise funds which provides golf and water services. Key financial data for the year ended June 30, 1999 for this service was as follows:

	Water Fund	Golf Fund	Total
Operating revenues	$ 3,823,225	869,318	4,692,543
Operating expenses:			
Depreciation	421,339	7,556	428,895
Other	2,471,706	542,990	3,014,696
Total	2,893,045	550,546	3,443,591
Net operating income	930,180	318,772	1,248,952
Non-operating revenues (expenses)	447,980	-	447,980
Transfers from (to) other funds	(909,904)	(60,000)	(969,904)
Net income (loss)	$ 468,256	258,772	727,028
Change in contributed capital	$ -	-	-
Property, plant and equipment:			
Additions	$ 417,166	72,130	489,296
Net working capital	$ 9,558,956	343,617	9,902,573
Total assets	$23,923,221	815,817	24,739,038
Total equity	$23,649,364	803,338	24,452,702

(21) Defined Benefit Plan

Plan Description

The City of Indio contributes to the California Public Employees Retirement System (PERS), an agent multiple-employer public employee defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. PERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by state statute and city ordinance. Copies of PERS' annual financial report may be obtained from their executive office: 400 P. Street, Sacramento, California 95814.

Fund Policy

Participants are required to contribute 7% (9% for safety employees) of their annual covered salary. The City makes the contributions required of City employees on their behalf and for their account. The City is required to contribute at an actuarially determined rate; the current rate is 5.405% (15.747% for safety employees) for employees of annual covered payroll. The contribution requirements of plan members and the City are established and may be amended by PERS.

Annual Pension Costs

For 1998-99, the City's annual pension cost (employer contribution) of $467,660 for PERS was equal to the City's required and actual contributions. The required contribution was determined as part of the June 30, 1997, actuarial valuation using the entry-age normal actuarial cost method. The actuarial assumptions included (a) 8.25% investment rate of return (net of administrative expenses), (b) projected annual salary increases that vary by duration of service, and (c) 2% per year cost-of-living adjustments. Both (a) and (b) included an inflation component of 3.5%. The actuarial value of PERS assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a four-year period (smoothed market value). PERS unfunded actuarial accrued liability is being amortized through June 30, 2016 (through June 30, 2011 for safety employees) as a level percentage of projected payroll on a closed basis.

Three-Year Trend Information for PERS ($ Amount in Thousands)

Miscellaneous

Fiscal Year	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/97	$134,136	100%	0
6/30/98	270,433	100%	0
6/30/99	132,992	100%	0

(21) Defined Benefit Plan, (Continued)

Safety

Fiscal Year	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/97	$503,909	100%	0
6/30/98	513,249	100%	0
6/30/99	334,668	100%	0

Schedule of Funding Progress for PERS

Miscellaneous

Valuation Date	Entry Age Normal Accrued Liability	Actuarial Value of Assets	Unfunded Liability/ (Excess Assets)	Funded Status	Annual Covered Payroll	UAAL As a % of Payroll
6/30/95	$11,401,775	11,393,315	8,460	99.9%	3,272,192	0.259%
6/30/96	12,157,072	12,826,459	(669,387)	105.5%	3,148,492	(21.261%)
6/30/97	12,349,102	15,049,479	(2,700,377)	121.9%	3,036,898	(88.919%)

Safety

Valuation Date	Entry Age Normal Accrued Liability	Actuarial Value of Assets	Unfunded Liability/ (Excess Assets)	Funded Status	Annual Covered Payroll	UAAL As a % of Payroll
6/30/95	$25,368,680	25,499,259	(130,579)	100.5%	3,444,899	(3,791%)
6/30/96	28,852,228	28,729,192	123,036	99.6%	3,837,292	3.206%
6/30/97	29,918,800	32,684,050	(2,765,250)	109.2%	2,281,332	(121.212%)

(22) Post Retirement Health Care Benefits

In addition to providing pension benefits, the City provides certain health care benefits for retired employees. Some employees may become eligible for those benefits if they reach normal retirement age while working for the City for five years. The cost of retiree health care benefits is recognized as an expense as claims are paid. For fiscal year 1998-99, those costs totaled $395,450 for 105 such employees.

(23) Contingent Liabilities

Normal Course of Operations

The City is a defendant in certain legal actions arising in the normal course of operations. In the opinion of management and legal counsel, any liability resulting from actions will not have a material adverse effect on the City's financial position.

Proposition 218

Proposition 218, which was approved by the voters in November 1996, provides certain limitations over the ability of local governments within the State of California to impose, increase and extend taxes, assessments and fees. Any new, increased, or extended taxes, assessments, and fees subject to the provisions of Proposition 218, require voter approval before they can be implemented. Additionally, Proposition 218 provides that these taxes, assessments, and fees are subject to the voter initiative process and may, in some circumstances, be rescinded in the future by the voters. As a result, the government's ability to finance the services for which the taxes, assessments and fees were imposed could be significantly impaired. The government's management believes that language in the initiative is unclear as to the scope and impact of the proposition. Future court rulings or state legislation may clarify these issues. At this time management is uncertain as to the effect that Proposition 218 will have on the government's ability to maintain or increase the revenue it receives from taxes, assessments and fees, or its effect on interfund payments in lieu of taxes and transfers of surplus funds from enterprise funds to the general fund. Also unclear is the extent to which Proposition 218 is impacted by a 1995 California Supreme Court ruling (the *Guardino* case) that upheld the voter approval requirements of a previously enacted state initiative (Proposition 62), particularly with regard to taxes imposed or increased between November 5, 1986 and December 11, 1995.

(24) Prior Period Adjustments

The accompanying financial statements reflect reclassifications and adjustments which resulted in a restatement of beginning fund balances/retained earnings of the General, Special Revenue and Internal Service Funds.

(a) As of July 1, 1998 the City determined that the previously reported Emergency Special Revenue Fund would be consolidated with the General Fund. The Emergency Special Revenue Fund was originally established to account for the proceeds from the Imperial Irrigation settlement.

(b) In the prior year, the Mobil Equipment Internal Service Fund advanced $750,000 to the Auto Mall Special Revenue Fund. Since this advance has been considered long-term, an adjustment was made to remove the long-term liability from the Auto Mall Special Revenue Fund. The advances from other funds liability is now reflected in the General Long-term Debt Account Group.

(24) Prior Period Adjustments, (Continued)

(c) In the prior year, the inventory reflected in the Mobil Equipment Internal Service Fund was overstated. The consumption of inventory purchased during the prior year was never recorded as an expense, thus creating a misstatement inventory balance. An adjustment has been made to opening retained earnings to correctly reflects inventory consumed in the prior year as a prior year expense.

The following schedule summarizes the effect of the prior period adjustments to the opening fund balances/retained earnings as of June 30, 1999:

	General	Special Revenue	Internal Service
Fund balances/retained earnings at beginning of year, as previously reported	$393,571	6,362,679	1,276,348
(a) Reclassification of the previously reported Emergency Special Revenue Fund	500,000	(500,000)	-
(b) Reclassification of advance as long-term debt	-	750,000	-
(c) Adjustment to reflect prior year expenses	-	-	(176,088)
Fund balances/retained earnings at beginning of year, as restated	$893,571	6,612,679	1,100,260

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF INDIO

Required Supplementary Information

Year ended June 30, 1999

Risk Mitigation for the Year 2000 Issue

The City is in the process of evaluating its computer systems and other equipment that may contain embedded chips to ascertain which of these might be impacted by a failure to properly recognize and process transactions dated on or after January 1, 2000. As of June 30, 1999, the unexpended portion of contracts entered into by the City with various vendors to replace or upgrade its computer systems and other equipment to reduce the risk of year 2000 difficulties was approximately $31,000. Additional amounts may be expended for the City's year 2000 assessment, remediation, and testing activities, as well as amounts that may need to be expended after January 1, 2000 to correct problems not previously detected and corrected by the City. Because of the unprecedented nature of the year 2000 issue, it is not possible to provide assurances that the City has or will achieve complete year 2000 compliance, even after completing all planned year 2000 corrective actions and related testing. Nor can the City determine the effect, if any, on City operations should entities external to the City (other governments, significant vendors, suppliers, service providers, customers, taxpayers, businesses, etc.) fail to achieve year 2000 compliance in a timely manner. An audit is not designed to substantiate the assertions of management with respect to this issue or to evaluate the adequacy of management's plans with respect to this issue. Generally, the City is in the remediation stage of its year 2000 corrective action plan. Further information regarding the City's Year 2000 readiness can be obtained at the City's Website (http://www.indio.org/y2k.htm).

GENERAL FUND

To account for resources that are traditionally associated with a municipality which are not required to be accounted for in a separate fund.

CITY OF INDIO
General Fund

Statement of Revenues - Budget and Actual

Year ended June 30, 1999

	Budget	Actual	Variance-Favorable (Unfavorable)	Prior Year Actual
Taxes:				
Property taxes	$ 1,136,472	1,227,121	90,649	1,162,289
Sales and use taxes	3,500,000	3,998,745	498,745	3,767,919
Transient occupancy taxes	700,000	826,267	126,267	725,870
Franchises	428,878	507,964	79,086	405,082
Business licence taxes	268,815	278,973	10,158	271,466
Real property transfer taxes	62,872	75,204	12,332	55,427
Utility user fee	2,180,968	2,164,296	(16,672)	2,130,647
Total taxes	8,278,005	9,078,570	800,565	8,518,700
Licenses and permits:				
Animal licenses	12,389	10,088	(2,301)	13,385
Construction permits	400,000	537,899	137,899	450,383
Other licences and permit	49,952	31,788	(18,164)	24,018
Total licenses and permits	462,341	579,775	117,434	487,786
Intergovernmental:				
Motor vehicle in lieu fee	1,789,161	1,958,423	169,262	1,620,719
Homeowners' property tax relief	16,398	33,309	16,911	32,797
P.O.S.T.	12,143	36,330	24,187	20,696
COPS FAST	50,759	30,666	(20,093)	51,293
Miscellaneous revenue from other agencies	383,050	330,946	(52,104)	403,064
Total intergovernmental	2,251,511	2,389,674	138,163	2,128,569
Charges for services:				
Zoning and subdivision fees	41,344	33,273	(8,071)	33,819
Process and certification fees	6,206	8,370	2,164	6,070
Plan and map check fees	36,409	67,472	31,063	38,329
Photocopy and duplicating fees	27,007	22,723	(4,284)	28,887
State highway maintenance	5,630	5,800	170	5,800
Police and fire services	69,743	162,347	92,604	70,568
Ambulance fees	247,341	170,219	(77,122)	337,250
Street inspection fees	105,910	161,902	55,992	147,369
Off track betting handling fee	38,955	38,704	(251)	40,797
Other charges and fees	306,236	665,250	359,014	25,914
Total charges for services	884,781	1,336,060	451,279	734,803
Fines and forfeits	95,591	115,766	20,175	58,720
Investment income:				
Interest	50,000	126,117	76,117	72,690
Rents and concessions	40,368	36,372	(3,996)	34,616
Total investment income	90,368	162,489	72,121	107,306
Miscellaneous:				
Service credit	42,000	33,193	(8,807)	182,947
Other revenues	41,066	37,996	(3,070)	76,543
Total miscellaneous	83,066	71,189	(11,877)	259,490
Total revenues	$ 12,145,663	13,733,523	1,587,860	12,295,374

CITY OF INDIO
General Fund

Statement of Expenditures - Budget and Actual

Year ended June 30, 1999

	Budget	Actual	Variance-Favorable (Unfavorable)	Prior Year Actual
General Government:				
City council	$ 46,491	51,528	(5,037)	54,800
City manager	218,019	197,608	20,411	288,415
City clerk	6,968	5,839	1,129	12,574
Finance	365,208	354,675	10,533	415,271
Administrative services	285,617	255,505	30,112	-
Data processing	65,500	64,949	551	70,560
City treasurer	4,260	3,699	561	3,067
City attorney	526,500	667,472	(140,972)	1,162,944
Community development	442,184	383,081	59,103	710,878
Special projects division	-	-	-	257,335
Building and grounds	343,125	374,266	(31,141)	257,541
Elections	-	17,706	(17,706)	25,290
Code enforcement	-	-	-	180,684
Promotion and publicity	268,860	305,103	(36,243)	239,799
Surety and insurance	474,873	169,933	304,940	238,371
Sundry	705,086	1,006,971	(301,885)	635,249
Total general government	3,752,691	3,858,335	(105,644)	4,552,778
Public safety:				
Police	5,955,898	5,772,593	183,305	6,099,852
Fire	2,826,045	2,672,994	153,051	2,968,308
Animal regulation	108,225	90,694	17,531	104,978
Indio youth intervention program	-	-	-	521
COPS FAST grant program	74,046	90,894	(16,848)	81,158
Total public safety	8,964,214	8,627,175	337,039	9,254,817
Public works:				
Engineering administration	139,982	241,442	(101,460)	300,088
Public services/administration and engineering	-	5,959	(5,959)	316
Street cleaning	181,400	177,434	(105,257)	133,515
Street lighting	220,600	271,126	-	242,327
Street maintenance	429,319	488,016	-	424,046
Street traffic control	157,088	187,935	(30,847)	175,731
Yard and shops	-	446	(446)	3,910
Total public works	1,128,389	1,372,358	(243,969)	1,279,933
Parks and recreation:				
Parks	223,980	232,802	(8,822)	63,990
Special events	179,773	140,747	39,026	-
Senior citizens' information and referral	-	-	-	113,720
Total parks and recreation	403,753	373,549	30,204	177,710
Total expenditures	14,249,047	14,231,417	17,630	15,265,238

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues and the related expenditures which are legally required to be accounted for in a separate fund. Funds included are:

Traffic Safety Fund - To account for the revenues and expenditures of Vehicle Code court fines expended for traffic safety related costs

Gas Tax Fund - To account for the revenues and expenditures of the City's proportionate share of gas tax monies collected by the State of California which are used for street construction and maintenance.

Public Safety Fund - To account for the revenues and expenditures of the City's Proposition 172 sales tax restricted for public safety.

Supplemental Law Enforcement Fund - To account for the revenues and expenditures of the supplemental law enforcement grant.

Community Development Fund - To account for the revenues and expenditures of approved Federal Housing and Community Development Act projects.

Local Law Enforcement Block Grant Fund - To account for the revenues and expenditures of the Local Law Enforcement Block grant.

ISTEA Fund - To account for revenue and expenditures approved for Intermodal Surface Transportation Efficiency Act (ISTEA) projects.

Measure A Fund - To account for financial transactions in accordance with Proposition A Local Transit Assistance Act regulations.

Article 3 (SB 821) Fund - To account for the revenues and expenditures of licenses and grant money received for the promotion of bicycle safety and the development and maintenance of bicycle lanes and paths within the City.

Waste Recycling (AB 939) Fund - To account for revenues and expenditures from recycling surcharges for the operation of a waste management recycling program.

NPDES Fund - To account for revenue and expenditures related to the National Pollution Discharge Evaluation System (NPDES) State mandate.

Air Quality (AB2766/CMAQ) Fund - To account for the revenues and expenditures related to air pollution mitigation efforts.

Business Improvement District Fund - To account for the revenues and expenditures related to the Old Town Indio Business Acquisition.

Lighting and Landscaping Fund - To account for the revenues and expenditures restricted for the lighting and landscape maintenance program for 29 districts. Property owners are assessed their share of the cost for lighting and maintaining parkways and medians.

SPECIAL REVENUE FUNDS. (Continued)

Asset Forfeiture Fund - To account for assets and cash confiscated in police narcotic raids that are restricted for public safety expenditures.

Cultural Arts Commission Fund - to account for revenues and expenditures related to cultural arts.

Auto Mall Fund - To account for the revenues and expenditures related to the advertising on the I-10 Auto Mall Sign.

Low and Moderate Housing Fund - To account for monies received and expended to assist low and moderate income households.

CITY OF INDIO
Special Revenue Funds

Combining Balance Sheet

June 30, 1999

	Traffic Safety	Gas Tax	Public Safety	Supplemental Law Enforcement
Assets				
Cash and investments	$145,757	181,786	73,656	365,194
Cash with fiscal agent	-	-	-	-
Accounts receivable	-	-	-	-
Due from other governments	9,679	-	12,815	-
Prepaid items	-	-	-	-
Total assets	$155,436	181,786	86,471	365,194
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	$ -	9,908	3,727	-
Retentions payable	-	-	-	-
Accrued wages payable	-	-	-	-
Advances from other funds	-	-	-	-
Due to other funds	-	-	-	-
Due to other governments	-	-	-	-
Deposits payable	-	-	-	-
Total liabilities	-	9,908	3,727	-
Fund balances (deficit):				
Reserved for:				
Encumbrances	-	17,193	6,089	-
Prepaid items	-	-	-	-
Debt service	-	-	-	-
Unreserved:				
Designated for special projects and programs	155,436	154,685	76,655	365,194
Undesignated	-	-	-	-
Total fund balances	155,436	171,878	82,744	365,194
Total liabilities and fund balances	$155,436	181,786	86,471	365,194

Community Development	Local Law Enforcement Block Grant	ISTEA	Measure A	Article 3	Waste Recycling
49,342	62,252	-	3,653,186	18,079	77,924
-	-	-	-	-	-
-	-	-	-	-	-
55,736	-	376,346	78,679	41,141	10,374
-	-	-	-	-	-
105,078	62,252	376,346	3,731,865	59,220	88,298
-	-	-	-	-	19,773
-	-	6,867	-	3,183	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	408,417	-	-	-
-	-	-	-	-	-
-	18	-	-	-	-
-	18	415,284	-	3,183	19,773
-	-	34,856	136,824	9,308	14,971
-	-	-	-	-	-
-	-	-	-	-	-
105,078	62,234	-	3,595,041	46,729	53,554
-	-	(73,794)	-	-	-
105,078	62,234	(38,938)	3,731,865	56,037	68,525
105,078	62,252	376,346	3,731,865	59,220	88,298

CITY OF INDIO
Special Revenue Funds

Combining Balance Sheet

(Continued)

	NPDES	Air Quality	Business Improvement District	Lighting and Landscaping
Assets				
Cash and investments	520,863	29,292	-	624,870
Cash with fiscal agent	-	-	-	-
Accounts receivable	-	-	29,309	-
Due from other governments	-	12,304	-	18,129
Prepaid items	-	-	-	-
Total assets	520,863	41,596	29,309	642,999
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	-	-	-	6,682
Retentions payable	-	-	-	-
Accrued wages payable	-	-	-	-
Advances from other funds	-	-	-	-
Due to other funds	-	-	491	-
Due to other governments	-	-	-	-
Deposits payable	-	-	-	-
Total liabilities	-	-	491	6,682
Fund balances (deficit):				
Reserved for:				
Encumbrances	-	-	-	-
Prepaid items	-	-	-	-
Debt service	-	-	-	-
Unreserved:				
Designated for special projects and programs	520,863	41,596	28,818	636,317
Undesignated	-	-	-	-
Total fund balances	520,863	41,596	28,818	636,317
Total liabilities and fund balances	520,863	41,596	29,309	642,999

Asset Forfeiture	Cultural Arts Commission	Auto Mall	Low and Moderate Housing	Totals 1999	Totals 1998
24,515	10,997	-	582,171	6,419,884	6,675,630
-	-	-	330,373	330,373	363,594
-	-	-	-	29,309	15,549
-	-	-	-	615,203	197,836
-	-	-	-	-	10,000
24,515	10,997	-	912,544	7,394,769	7,262,609
300	2,244	-	-	42,634	7,617
-	-	-	-	10,050	44,473
-	-	-	-	-	5,433
-	-	-	-	-	750,000
-	-	-	-	408,908	37,253
-	-	-	-	-	12,163
34,099	-	-	-	34,117	42,991
34,399	2,244	-	-	495,709	899,930
19,542	-	-	-	238,783	206,745
-	-	-	-	-	10,000
-	-	-	330,373	330,373	363,594
-	8,753	-	582,171	6,433,124	5,331,654
(29,426)	-	-	-	(103,220)	450,686
(9,884)	8,753	-	912,544	6,899,060	6,362,679
24,515	10,997	-	912,544	7,394,769	7,262,609

CITY OF INDIO
Special Revenue Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Year ended June 30, 1999

	Traffic Safety	Gas Tax	Public Safety	Supplemental Law Enforcement
Revenues:				
Taxes	$ -	-	168,255	-
Intergovernmental	-	812,692	-	257,502
Fines and forfeits	174,192	-	-	-
Special assessments	-	-	-	-
Investment income	3,163	10,003	2,838	8,862
Total revenues	177,355	822,695	171,093	266,364
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	164,795	-
Public works	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Other fiscal charges	-	-	-	-
Payments to bond escrow	-	-	-	-
Capital outlay	-	101,488	-	-
Total expenditures	-	101,488	164,795	-
Excess (deficiency) of revenues over expenditures	177,355	721,207	6,298	266,364
Other financing sources (uses):				
Proceeds of settlement	-	-	-	-
Proceeds of bond, net of discount	-	-	-	-
Payments to bond escrow	-	-	-	-
Operating transfers in	-	-	-	-
Operating transfers out	(40,000)	(681,891)	-	-
Total other financing sources (uses)	(40,000)	(681,891)	-	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	137,355	39,316	6,298	266,364
Fund balance at beginning of year, as restated	18,081	132,562	76,446	98,830
Fund balance at end of year	$155,436	171,878	82,744	365,194

Community Development	Local Law Enforcement Block Grant	ISTEA	Measure A	SB 821	Waste Recycling
-	-	-	670,170	-	-
188,845	131,195	352,590	-	41,141	92,218
-	-	-	-	-	-
-	-	-	-	-	19,371
-	2,476	16	137,299	2,351	6,045
188,845	133,671	352,606	807,469	43,492	117,634
-	-	-	-	-	145,326
-	94,238	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
99,942	-	392,547	243	31,955	32,570
99,942	94,238	392,547	243	31,955	177,896
88,903	39,433	(39,941)	807,226	11,537	(60,262)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	(30,000)
-	-	-	-	-	(30,000)
88,903	39,433	(39,941)	807,226	11,537	(90,262)
16,175	22,801	1,003	2,924,639	44,500	158,787
105,078	62,234	(38,938)	3,731,865	56,037	68,525

CITY OF INDIO
Special Revenue Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

(Continued)

	NPDES	Air Quality	Improvement District	Business and Landscaping
Revenues:				
Taxes	-	-	-	-
Intergovernmental	-	45,892	-	-
Fines and forfeits	-	-	-	-
Special assessments	-	-	21,010	157,280
Investment income	26,529	4,065	17	38,252
Total revenues	26,529	49,957	21,027	195,532
Expenditures:				
Current:				
General government	1,093	115,082	-	-
Public safety	-	-	-	-
Public works	-	-	-	308,542
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Other fiscal charges	-	-	-	-
Payments to bond escrow	-	-	-	-
Capital outlay	-	-	2,284	-
Total expenditures	1,093	115,082	2,284	308,542
Excess (deficiency) of revenues over expenditures	25,436	(65,125)	18,743	(113,010)
Other financing sources (uses):				
Proceeds of settlement	-	-	-	-
Proceeds of bond, net of discount	-	-	-	-
Payments to bond escrow	-	-	-	-
Operating transfers in	-	-	-	-
Operating transfers out	-	-	-	(31,621)
Total other financing sources (uses)	-	-	-	(31,621)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	25,436	(65,125)	18,743	(144,631)
Fund balance at beginning of year, as restated	495,427	106,721	10,075	780,948
Fund balance at end of year	520,863	41,596	28,818	636,317

Asset Forfeiture	Cultural Arts Commission	Auto Mall	Low and Moderate Housing	Totals 1999	Totals 1998
-	-	-	-	838,425	762,950
-	27,785	-	-	1,949,860	2,562,927
6,515	-	-	-	180,707	69,658
-	-	-	-	197,661	428,019
2,773	-	-	25,927	270,616	257,106
9,288	27,785	-	25,927	3,437,269	4,080,660
-	19,032	400,000	5,793	686,326	198,929
35,544	-	-	-	294,577	214,589
-	-	-	-	308,542	221,486
-	-	-	65,000	65,000	55,000
-	-	-	275,680	275,680	266,194
-	-	-	247,892	247,892	-
-	-	-	357,913	357,913	-
-	-	350,000	-	1,011,029	1,766,394
35,544	19,032	750,000	952,278	3,246,959	2,722,592
(26,256)	8,753	(750,000)	(926,351)	190,310	1,358,068
-	-	-	-	-	500,000
-	-	-	4,390,420	4,390,420	-
-	-	-	(3,809,749)	(3,809,749)	-
-	-	-	424,912	424,912	565,128
-	-	-	(126,000)	(909,512)	(1,022,388)
-	-	-	879,583	96,071	42,740
(26,256)	8,753	(750,000)	(46,768)	286,381	1,400,808
16,372	-	750,000	959,312	6,612,679	4,961,871
(9,884)	8,753	-	912,544	6,899,060	6,362,679

CITY OF INDIO
Traffic Safety Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year ended June 30, 1999

	Budget	Actual	Variance-Favorable (Unfavorable)	Prior Year Actual
Revenues:				
Taxes	$ -	-	-	-
Intergovernmental	-	-	-	-
Fines and forfeits	40,000	174,192	134,192	52,751
Special assessments	-	-	-	-
Investment income	1,000	3,163	2,163	3,037
Total revenues	41,000	177,355	136,355	55,788
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	41,000	177,355	136,355	55,788
Other financing sources (uses):				
Proceeds of settlement	-	-	-	-
Proceeds of bond	-	-	-	-
Payments to bond escrow	-	-	-	-
Operating transfers in	-	-	-	-
Operating transfers out	(40,000)	(40,000)	-	(105,463)
Total other financing sources (uses)	(40,000)	(40,000)	-	(105,463)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	1,000	137,355	136,355	(49,675)
Fund balance at beginning of year	18,081	18,081	-	67,756
Fund balance at end of year	$19,081	155,436	136,355	18,081

CITY OF INDIO
Gas Tax Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year ended June 30, 1999

	Budget	Actual	Variance-Favorable (Unfavorable)	Prior Year Actual
Revenues:				
Taxes	$ -	-	-	-
Intergovernmental	761,000	812,692	51,692	789,109
Fines and forfeits	-	-	-	-
Special assessments	-	-	-	-
Investment income	310	10,003	9,693	9,172
Total revenues	761,310	822,695	61,385	798,281
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	182,880	101,488	81,392	102,846
Total expenditures	182,880	101,488	81,392	102,846
Excess (deficiency) of revenues over (under) expenditures	578,430	721,207	142,777	695,435
Other financing sources (uses):				
Proceeds of settlement	-	-	-	-
Proceeds of bond	-	-	-	-
Payments to bond escrow	-	-	-	-
Operating transfers in	-	-	-	-
Operating transfers out	(673,098)	(681,891)	(8,793)	(693,667)
Total other financing sources (uses)	(673,098)	(681,891)	(8,793)	(693,667)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(94,668)	39,316	133,984	1,768
Fund balance at beginning of year	132,562	132,562	-	130,794
Fund balance at end of year	$ 37,894	171,878	133,984	132,562

CITY OF INDIO
Public Safety Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year ended June 30, 1999

	Budget	Actual	Variance-Favorable (Unfavorable)	Prior Year Actual
Revenues:				
Taxes	$140,000	168,255	28,255	159,852
Intergovernmental	-	-	-	-
Fines and forfeits	-	-	-	-
Special assessments	-	-	-	-
Investment income	-	2,838	2,838	355
Total revenues	140,000	171,093	31,093	160,207
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	179,493	164,795	14,698	148,022
Public works	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	179,493	164,795	14,698	148,022
Excess (deficiency) of revenues over (under) expenditures	(39,493)	6,298	45,791	12,185
Other financing sources (uses):				
Proceeds of settlement	-	-	-	-
Proceeds of bond	-	-	-	-
Payments to bond escrow	-	-	-	-
Operating transfers in	-	-	-	-
Operating transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(39,493)	6,298	45,791	12,185
Fund balance at beginning of year	76,446	76,446	-	64,261
Fund balance at end of year	$ 36,953	82,744	45,791	76,446

CITY OF INDIO
Supplemental Law Enforcement Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year ended June 30, 1999

	Budget	Actual	Variance-Favorable (Unfavorable)	Prior Year Actual
Revenues:				
Taxes	$ -	-	-	-
Intergovernmental	-	257,502	257,502	97,172
Fines and forfeits	-	-	-	-
Special assessments	-	-	-	-
Investment income	-	8,862	8,862	2,619
Total revenues	-	266,364	266,364	99,791
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	80,515	-	80,515	21,516
Public works	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	80,515	-	80,515	21,516
Excess (deficiency) of revenues over (under) expenditures	(80,515)	266,364	346,879	78,275
Other financing sources (uses):				
Proceeds of settlement	-	-	-	-
Proceeds of bond	-	-	-	-
Payments to bond escrow	-	-	-	-
Operating transfers in	-	-	-	-
Operating transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(80,515)	266,364	346,879	78,275
Fund balance at beginning of year	98,830	98,830	-	20,555
Fund balance at end of year	$18,315	365,194	346,879	98,830

CITY OF INDIO
Community Development Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year ended June 30, 1999

	Budget	Actual	Variance-Favorable (Unfavorable)	Prior Year Actual
Revenues:				
Taxes	$ -	-	-	-
Intergovernmental	365,480	188,845	(176,635)	570,350
Fines and forfeits	-	-	-	-
Special assessments	-	-	-	-
Investment income	-	-	-	-
Total revenues	365,480	188,845	(176,635)	570,350
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	365,480	99,942	265,538	554,175
Total expenditures	365,480	99,942	265,538	554,175
Excess (deficiency) of revenues over (under) expenditures	-	88,903	88,903	16,175
Other financing sources (uses):				
Proceeds of settlement	-	-	-	-
Proceeds of bond	-	-	-	-
Payments to bond escrow	-	-	-	-
Operating transfers in	-	-	-	-
Operating transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	-	88,903	88,903	16,175
Fund balance at beginning of year	16,175	16,175	-	-
Fund balance at end of year	$ 16,175	105,078	88,903	16,175

CITY OF INDIO
Local Law Enforcement Block Grant Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year ended June 30, 1999

	Budget	Actual	Variance-Favorable (Unfavorable)	Prior Year Actual
Revenues:				
Taxes	$ -	-	-	-
Intergovernmental	-	131,195	131,195	-
Fines and forfeits	-	-	-	-
Special assessments	-	-	-	-
Investment income	-	2,476	2,476	1,801
Total revenues	-	133,671	133,671	1,801
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	60,598	94,238	(33,640)	34,202
Public works	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	60,598	94,238	(33,640)	34,202
Excess (deficiency) of revenues over (under) expenditures	(60,598)	39,433	100,031	(32,401)
Other financing sources (uses):				
Proceeds of settlement	-	-	-	-
Proceeds of bond	-	-	-	-
Payments to bond escrow	-	-	-	-
Operating transfers in	-	-	-	-
Operating transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(60,598)	39,433	100,031	(32,401)
Fund balance at beginning of year	22,801	22,801	-	55,202
Fund balance (deficit) at end of year	$(37,797)	62,234	100,031	22,801

CITY OF INDIO
ISTEA Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year ended June 30, 1999

	Budget	Actual	Variance-Favorable (Unfavorable)	Prior Year Actual
Revenues:				
Taxes	$ -	-	-	-
Intergovernmental	544,000	352,590	(191,410)	778,088
Fines and forfeits	-	-	-	-
Special assessments	-	-	-	-
Investment income	500	16	(484)	-
Total revenues	544,500	352,606	(191,894)	778,088
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	562,499	392,547	169,952	738,205
Total expenditures	562,499	392,547	169,952	738,205
Excess (deficiency) of revenues over (under) expenditures	(17,999)	(39,941)	(21,942)	39,883
Other financing sources (uses):				
Proceeds of settlement	-	-	-	-
Proceeds of bond	-	-	-	-
Payments to bond escrow	-	-	-	-
Operating transfers in	-	-	-	-
Operating transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(17,999)	(39,941)	(21,942)	39,883
Fund balance (deficit) at beginning of year	1,003	1,003	-	(38,880)
Fund balance (deficit) at end of year	$(16,996)	(38,938)	(21,942)	1,003

CITY OF INDIO
Measure A Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year ended June 30, 1999

	Budget	Actual	Variance-Favorable (Unfavorable)	Prior Year Actual
Revenues:				
Taxes	$ 575,000	670,170	95,170	603,098
Intergovernmental	2,074,000	-	(2,074,000)	-
Fines and forfeits	-	-	-	-
Special assessments	-	-	-	-
Investment income	5,000	137,299	132,299	151,457
Total revenues	2,654,000	807,469	(1,846,531)	754,555
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	4,767,000	243	4,766,757	361,264
Total expenditures	4,767,000	243	4,766,757	361,264
Excess (deficiency) of revenues over (under) expenditures	(2,113,000)	807,226	2,920,226	393,291
Other financing sources (uses):				
Proceeds of settlement	-	-	-	-
Proceeds of bond	-	-	-	-
Payments to bond escrow	-	-	-	-
Operating transfers in	-	-	-	-
Operating transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(2,113,000)	807,226	2,920,226	393,291
Fund balance at beginning of year	2,924,639	2,924,639	-	2,531,348
Fund balance at end of year	$ 811,639	3,731,865	2,920,226	2,924,639

CITY OF INDIO
Article 3 (SB 821) Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year ended June 30, 1999

	Budget	Actual	Variance-Favorable (Unfavorable)	Prior Year Actual
Revenues:				
Taxes	$ -	-	-	-
Intergovernmental	50,000	41,141	(8,859)	44,000
Fines and forfeits	-	-	-	-
Special assessments	-	-	-	-
Investment income	-	2,351	2,351	1,174
Total revenues	50,000	43,492	(6,508)	45,174
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	50,000	31,955	18,045	-
Total expenditures	50,000	31,955	18,045	-
Excess (deficiency) of revenues over (under) expenditures	-	11,537	11,537	45,174
Other financing sources (uses):				
Proceeds of settlement	-	-	-	-
Proceeds of bond	-	-	-	-
Payments to bond escrow	-	-	-	-
Operating transfers in	-	-	-	-
Operating transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	-	11,537	11,537	45,174
Fund balance (deficit) at beginning of year	44,500	44,500	-	(674)
Fund balance at end of year	$44,500	56,037	11,537	44,500

CITY OF INDIO
Waste Recycling (AB 939) Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year ended June 30, 1999

	Budget	Actual	Variance-Favorable (Unfavorable)	Prior Year Actual
Revenues:				
Taxes	$ -	-	-	-
Intergovernmental	99,000	92,218	(6,782)	227,684
Fines and forfeits	-	-	-	-
Special assessments	17,000	19,371	2,371	18,015
Investment income	-	6,045	6,045	4,387
Total revenues	116,000	117,634	1,634	250,086
Expenditures:				
Current:				
General government	198,713	145,326	53,387	128,331
Public safety	-	-	-	-
Public works	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	32,570	(32,570)	-
Total expenditures	198,713	177,896	20,817	128,331
Excess (deficiency) of revenues over (under) expenditures	(82,713)	(60,262)	22,451	121,755
Other financing sources (uses):				
Proceeds of settlement	-	-	-	-
Proceeds of bond	-	-	-	-
Payments to bond escrow	-	-	-	-
Operating transfers in	-	-	-	-
Operating transfers out	-	(30,000)	(30,000)	(30,000)
Total other financing sources (uses)	-	(30,000)	(30,000)	(30,000)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(82,713)	(90,262)	(7,549)	91,755
Fund balance at beginning of year	158,787	158,787	-	67,032
Fund balance at end of year	$ 76,074	68,525	(7,549)	158,787

CITY OF INDIO
NPDES Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year ended June 30, 1999

	Budget	Actual	Variance-Favorable (Unfavorable)	Prior Year Actual
Revenues:				
Taxes	$ -	-	-	-
Intergovernmental	-	-	-	-
Fines and forfeits	-	-	-	-
Special assessments	-	-	-	-
Investment income	5,000	26,529	21,529	12,845
Total revenues	5,000	26,529	21,529	12,845
Expenditures:				
Current:				
General government	100,000	1,093	98,907	7,542
Public safety	-	-	-	-
Public works	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	100,000	1,093	98,907	7,542
Excess (deficiency) of revenues over (under) expenditures	(95,000)	25,436	120,436	5,303
Other financing sources (uses):				
Proceeds of settlement	-	-	-	-
Proceeds of bond	-	-	-	-
Payments to bond escrow	-	-	-	-
Operating transfers in	-	-	-	150,592
Operating transfers out	-	-	-	(30,371)
Total other financing sources (uses)	-	-	-	120,221
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(95,000)	25,436	120,436	125,524
Fund balance at beginning of year	495,427	495,427	-	369,903
Fund balance at end of year	$400,427	520,863	120,436	495,427

CITY OF INDIO
Air Quality (AB2766/CMAQ) Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year ended June 30, 1999

	Budget	Actual	Variance-Favorable (Unfavorable)	Prior Year Actual
Revenues:				
Taxes	$ -	-	-	-
Intergovernmental	42,000	45,892	3,892	56,524
Fines and forfeits	-	-	-	-
Special assessments	-	-	-	-
Investment income	-	4,065	4,065	2,295
Total revenues	42,000	49,957	7,957	58,819
Expenditures:				
Current:				
General government	12,368	115,082	(102,714)	11,521
Public safety	-	-	-	-
Public works	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	12,368	115,082	(102,714)	11,521
Excess (deficiency) of revenues over (under) expenditures	29,632	(65,125)	(94,757)	47,298
Other financing sources (uses):				
Proceeds of settlement	-	-	-	-
Proceeds of bond	-	-	-	-
Payments to bond escrow	-	-	-	-
Operating transfers in	-	-	-	-
Operating transfer out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	29,632	(65,125)	(94,757)	47,298
Fund balance at beginning of year	106,721	106,721	-	59,423
Fund balance at end of year	$136,353	41,596	(94,757)	106,721

CITY OF INDIO
Business Improvement District Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year ended June 30, 1999

	Budget	Actual	Variance-Favorable (Unfavorable)	Prior Year Actual
Revenues:				
Taxes	$ -	-	-	-
Intergovernmental	-	-	-	-
Fines and forfeits	-	-	-	-
Special assessments	-	21,010	21,010	17,890
Investment income	-	17	17	89
Total revenues	-	21,027	21,027	17,979
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	2,284	(2,284)	7,904
Total expenditures	-	2,284	(2,284)	7,904
Excess (deficiency) of revenues over (under) expenditures	-	18,743	18,743	10,075
Other financing sources (uses):				
Proceeds of settlement	-	-	-	-
Proceeds of bond	-	-	-	-
Payments to bond	-	-	-	-
Operating transfers in	-	-	-	-
Operating transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	-	18,743	18,743	10,075
Fund balance at beginning of year	10,075	10,075	-	-
Fund balance at end of year	$10,075	28,818	18,743	10,075

CITY OF INDIO
Lighting and Landscaping Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year ended June 30, 1999

	Budget	Actual	Variance-Favorable (Unfavorable)	Prior Year Actual
Revenues:				
Taxes	$ -	-	-	-
Intergovernmental	-	-	-	-
Fines and forfeits	-	-	-	-
Special assessments	114,081	157,280	43,199	392,114
Investment income	-	38,252	38,252	23,233
Total revenues	114,081	195,532	81,451	415,347
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	686,655	308,542	378,113	221,486
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	686,655	308,542	378,113	221,486
Excess (deficiency) of revenues over (under) expenditures	(572,574)	(113,010)	459,564	193,861
Other financing sources (uses):				
Proceeds of settlement	-	-	-	-
Proceeds of bond	-	-	-	-
Payments to bond escrow	-	-	-	-
Operating transfers in	-	-	-	-
Operating transfers out	(31,623)	(31,621)	2	(27,987)
Total other financing sources (uses)	(31,623)	(31,621)	2	(27,987)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(604,197)	(144,631)	459,566	165,874
Fund balance at beginning of year	780,948	780,948	-	615,074
Fund balance at end of year	$ 176,751	636,317	459,566	780,948

CITY OF INDIO
Asset Forfeiture Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year ended June 30, 1999

	Budget	Actual	Variance-Favorable (Unfavorable)	Prior Year Actual
Revenues:				
Taxes	$ -	-	-	-
Intergovernmental	-	-	-	-
Fines and forfeits	-	6,515	6,515	16,907
Special assessments	-	-	-	-
Investment income	-	2,773	2,773	1,659
Total revenues	-	9,288	9,288	18,566
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	35,544	(35,544)	10,849
Public works	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	-	35,544	(35,544)	10,849
Excess (deficiency) of revenues over (under) expenditures	-	(26,256)	(26,256)	7,717
Other financing sources (uses):				
Proceeds of settlement	-	-	-	-
Proceeds of bond	-	-	-	-
Payments to bond escrow	-	-	-	-
Operating transfers in	-	-	-	-
Operating transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	-	(26,256)	(26,256)	7,717
Fund balance at beginning of year	16,372	16,372	-	8,655
Fund balance (deficit) at end of year	$16,372	(9,884)	(26,256)	16,372

CITY OF INDIO
Cultural Arts Commission Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year ended June 30, 1999

	Budget	Actual	Variance-Favorable (Unfavorable)	Prior Year Actual
Revenues:				
Taxes	$ -	-	-	-
Intergovernmental	27,685	27,785	100	-
Fines and forfeits	-	-	-	-
Special assessments	-	-	-	-
Investment income	-	-	-	-
Total revenues	27,685	27,785	100	-
Expenditures:				
Current:				
General government	27,685	19,032	8,653	-
Public safety	-	-	-	-
Public works	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	27,685	19,032	8,653	-
Excess (deficiency) of revenues over (under) expenditures	-	8,753	8,753	-
Other financing sources (uses):				
Proceeds of settlement	-	-	-	-
Proceeds of bond	-	-	-	-
Payments to bond escrow	-	-	-	-
Operating transfers in	-	-	-	-
Operating transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	-	8,753	8,753	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	$ -	8,753	8,753	-

CITY OF INDIO
Auto Mall Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year ended June 30, 1999

	Budget	Actual	Variance-Favorable (Unfavorable)	Prior Year Actual
Revenues:				
Taxes	$ -	-	-	-
Intergovernmental	-	-	-	-
Fines and forfeits	-	-	-	-
Special assessments	-	-	-	-
Investment income	-	-	-	-
Total revenues	-	-	-	-
Expenditures:				
Current:				
General government	-	400,000	(400,000)	-
Public safety	-	-	-	-
Public works	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	350,000	(350,000)	-
Total expenditures	-	750,000	(750,000)	-
Excess (deficiency) of revenues over (under) expenditures	-	(750,000)	(750,000)	-
Other financing sources (uses):				
Proceeds of settlement	-	-	-	-
Proceeds of bond	-	-	-	-
Payments to bond escrow	-	-	-	-
Operating transfers in	-	-	-	-
Operating transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	-	(750,000)	(750,000)	-
Fund balance at beginning of year, as restated	750,000	750,000	-	-
Fund balance at end of year	$750,000	-	(750,000)	-

CITY OF INDIO
Low and Moderate Housing Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year ended June 30, 1999

	Budget	Actual	Variance-Favorable (Unfavorable)	Prior Year Actual
Revenues:				
Taxes	$ -	-	-	-
Intergovernmental	-	-	-	-
Fines and forfeits	-	-	-	-
Special assessments	-	-	-	-
Investment income	-	25,927	25,927	42,983
Total revenues	-	25,927	25,927	42,983
Expenditures:				
Current:				
General government	-	5,793	(5,793)	51,535
Public safety	-	-	-	-
Public works	-	-	-	-
Debt service:				
Principal	125,000	65,000	60,000	55,000
Interest	223,928	275,680	(51,752)	266,194
Other fiscal charges	-	247,892	(247,892)	-
Payments to bond escrow	-	357,913	(357,913)	-
Capital outlay	-	-	-	2,000
Total expenditures	348,928	952,278	(603,350)	374,729
Excess (deficiency) of revenues over (under) expenditures	(348,928)	(926,351)	(577,423)	(331,746)
Other financing sources (uses):				
Proceeds of settlement	-	-	-	-
Proceeds of bond	-	4,390,420	4,390,420	-
Payments to bond escrow	-	(3,809,749)	(3,809,749)	-
Operating transfers in	370,000	424,912	54,912	414,536
Operating transfers out	(126,000)	(126,000)	-	(134,900)
Total other financing sources (uses)	244,000	879,583	635,583	279,636
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(104,928)	(46,768)	58,160	(52,110)
Fund balance at beginning of year	959,312	959,312	-	1,011,422
Fund balance at end of year	$854,384	912,544	58,160	959,312

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DEBT SERVICE FUNDS

Debt service funds are used to account for the accumulation of resources and the payment of principal, interest and other related costs associated with general long-term debt of the City. Funds included are:

Golden Triangle Assessment District Fund - To accumulate funds for the payment of principal, interest and other related costs associated with the Golden Triangle Special Assessment 1915 Act Improvement Bonds.

Shadow Hills Assessment District Fund - To accumulate funds for the payment of principal, interest and related costs associated with the Shadow Hills Special Assessment Bonds.

Redevelopment Agency Fund - To account for tax increment revenues accumulated for the payment of principal and interest associated with general long-term debt, the proceeds of which were used to further the goals and objectives of the Indio Centre and Date Capital project areas.

CITY OF INDIO
Debt Service Funds

Combining Balance Sheet

June 30, 1999

	Golden Triangle A.D.	Shadow Hills A.D.	Redevelopment Agency	Totals 1999	Totals 1998
Assets					
Cash and investments	$1,146	704,289	1,681,100	2,386,535	2,549,306
Cash with fiscal agent	-	-	495,919	495,919	511,407
Due from other governments	7,784	3,057	17	10,858	3,996
Total assets	$8,930	707,346	2,177,036	2,893,312	3,064,709
Liabilities and Fund Balances					
Liabilities:					
Due to other governments	$ -	8,628	83,430	92,058	101,145
Total liabilities	-	8,628	83,430	92,058	101,145
Fund balances:					
Reserved for:					
Debt service	8,930	698,718	2,093,606	2,801,254	2,963,564
Total fund balances	8,930	698,718	2,093,606	2,801,254	2,963,564
Total liabilities and fund balances	$8,930	707,346	2,177,036	2,893,312	3,064,709

CITY OF INDIO
Debt Service Funds

Combining Statement of revenues, Expenditures and Changes in Fund Balances

Year ended June 30, 1999

	Golden Triangle A.D.	Shadow Hills A.D.	Redevelopment Agency	Totals 1999	Totals 1998
Revenues:					
Taxes	$ -	-	2,124,544	2,124,544	2,096,870
Special assessments	7,510	312,676	-	320,186	421,680
Investment income	10,952	24,759	275,032	310,743	383,432
Total revenues	18,462	337,435	2,399,576	2,755,473	2,901,982
Expenditures:					
Current:					
General government	98	-	47,279	47,377	231,032
Debt service:					
Pass-through payments	-	-	513,647	513,647	506,484
Principal	90,000	125,000	460,000	675,000	1,660,000
Interest	3,870	209,595	926,290	1,139,755	1,245,239
Other fiscal charges	-	15,015	1,511	16,526	687,068
Total expenditures	93,968	349,610	1,948,727	2,392,305	4,329,823
Excess (deficiency) of revenues over (under) expenditures	(75,506)	(12,175)	450,849	363,168	(1,427,841)
Other financing sources (uses):					
Operating transfers in	-	13,791	-	13,791	654,312
Operating transfers out	(215,087)	-	(429,182)	(644,269)	(418,806)
Proceeds of notes	-	-	105,000	105,000	105,000
Proceeds of bonds	-	-	-	-	11,489,229
Payments to bond escrow	-	-	-	-	(10,223,429)
Total other financing sources (uses)	(215,087)	13,791	(324,182)	(525,478)	1,606,306
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(290,593)	1,616	126,667	(162,310)	178,465
Fund balance at beginning of year	299,523	697,102	1,966,939	2,963,564	2,785,099
Fund balance at end of year	$ 8,930	698,718	2,093,606	2,801,254	2,963,564

CITY OF INDIO
Golden Triangle Assessment District Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year ended June 30, 1999

	Budget	Actual	Variance-Favorable (Unfavorable)	Prior Year Actual
Revenues:				
Taxes	$ -	-	-	-
Special assessments	-	7,510	7,510	97,695
Investment income	-	10,952	10,952	13,193
Total revenues	-	18,462	18,462	110,888
Expenditures:				
Current:				
General government	-	98	(98)	668
Debt service:				
Pass-through payments	-	-	-	-
Principal	90,000	90,000	-	85,000
Interest	3,870	3,870	-	11,395
Other fiscal charges	-	-	-	-
Total expenditures	93,870	93,968	(98)	97,063
Excess (deficiency) of revenues over (under) expenditures	(93,870)	(75,506)	18,364	13,825
Other financing sources (uses):				
Operating transfers in	-	-	-	-
Operating transfers out	-	(215,087)	(215,087)	-
Proceeds of notes	-	-	-	-
Proceeds of bonds	-	-	-	-
Payments to bond escrow	-	-	-	-
Total other financing sources (uses)	-	(215,087)	(215,087)	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(93,870)	(290,593)	(196,723)	13,825
Fund balance at beginning of year	299,523	299,523	-	285,698
Fund balance at end of year	$205,653	8,930	(196,723)	299,523

CITY OF INDIO
Shadow Hills Assessment District Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year ended June 30, 1999

	Budget	Actual	Variance-Favorable (Unfavorable)	Prior Year Actual
Revenues:				
Taxes	$ -	-	-	-
Special assessments	337,720	312,676	(25,044)	323,985
Investment income	-	24,759	24,759	14,640
Total revenues	337,720	337,435	(285)	338,625
Expenditures:				
Current:				
General government	-	-	-	-
Debt service:				
Pass-through payments	-	-	-	-
Principal	125,000	125,000	-	120,000
Interest	212,720	209,595	3,125	215,570
Other fiscal charges	-	15,015	(15,015)	4,469
Total expenditures	337,720	349,610	(11,890)	340,039
Excess (deficiency) of revenues over (under) expenditures	-	(12,175)	(12,175)	(1,414)
Other financing sources (uses):				
Operating transfers in	-	-	-	-
Operating transfers out	-	13,791	13,791	54,764
Proceeds of notes	-	-	-	-
Proceeds of bonds	-	-	-	-
Payments to bond escrow	-	-	-	-
Total other financing sources (uses)	-	13,791	13,791	54,764
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	-	1,616	1,616	53,350
Fund balance at beginning of year	697,102	697,102	-	643,752
Fund balance at end of year	$697,102	698,718	1,616	697,102

CITY OF INDIO
Redevelopment Agency Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year ended June 30, 1999

	Budget	Actual	Variance-Favorable (Unfavorable)	Prior Year Actual
Revenues:				
Taxes	$1,900,000	2,124,544	224,544	2,096,870
Special assessments	-	-	-	-
Investment income	23,000	275,032	252,032	355,599
Total revenues	1,923,000	2,399,576	476,576	2,452,469
Expenditures:				
Current:				
General government	66,000	47,279	18,721	230,364
Debt service:				
Pass-through payments	535,000	513,647	21,353	506,484
Principal	460,000	460,000	-	1,455,000
Interest	670,110	926,290	(256,180)	1,018,274
Other fiscal charges	2,500	1,511	989	682,599
Total expenditures	1,733,610	1,948,727	(215,117)	3,892,721
Excess (deficiency) of revenues over (under) expenditures	189,390	450,849	261,459	(1,440,252)
Other financing sources (uses):				
Operating transfers in	-	-	-	599,548
Operating transfers out	(374,270)	(429,182)	(54,912)	(418,806)
Proceeds of notes	-	105,000	105,000	105,000
Proceeds of bonds	-	-	-	11,489,229
Payments to bond escrow	-	-	-	(10,223,429)
Total other financing sources (uses)	(374,270)	(324,182)	50,088	1,551,542
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(184,880)	126,667	311,547	111,290
Fund balance at beginning of year	1,966,939	1,966,939	-	1,855,649
Fund balance at end of year	$1,782,059	2,093,606	311,547	1,966,939

CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for the acquisition or construction of major capital items not financed by proprietary funds and trust funds. Funds included are:

Watermain Construction Fund - To account for developer fees used for watermain construction projects.

State Park Bond Act Fund - To account for park fees received from developers for the acquisition, improvement and expansion of public parks, playgrounds and recreational facilities.

Capital Impact Fund - To account for developer fees used for council established capital improvements for parks, storm drains and other municipal improvements.

Street Lighting Construction Fund - To account for the financial transactions for council established Street Lighting Improvements.

Golden Triangle Assessment District Fund - To account for the revenues and expenditures associated with construction in the Golden Triangle Assessment District.

Shadow Hills Assessment District Fund - To account for the revenues and expenditures associated with construction in the Shadow Hills Assessment District.

Capital Projects Fund - To account for the revenues and expenditures associated with the construction of the Fred Waring Bridge.

Capital Expenditures Fund - To account for the revenues and expenditures associated with various capital projects of the City.

Transfer Center Fund - To account for the revenues and expenditures associated with the Transfer Center.

Redevelopment Agency Fund - To account for the revenues and expenditures associated with the administration and acquisition or construction of capital items for the Indio Centre and Date Capital redevelopment project areas.

CITY OF INDIO
Capital Project Funds

Combining Balance Sheet

June 30, 1999

	Watermain Construction	State Park Bond Act	Capital Impact	Street Lighting Construction	Golden Triangle
Assets					
Cash and investments	$287,824	1,331	3,060,130	47,023	488
Accounts receivable	-	-	-	-	-
Loans receivable	-	-	-	-	-
Notes receivable	-	-	-	-	-
Litigation receivable	-	-	-	-	-
Due from other funds	-	-	-	-	-
Due from other governments	-	-	-	-	-
Prepaid items	-	-	-	-	-
Land held for resale	-	-	-	-	-
Total assets	$287,824	1,331	3,060,130	47,023	488
Liabilities and Fund Balances					
Liabilities:					
Accounts payable	$ -	-	21,590	-	-
Retentions payable	-	-	-	-	-
Due to other funds	-	-	-	-	-
Deposits payable	-	-	-	-	-
Total liabilities	-	-	21,590	-	-
Fund balances (deficit):					
Reserved for:					
Encumbrances	-	-	23,300	-	-
Prepaid items	-	-	-	-	-
Non-current receivable	-	-	-	-	-
Land held for resale	-	-	-	-	-
Unreserved:					
Designated for special projects and programs	287,824	1,331	3,015,240	47,023	488
Total fund balances	287,824	1,331	3,038,540	47,023	488
Total liabilities and fund balances	$287,824	1,331	3,060,130	47,023	488

Shadow Hills	Capital Projects	Capital Expenditures	Transfer Center	Redevelopment Agency	Totals 1999	Totals 1998
131,857	241,499	-	258,978	7,589,374	11,618,504	6,768,977
-	-	-	-	116,216	116,216	173,580
-	-	-	-	50,000	50,000	50,000
-	-	-	-	3,454,758	3,454,758	3,429,421
-	-	-	-	-	-	4,848,414
-	-	-	-	82,000	82,000	82,000
6,781	5,577	109,492	121,738	-	243,588	884,187
-	-	-	-	465	465	579
-	-	-	-	1,275,000	1,275,000	1,275,000
138,638	247,076	109,492	380,716	12,567,813	16,840,531	17,512,158
-	600	-	1,114	129,949	153,253	100,386
-	-	-	-	-	-	55,342
-	-	170,796	-	264,149	434,945	841,699
-	-	-	-	26,750	26,750	25,285
-	600	170,796	1,114	420,848	614,948	1,022,712
-	10,850	21,250	-	243,133	298,533	118,547
-	-	-	-	465	465	579
-	-	-	-	3,504,758	3,504,758	3,479,421
-	-	-	-	1,275,000	1,275,000	1,275,000
138,638	235,626	(82,554)	379,602	7,123,609	11,146,827	11,615,899
138,638	246,476	(61,304)	379,602	12,146,965	16,225,583	16,489,446
138,638	247,076	109,492	380,716	12,567,813	16,840,531	17,512,158

CITY OF INDIO
Capital Project Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Year ended June 30, 1999

	Watermain Construction	State Park Bond Act	Capital Impact	Street Lighting Construction	Golden Triangle
Revenues:					
Taxes	$ -	-	471,550	1,036	-
Intergovernmental	-	-	47,840	-	-
Charges for services	49,913	-	-	-	-
Special assessments	-	-	-	-	-
Investment income	12,885	68	144,072	2,357	4,184
Miscellaneous	-	-	-	-	-
Total revenues	62,798	68	663,462	3,393	4,184
Expenditures:					
Current:					
General government	-	-	-	-	-
Capital outlay	2,149	-	233,424	-	-
Total expenditures	2,149	-	233,424	-	-
Excess (deficiency) of revenues over (under) expenditures	60,649	68	430,038	3,393	4,184
Other financing sources (uses):					
Operating transfers in	-	-	-	-	-
Operating transfers out	-	-	-	-	(91,684)
Proceeds of advances	-	-	-	-	-
Proceeds of notes	-	-	-	-	-
Proceeds of settlement	-	-	-	-	-
Settlement of litigation	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	(91,684)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	60,649	68	430,038	3,393	(87,500)
Fund balance at beginning of year	227,175	1,263	2,608,502	43,630	87,988
Fund balance (deficit) at end of year	$287,824	1,331	3,038,540	47,023	488

Shadow Hills	Capital Projects	Capital Expenditures	Transfer Center	Redevelopment Agency	Totals 1999	Totals 1998
-	-	-	-	-	472,586	392,324
-	64,214	42,000	-	-	154,054	881,544
-	-	-	289,000	-	338,913	263,393
6,844	-	-	-	-	6,844	-
13,956	8,877	-	10,702	364,939	562,040	607,689
-	130,578	-	-	71,655	202,233	19,117
20,800	203,669	42,000	299,702	436,594	1,736,670	2,164,067
-	-	-	-	867,058	867,058	536,533
-	41,933	215,812	86,614	338,103	918,035	2,452,293
-	41,933	215,812	86,614	1,205,161	1,785,093	2,988,826
20,800	161,736	(173,812)	213,088	(768,567)	(48,423)	(824,759)
-	-	-	-	130,270	130,270	302,128
(13,791)	-	-	-	-	(105,475)	(717,270)
-	-	-	-	-	-	300,000
-	-	-	-	9,765	9,765	-
-	-	-	-	-	-	6,198,414
-	-	-	-	(250,000)	(250,000)	(1,350,000)
(13,791)	-	-	-	(109,965)	(215,440)	4,733,272
7,009	161,736	(173,812)	213,088	(878,532)	(263,863)	3,908,513
131,629	84,740	112,508	166,514	13,025,497	16,489,446	12,580,933
138,638	246,476	(61,304)	379,602	12,146,965	16,225,583	16,489,446

CITY OF INDIO
Watermain Construction Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year ended June 30, 1999

	Budget	Actual	Variance-Favorable (Unfavorable)	Prior Year Actual
Revenues:				
Taxes	$ -	-	-	-
Intergovernmental	-	-	-	-
Charges for services	2,000	49,913	47,913	53,361
Special assessments	-	-	-	-
Investment income	67,905	12,885	(55,020)	17,073
Miscellaneous	-	-	-	-
Total revenues	69,905	62,798	(7,107)	70,434
Expenditures:				
Current:				
General government	-	-	-	-
Capital outlay	292,000	2,149	289,851	-
Total expenditures	292,000	2,149	289,851	-
Excess (deficiency) of revenues over (under) expenditures	(222,095)	60,649	282,744	70,434
Other financing sources (uses):				
Operating transfers in	-	-	-	-
Operating transfers out	-	-	-	-
Proceeds of advances	-	-	-	-
Proceeds of notes	-	-	-	-
Proceeds of settlement	-	-	-	-
Proceeds of litigation	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(222,095)	60,649	282,744	70,434
Fund balance at beginning of year	227,175	227,175	-	156,741
Fund balance at end of year	$ 5,080	287,824	282,744	227,175

CITY OF INDIO
State Park Bond Act Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year ended June 30, 1999

	Budget	Actual	Variance-Favorable (Unfavorable)	Prior Year Actual
Revenues:				
Taxes	$ -	-	-	-
Intergovernmental	50,000	-	(50,000)	-
Charges for services	-	-	-	-
Special assessments	-	-	-	-
Investment income	-	68	68	39
Miscellaneous	-	-	-	-
Total revenues	50,000	68	(49,932)	39
Expenditures:				
Current:				
General government	-	-	-	-
Capital outlay	50,000	-	50,000	-
Total expenditures	50,000	-	50,000	-
Excess (deficiency) of revenues over (under) expenditures	-	68	68	39
Other financing sources (uses):				
Operating transfers in	-	-	-	-
Operating transfers out	-	-	-	-
Proceeds of advances	-	-	-	-
Proceeds of notes	-	-	-	-
Proceeds of settlement	-	-	-	-
Proceeds of litigation	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	-	68	68	39
Fund balance at beginning of year	1,263	1,263	-	1,224
Fund balance at end of year	$ 1,263	1,331	68	1,263

CITY OF INDIO
Capital Impact Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year ended June 30, 1999

	Budget	Actual	Variance-Favorable (Unfavorable)	Prior Year Actual
Revenues:				
Taxes	$ 231,423	471,550	240,127	391,530
Intergovernmental	-	47,840	47,840	-
Charges for services	-	-	-	-
Special assessments	-	-	-	-
Investment income	63,200	144,072	80,872	161,265
Miscellaneous	-	-	-	-
Total revenues	294,623	663,462	368,839	552,795
Expenditures:				
Current:				
General government	-	-	-	-
Capital outlay	1,677,650	233,424	1,444,226	174,038
Total expenditures	1,677,650	233,424	1,444,226	174,038
Excess (deficiency) of revenues over (under) expenditures	(1,383,027)	430,038	1,813,065	378,757
Other financing sources (uses):				
Operating transfers in	-	-	-	-
Operating transfers out	-	-	-	-
Proceeds of advances	-	-	-	-
Proceeds of notes	-	-	-	-
Proceeds of settlement	-	-	-	-
Proceeds of litigation	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(1,383,027)	430,038	1,813,065	378,757
Fund balance at beginning of year	2,608,502	2,608,502	-	2,229,745
Fund balance at end of year	$1,225,475	3,038,540	1,813,065	2,608,502

CITY OF INDIO
Street Lighting Construction Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year ended June 30, 1999

	Budget	Actual	Variance-Favorable (Unfavorable)	Prior Year Actual
Revenues:				
Taxes	$ -	1,036	1,036	794
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Special assessments	-	-	-	-
Investment income	1,000	2,357	1,357	2,472
Miscellaneous	-	-	-	-
Total revenues	1,000	3,393	2,393	3,266
Expenditures:				
Current:				
General government	-	-	-	-
Capital outlay	-	-	-	15,990
Total expenditures	-	-	-	15,990
Excess (deficiency) of revenues over (under) expenditures	1,000	3,393	2,393	(12,724)
Other financing sources (uses):				
Operating transfers in	-	-	-	-
Operating transfers out	-	-	-	-
Proceeds of advances	-	-	-	-
Proceeds of notes	-	-	-	-
Proceeds of settlement	-	-	-	-
Proceeds of litigation	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	1,000	3,393	2,393	(12,724)
Fund balance at beginning of year	43,630	43,630	-	56,354
Fund balance at end of year	$44,630	47,023	2,393	43,630

CITY OF INDIO
Golden Triangle Assessment District Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year ended June 30, 1999

	Budget	Actual	Variance-Favorable (Unfavorable)	Prior Year Actual
Revenues:				
Taxes	$ -	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Special assessments	-	-	-	-
Investment income	-	4,184	4,184	9,186
Miscellaneous	-	-	-	-
Total revenues	-	4,184	4,184	9,186
Expenditures:				
Current:				
General government	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	4,184	4,184	9,186
Other financing sources (uses):				
Operating transfers in	-	-	-	-
Operating transfers out	-	(91,684)	(91,684)	-
Proceeds of advances	-	-	-	-
Proceeds of notes	-	-	-	-
Proceeds of settlement	-	-	-	-
Proceeds of litigation	-	-	-	-
Total other financing sources (uses)	-	(91,684)	(91,684)	-
Excess (deficiency) of revenues over expenditures and other sources (uses)	-	(87,500)	(87,500)	9,186
Fund balance at beginning of year	87,988	87,988	-	78,802
Fund balance at end of year	$87,988	488	(87,500)	87,988

CITY OF INDIO
Shadow Hills Assessment District Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year ended June 30, 1999

	Budget	Actual	Variance-Favorable (Unfavorable)	Prior Year Actual
Revenues:				
Taxes	$ -	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Special assessments	-	6,844	6,844	-
Investment income	-	13,956	13,956	7,370
Miscellaneous	-	-	-	-
Total revenues	-	20,800	20,800	7,370
Expenditures:				
Current:				
General government	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	20,800	20,800	7,370
Other financing sources (uses):				
Operating transfers in	-	-	-	-
Operating transfers out	-	(13,791)	(13,791)	(54,764)
Proceeds of advances	-	-	-	-
Proceeds of notes	-	-	-	-
Proceeds of settlement	-	-	-	-
Proceeds of litigation	-	-	-	-
Total other financing sources (uses)	-	(13,791)	(13,791)	(54,764)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	-	7,009	7,009	(47,394)
Fund balance at beginning of year	131,629	131,629	-	179,023
Fund balance at end of year	$131,629	138,638	7,009	131,629

CITY OF INDIO
Capital Projects Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year ended June 30, 1999

	Budget	Actual	Variance-Favorable (Unfavorable)	Prior Year Actual
Revenues:				
Taxes	$ -	-	-	-
Intergovernmental	1,000,000	64,214	(935,786)	-
Charges for services	-	-	-	-
Special assessments	-	-	-	-
Investment income	2,000	8,877	6,877	5,161
Miscellaneous	-	130,578	130,578	-
Total revenues	1,002,000	203,669	(798,331)	5,161
Expenditures:				
Current:				
General government	-	-	-	-
Capital outlay	2,500,000	41,933	2,458,067	386,800
Total expenditures	2,500,000	41,933	2,458,067	386,800
Excess (deficiency) of revenues over (under) expenditures	(1,498,000)	161,736	1,659,736	(381,639)
Other financing sources (uses):				
Operating transfers in	1,500,000	-	(1,500,000)	-
Operating transfers out	-	-	-	-
Proceeds of advances	-	-	-	-
Proceeds of notes	-	-	-	-
Proceeds of settlement	-	-	-	-
Proceeds of litigation	-	-	-	-
Total other financing sources (uses)	1,500,000	-	(1,500,000)	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	2,000	161,736	159,736	(381,639)
Fund balance at beginning of year	84,740	84,740	-	466,379
Fund balance at end of year	$ 86,740	246,476	159,736	84,740

CITY OF INDIO
Capital Expenditures Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year ended June 30, 1999

	Budget	Actual	Variance-Favorable (Unfavorable)	Prior Year Actual
Revenues:				
Taxes	$ -	-	-	-
Intergovernmental	-	42,000	42,000	881,544
Charges for services	-	-	-	-
Special assessments	-	-	-	-
Investment income	-	-	-	7,171
Miscellaneous	-	-	-	-
Total revenues	-	42,000	42,000	888,715
Expenditures:				
Current:				
General government	-	-	-	-
Capital outlay	1,989,000	215,812	1,773,188	939,330
Total expenditures	1,989,000	215,812	1,773,188	939,330
Excess (deficiency) of revenues over (under) expenditures	(1,989,000)	(173,812)	1,815,188	(50,615)
Other financing sources (uses):				
Operating transfers in	-	-	-	100,000
Operating transfers out	-	-	-	-
Proceeds of advances	-	-	-	-
Proceeds of notes	-	-	-	-
Proceeds of settlement	-	-	-	-
Proceeds of litigation	-	-	-	-
Total other financing sources (uses)	-	-	-	100,000
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(1,989,000)	(173,812)	1,815,188	49,385
Fund balance at beginning of year	112,508	112,508	-	63,123
Fund balance (deficit) at end of year	$(1,876,492)	(61,304)	1,815,188	112,508

CITY OF INDIO
Transfer Center Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year ended June 30, 1999

	Budget	Actual	Variance-Favorable (Unfavorable)	Prior Year Actual
Revenues:				
Taxes	$ -	-	-	-
Intergovernmental	-	-	-	-
Charges for services	225,000	289,000	64,000	210,032
Special assessments	-	-	-	-
Investment income	-	10,702	10,702	3,916
Miscellaneous	-	-	-	-
Total revenues	225,000	299,702	74,702	213,948
Expenditures:				
Current:				
General government	-	-	-	-
Capital outlay	-	86,614	(86,614)	277,294
Total expenditures	-	86,614	(86,614)	277,294
Excess (deficiency) of revenues over (under) expenditures	225,000	213,088	(11,912)	(63,346)
Other financing sources (uses):				
Operating transfers in	-	-	-	-
Operating transfers out	-	-	-	-
Proceeds of advances	-	-	-	-
Proceeds of notes	-	-	-	-
Proceeds of settlement	-	-	-	-
Proceeds of litigation	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	225,000	213,088	(11,912)	(63,346)
Fund balance at beginning of year	166,514	166,514	-	229,860
Fund balance (deficit) at end of year	$391,514	379,602	(11,912)	166,514

CITY OF INDIO
Redevelopment Agency Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year ended June 30, 1999

	Budget	Actual	Variance-Favorable (Unfavorable)	Prior Year Actual
Revenues:				
Taxes	$ -	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Special assessments	-	-	-	-
Investment income	328,644	364,939	36,295	394,036
Miscellaneous	-	71,655	71,655	19,117
Total revenues	328,644	436,594	107,950	413,153
Expenditures:				
Current:				
General government	791,762	867,058	(75,296)	536,533
Capital outlay	594,900	338,103	256,797	658,841
Debt Service:				
Interest	120,000	-	120,000	-
Total expenditures	1,506,662	1,205,161	301,501	1,195,374
Excess (deficiency) of revenues over (under) expenditures	(1,178,018)	(768,567)	409,451	(782,221)
Other financing sources (uses):				
Operating transfers in	130,270	130,270	-	202,128
Operating transfers out	-	-	-	(662,506)
Proceeds of advances	-	-	-	300,000
Proceeds of notes	-	9,765	9,765	-
Proceeds of settlement	-	-	-	6,198,414
Settlement of litigation	-	(250,000)	(250,000)	(1,350,000)
Total other financing sources (uses)	130,270	(109,965)	(240,235)	4,688,036
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(1,047,748)	(878,532)	169,216	3,905,815
Fund balance at beginning of year	13,025,497	13,025,497	-	9,119,682
Fund balance at end of year	$11,977,749	12,146,965	169,216	13,025,497

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ENTERPRISE FUNDS

The enterprise fund is used to account for operations that are financed and operated in a manner similar to private business enterprises. The cost of providing goods or services to the general public are financed primarily through user charges.

Water Fund - To account for the operations of the City's water distribution systems.

Golf Course Fund - To account for the operations of the City's golf course.

CITY OF INDIO
Enterprise Funds

Combining Balance Sheet

June 30, 1999

	Water Fund	Golf Course	Totals 1999	Totals 1998
Assets				
Current assets:				
Cash and investments	$ 4,313,331	353,280	4,666,611	309,095
Accounts receivable	47,934	-	47,934	28,309
Utility billing receivable	553,749	-	553,749	490,152
Notes receivable	4,890,000	-	4,890,000	4,785,000
Due from other funds	-	-	-	3,748,890
Advances to other funds	-	-	-	300,000
Inventory	27,685	2,517	30,202	24,701
Prepaid items	114	299	413	4,079
Total current assets	9,832,813	356,096	10,188,909	9,690,226
Net property, plant and equipment	14,090,408	459,721	14,550,129	14,489,728
Total assets	$23,923,221	815,817	24,739,038	24,179,954
Liabilities and Fund Equity				
Current liabilities:				
Accounts payable	$ 24,274	9,143	33,417	107,177
Retentions payable	109,078	-	109,078	131,846
Accrued wages payable	-	-	-	31,837
Deposits payable	78,227	3,336	81,563	78,145
Compensated absences payable	62,278	-	62,278	105,275
Total current liabilities	273,857	12,479	286,336	454,280
Fund equity:				
Contributed capital	10,642,464	416,141	11,058,605	11,058,605
Retained earnings:				
Unreserved	13,006,900	387,197	13,394,097	12,667,069
Total fund equity	23,649,364	803,338	24,452,702	23,725,674
Total liabilities and fund equity	$23,923,221	815,817	24,739,038	24,179,954

CITY OF INDIO
Enterprise Funds

Combining Statement of Revenues, Expenses and Changes in Retained Earnings

Year ended June 30, 1999

	Water Fund	Golf Course	Totals 1999	Totals 1998
Operating revenues:				
Charges for services	$ 3,815,215	802,900	4,618,115	3,886,019
Sale of merchandise	-	66,418	66,418	48,094
Miscellaneous	8,010	-	8,010	-
Total operating revenues	3,823,225	869,318	4,692,543	3,934,113
Operating expenses:				
Personnel services	1,129,821	-	1,129,821	1,170,396
Contractual services	98,087	278,634	376,721	265,802
Materials and supplies	122,698	135,989	258,687	242,077
Utilities	650,405	45,866	696,271	476,853
Repairs and maintenance	386,910	82,501	469,411	231,512
Depreciation	421,339	7,556	428,895	439,241
Mobile equipment charges	83,785	-	83,785	104,765
Total operating expenses	2,893,045	550,546	3,443,591	2,930,646
Operating income	930,180	318,772	1,248,952	1,003,467
Nonoperating revenues (expenses):				
Investment income	445,725	-	445,725	721,369
Gain on sale of assets	2,255	-	2,255	-
Total nonoperating revenues (expenses)	447,980	-	447,980	721,369
Income before operating transfers	1,378,160	318,772	1,696,932	1,724,836
Operating transfers:				
Operating transfers in	-	-	-	15,000
Operating transfers out	(909,904)	(60,000)	(969,904)	(1,180,176)
Total operating transfers	(909,904)	(60,000)	(969,904)	(1,165,176)
Net income	468,256	258,772	727,028	559,660
Retained earnings at beginning of year	12,538,644	128,425	12,667,069	12,107,409
Retained earnings at end of year	$13,006,900	387,197	13,394,097	12,667,069

CITY OF INDIO
Enterprise Funds

Combining Statement of Cash Flows

Year ended June 30, 1999

	Water Fund	Golf Course	Totals 1999	Totals 1998
Cash flows from operating activities:				
Cash received from customers	$3,754,962	869,392	4,624,354	3,997,589
Cash payments to suppliers for goods and services	(1,438,218)	(541,877)	(1,980,095)	(1,305,249)
Cash payments to employees for services	(1,204,655)	-	(1,204,655)	(1,149,833)
Other operating revenues	(14,758)	-	(14,758)	(8,257)
Net cash provided by (used for) operating activities	1,097,331	327,515	1,424,846	1,534,250
Cash flows from noncapital financing activities:				
Cash transferred from other funds	-	-	-	15,000
Cash transferred to other funds	(909,904)	(60,000)	(969,904)	(1,180,176)
Long-term advances collected	300,000	-	300,000	-
Interfund loans	3,643,890	-	3,643,890	(1,124,203)
Net cash provided by (used for) noncapital financing activities	3,033,986	(60,000)	2,973,986	(2,289,379)
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	(417,166)	(72,130)	(489,296)	(227,297)
Proceeds from sale of fixed assets	2,255	-	2,255	-
Net cash provided by (used for) capital and related financing activities	(414,911)	(72,130)	(487,041)	(227,297)
Cash flows from investing activities:				
Interest received on investments	445,725	-	445,725	721,369
Net cash provided by (used for) investing activities	445,725	-	445,725	721,369
Net increase (decrease) in cash and cash equivalents	4,162,131	195,385	4,357,516	(261,057)
Cash and cash equivalents at beginning of year	151,200	157,895	309,095	570,152
Cash and cash equivalents at end of year	$4,313,331	353,280	4,666,611	309,095

CITY OF INDIO
Enterprise Funds

Combining Statement of Cash Flows

(Continued)

	Water Fund	Golf Course	Totals 1999	Totals 1998
Reconciliation of operating income to net cash provided by (used for) operating activities:				
Operating income (loss)	$ 930,180	318,772	1,248,952	1,003,467
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:				
Depreciation	421,339	7,556	428,895	439,241
(Increase) in accounts receivable	(19,625)	-	(19,625)	(9,184)
Decrease (increase) in utility billing receivable	(63,597)	-	(63,597)	22,077
Decrease (increase) in prepaid items	1,125	2,541	3,666	(3,975)
Increase (decrease) in inventory receivable	(5,501)	-	(5,501)	(4,424)
Increase (decrease) in accounts payable	(72,332)	(1,428)	(73,760)	69,666
(Decrease) in retention payable	(22,768)	-	(22,768)	(8,257)
Increase (decrease) in accrued wages payable	(31,837)	-	(31,837)	4,692
Increase in deposits payable	3,344	74	3,418	5,076
Increase (decrease) in compensated absences	(42,997)	-	(42,997)	15,871
Total adjustments	167,151	8,743	175,894	530,783
Net cash used in operating activity	$1,097,331	327,515	1,424,846	1,534,250
Noncash transactions affecting financial position:				
Contributions of fixed assets	$ -	-	-	137,890

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INTERNAL SERVICE FUNDS

The internal service funds are used to account for goods and services provided by one City department to other City departments on a cost reimbursement basis. Funds included are:

Mobile Equipment Fund - To account for the repair and maintenance of City owned Mobile Equipment.

Self Insurance Fund - To account for the accumulation and allocation of costs associated with the City's Workers' Compensation Self Insurance Program.

CITY OF INDIO
Internal Service Funds

Combining Balance Sheet

June 30, 1999

	Mobile Equipment	Self Insurance	Totals 1999	Totals 1998
Assets				
Current assets:				
Cash and investments	$ 979,119	152,595	1,131,714	794,124
Cash with fiscal agent	-	60,509	60,509	33,725
Accounts receivable	2,566	119,000	121,566	1,856
Due from other funds	-	-	-	281,017
Advances to other funds	750,000	-	750,000	750,000
Inventory	43,450	-	43,450	219,536
Total current assets	1,775,135	332,104	2,107,239	2,080,258
Net property, plant and equipment	1,156,168	-	1,156,168	1,450,650
Total assets	$2,931,303	332,104	3,263,407	3,530,908
Liabilities and Fund Equity				
Current liabilities:				
Accounts payable	$ 4,660	-	4,660	8,300
Accrued wages payable	-	-	-	4,415
Compensated absences payable	6,734	-	6,734	24,795
Claims payable	-	1,124,092	1,124,092	767,568
Total current liabilities	11,394	1,124,092	1,135,486	805,078
Fund equity:				
Contributed capital	1,449,482	-	1,449,482	1,449,482
Retained earnings (deficit)	1,470,427	(791,988)	678,439	1,276,348
Total fund equity (deficit)	2,919,909	(791,988)	2,127,921	2,725,830
Total liabilities and fund equity	$2,931,303	332,104	3,263,407	3,530,908

CITY OF INDIO
Internal Service Funds

Combining Statement of Revenues, Expenses and Changes in Retained Earnings

Year ended June 30, 1999

	Mobile Equipment	Self Insurance	Totals 1999	Totals 1998
Operating revenues:				
Charges for services	$ 825,739	480,299	1,306,038	1,150,622
Miscellaneous	-	413,082	413,082	22,825
Total operating revenues	825,739	893,381	1,719,120	1,173,447
Operating expenses:				
Personnel services	117,913	-	117,913	122,461
Contractual services	4,160	36,661	40,821	75,638
Claims and judgments	-	1,428,450	1,428,450	259,827
Materials and supplies	149,538	-	149,538	30,492
Repairs and maintenance	166,278	-	166,278	129,494
Depreciation	294,482	-	294,482	294,612
Miscellaneous	2,000	-	2,000	-
Total operating expenses	734,371	1,465,111	2,199,482	912,524
Operating income (loss)	91,368	(571,730)	(480,362)	260,923
Nonoperating revenues (expenses):				
Investment income	-	15,037	15,037	34,671
Gain on sale of assets	-	-	-	12,476
Total nonoperating revenues (expenses)	-	15,037	15,037	47,147
Income before operating transfers	91,368	(556,693)	(465,325)	308,070
Operating transfers:				
Operating transfers in	43,504	-	43,504	48,569
Total operating transfers	43,504	-	43,504	48,569
Net income (loss)	134,872	(556,693)	(421,821)	356,639
Retained earnings (deficit) at beginning of year, as restated	1,335,555	(235,295)	1,100,260	919,709
Retained earnings (deficit) at end of year	$1,470,427	(791,988)	678,439	1,276,348

CITY OF INDIO
Internal Service Funds

Combining Statement of Cash Flows

Year ended June 30, 1999

	Mobile Equipment	Self Insurance	Totals 1999	Totals 1998
Cash flows from operating activities:				
Cash received from user departments	$825,029	361,299	1,186,328	1,173,448
Cash payments to suppliers for goods and services	(325,618)	(1,465,111)	(1,790,729)	(565,981)
Cash payments to employees for services	(140,389)	-	(140,389)	(161,766)
Other operating revenues	-	769,606	769,606	(104,871)
Net cash provided by (used for) operating activities	359,022	(334,206)	24,816	340,830
Cash flows from noncapital financing activities:				
Cash transferred from other funds	43,504	-	43,504	48,569
Cash transferred to other funds	-	-	-	(281,017)
Interfund loans	281,017	-	281,017	(750,000)
Net cash provided by (used for) noncapital financing activities	324,521	-	324,521	(982,448)
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	-	-	-	(57,940)
Net cash provided by (used for) capital and related financing activities	-	-	-	(57,940)
Cash flows from investing activities:				
Interest received on investments	-	15,037	15,037	34,671
Net cash provided by (used for) investing activities	-	15,037	15,037	34,671
Net increase (decrease) in cash and cash equivalents	683,543	(319,169)	364,374	(664,887)
Cash and cash equivalents at beginning of year	295,576	532,273	827,849	1,492,736
Cash and cash equivalents at end of year	$979,119	213,104	1,192,223	827,849

CITY OF INDIO
Internal Service Funds

Combining Statement of Cash Flows

(Continued)

	Mobile Equipment	Self Insurance	Totals 1999	Totals 1998
Reconciliation of operating income to net cash provided by (used for) operating activities:				
Operating income (loss)	$ 91,368	(571,730)	(480,362)	260,923
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:				
Depreciation	294,482	-	294,482	294,612
Decrease (increase) in accounts receivable	(710)	(119,000)	(119,710)	1
Decrease in prepaid items	-	-	-	2,870
(Increase) in inventory receivable	-	-	-	(112,577)
(Decrease) in accounts payable	(3,642)	-	(3,642)	(4,192)
Increase (decrease) in accrued wages payable	(4,415)	-	(4,415)	4,415
Increase (decrease) in claims payable	-	356,524	356,524	(104,871)
(Decrease) in compensated absences	(18,061)	-	(18,061)	(351)
Total adjustments	267,654	237,524	505,178	79,907
Net cash used in operating activity	$359,022	(334,206)	24,816	340,830
Noncash transactions affecting financial position:				
Contributions of fixed assets	$ -	-	-	269,687

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AGENCY FUNDS

The Agency fund is used to account for assets held by the City as an agent for other governmental units.

Desert Sands School District Agency Fund - To account for the City's fiduciary capacity as custodian of the Desert Sands School District pass through tax increment.

Miller Settlement Fund - To account for the City's deposit payable from the *Miller* settlement.

CITY OF INDIO
Agency Funds

Combining Balance Sheet

June 30, 1999

	Desert Sands School District	Miller Settlement Fund	Totals 1999	Totals 1998
Assets				
Cash and investments	$620,582	-	620,582	310,291
Receivable from litigation	-	-	-	1,350,000
Total assets	$620,582	-	620,582	1,660,291
Liabilities				
Due to other governments	$620,582	-	620,582	310,291
Deposits payable	-	-	-	1,350,000
Total liabilities	$620,582	-	620,582	1,660,291

CITY OF INDIO
Agency Funds

Combining Statement of Changes in Net Assets and Liabilities

Year ended June 30, 1999

	Balance at July 1, 1998	Additions	Deletions	Balance at June 30, 1999
DESERT SANDS SCHOOL DISTRICT				
Assets				
Cash and investments	$ 310,291	310,291	-	620,582
Liabilities				
Due to other governments	$ 310,291	310,291	-	620,582
MILLER SETTLEMENT FUND				
Assets				
Receivable from litigation	$1,350,000	-	1,350,000	-
Liabilities				
Deposits payable	$1,350,000	-	1,350,000	-
TOTALS - ALL AGENCY FUNDS				
Assets				
Cash and investments	$ 310,291	310,291	-	620,582
Receivable from litigation	1,350,000	-	1,350,000	-
Total assets	$1,660,291	310,291	1,350,000	620,582
Liabilities				
Due to other governments	$ 310,291	310,291	-	620,582
Deposits payable	1,350,000	-	1,350,000	-
Total liabilities	$1,660,291	310,291	1,350,000	620,582

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GENERAL FIXED ASSETS ACCOUNT GROUP

To account for the cost of fixed assets of the City that are used in the performance of general government functions and that are not accounted for in the Enterprise or Internal Service Funds of the City.

CITY OF INDIO

Comparative Schedule of General Fixed Assets - By Source

June 30, 1999

General fixed assets:	
Land	$ 607,024
Buildings and Improvements	6,262,381
Machinery, equipment and vehicles	3,092,609
Total general fixed assets	$9,962,014
Investment in general fixed assets - fund by:	
General fund	$7,550,125
Capital projects fund	2,411,889
Total investment in general fixed assets	$9,962,014

CITY OF INDIO

Schedule of General Fixed Assets - By Function and Activity

June 30, 1999

Function and Activity	Land	Building and Improvements	Machinery, Equipment and Vehicles	Totals
Administration	$607,024	2,003,962	1,247,414	3,858,400
Police Department	-	3,569,557	1,020,062	4,589,619
Fire Department	-	688,862	316,714	1,005,576
Public Works	-	-	508,419	508,419
Total general fixed assets	$607,024	6,262,381	3,092,609	9,962,014

CITY OF INDIO

Schedule of Changes in General Fixed Assets - By Function and Activity

June 30, 1999

Function and Activity	Balance at July 1, 1998	Additions	Deletions	Balance at June 30, 1999
Administration	$3,792,511	81,974	16,085	3,858,400
Police Department	4,393,876	195,743	-	4,589,619
Fire Department	991,112	14,464	-	1,005,576
Public Works	439,637	68,782	-	508,419
Total general fixed assets	$9,617,136	360,963	16,085	9,962,014

STATISTICAL SECTION

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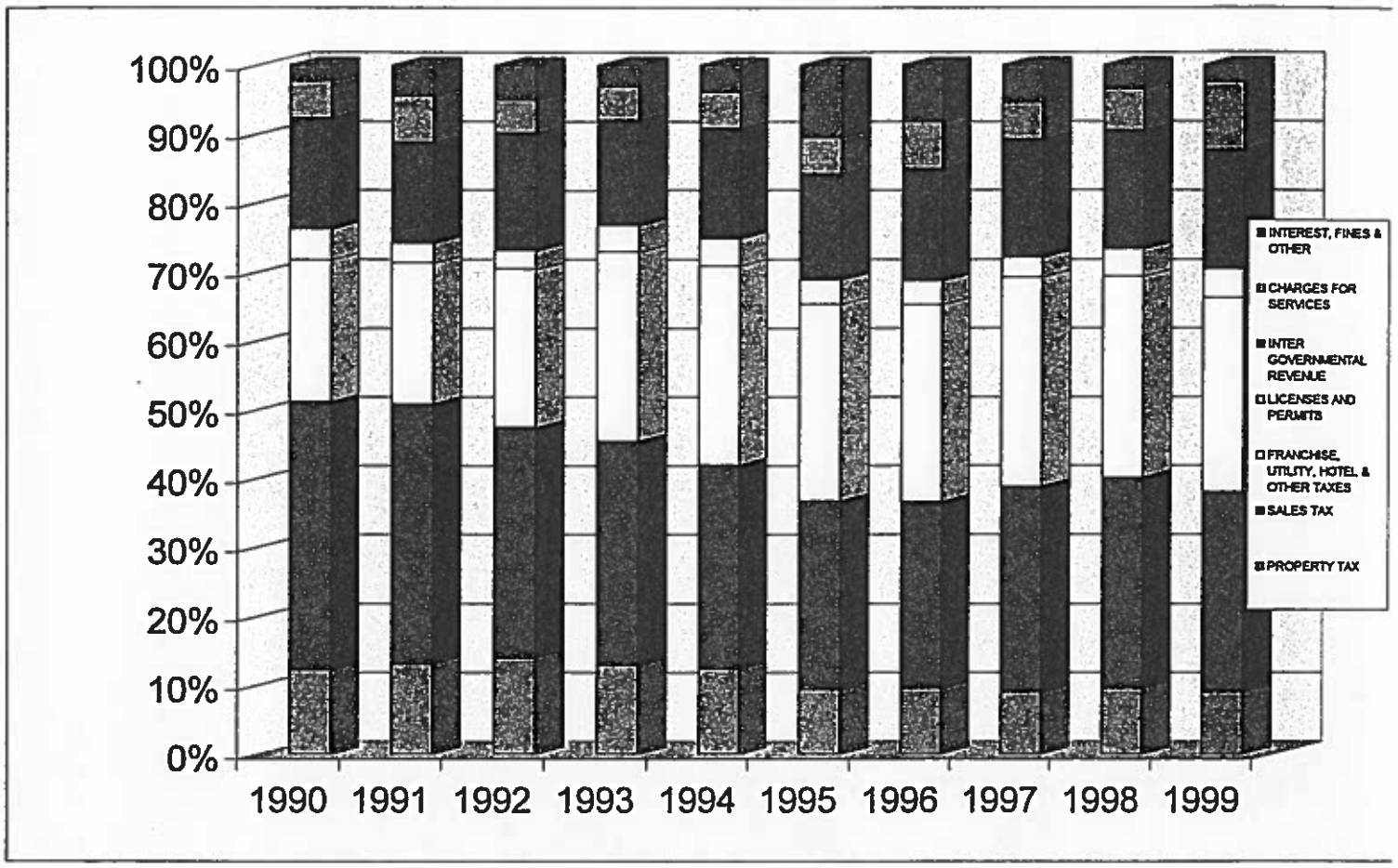
City of Indio, California

General Fund Revenues - Last Ten Fiscal Years

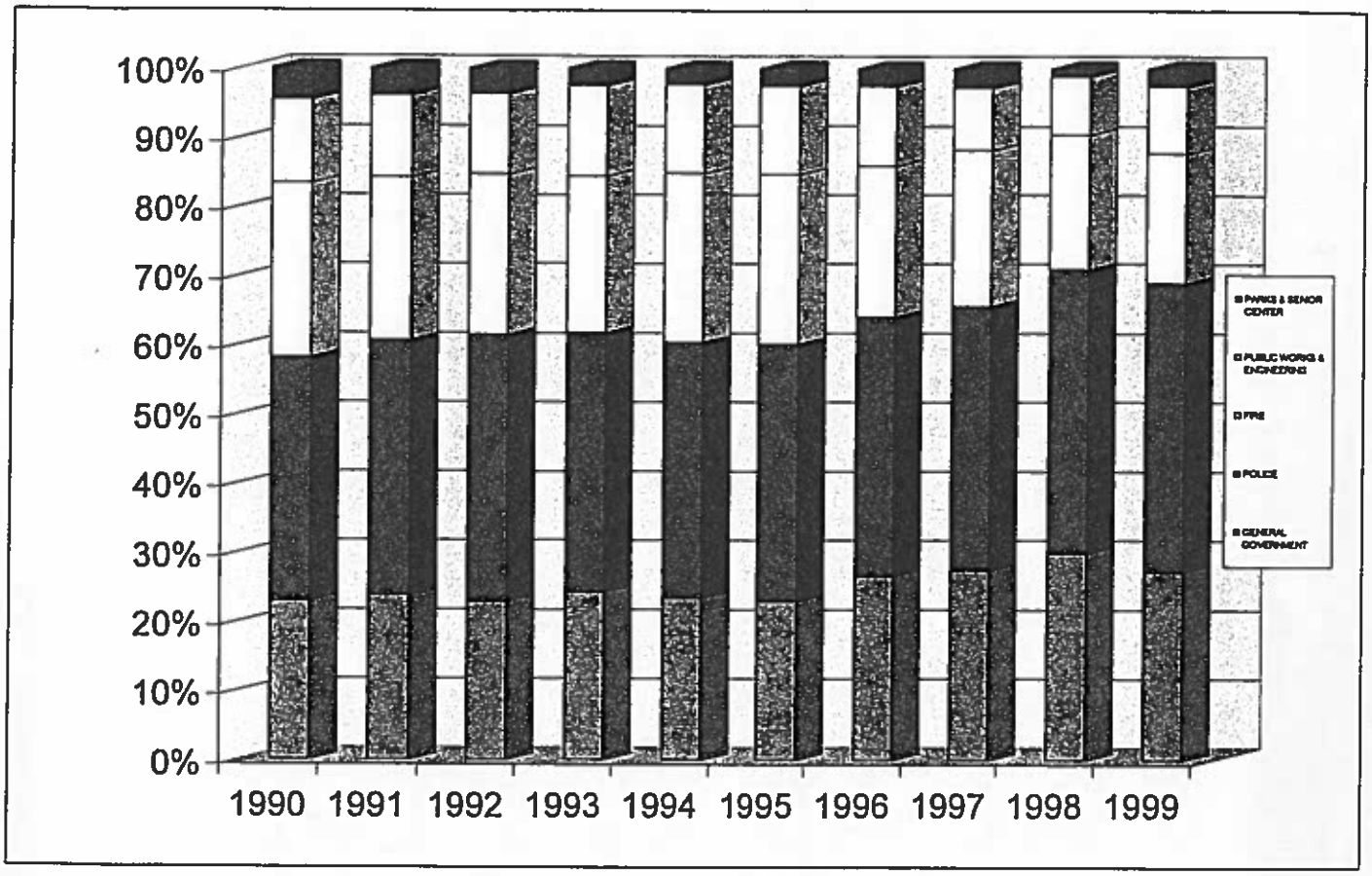


FISCAL YEAR	PROPERTY TAX	SALES TAX	FRANCHISE, UTILITY, HOTEL & OTHER TAXES	LICENSES AND PERMITS	INTER GOVERNMENTAL REVENUE	CHARGES FOR SERVICES	INTEREST, FINES & OTHER	TOTAL
1990	1,317,210	4,216,086	2,223,793	489,841	1,740,914	574,100	256,966	10,818,910.00
1991	1460824	4221173	2289403	315715	1637301	756235	500553	11,181,204.00
1992	1,492,831	3596412	2,460,755	292,644	1,833,600	514,079	540,044	10,730,365.00
1993	1424181	3619428	3053885	424412	1714345	525418	348291	11,109,960.00
1994	1368571	3292247	3210224	449565	1784188	578424	433487	11,116,706.00
1995	1115687	3,285,591	3423687	429168	1851825	627466	1258611	11,992,035.00
1996	1145505	3267359	3458688	419354	1964282	817691	997140	12,070,019.00
1997	1,067,235	3,585,130	3,637,542	337,158	2,059,811	635,427	656,488	11,978,791.00
1998	1,162,289	3,767,919	3,588,492	487,786	2,128,569	734,803	425,516	12,295,374.00
1999	1,227,121	3,998,745	3,852,704	579,775	2,389,674	1,336,060	349,444	13,733,523.00

Note: The City's Utility Tax was increased from 3% to 5% effective April 1, 1992
The City Transient Occupancy Tax rate was 10% for all ten fiscal years

Source: City of Indio Finance Department

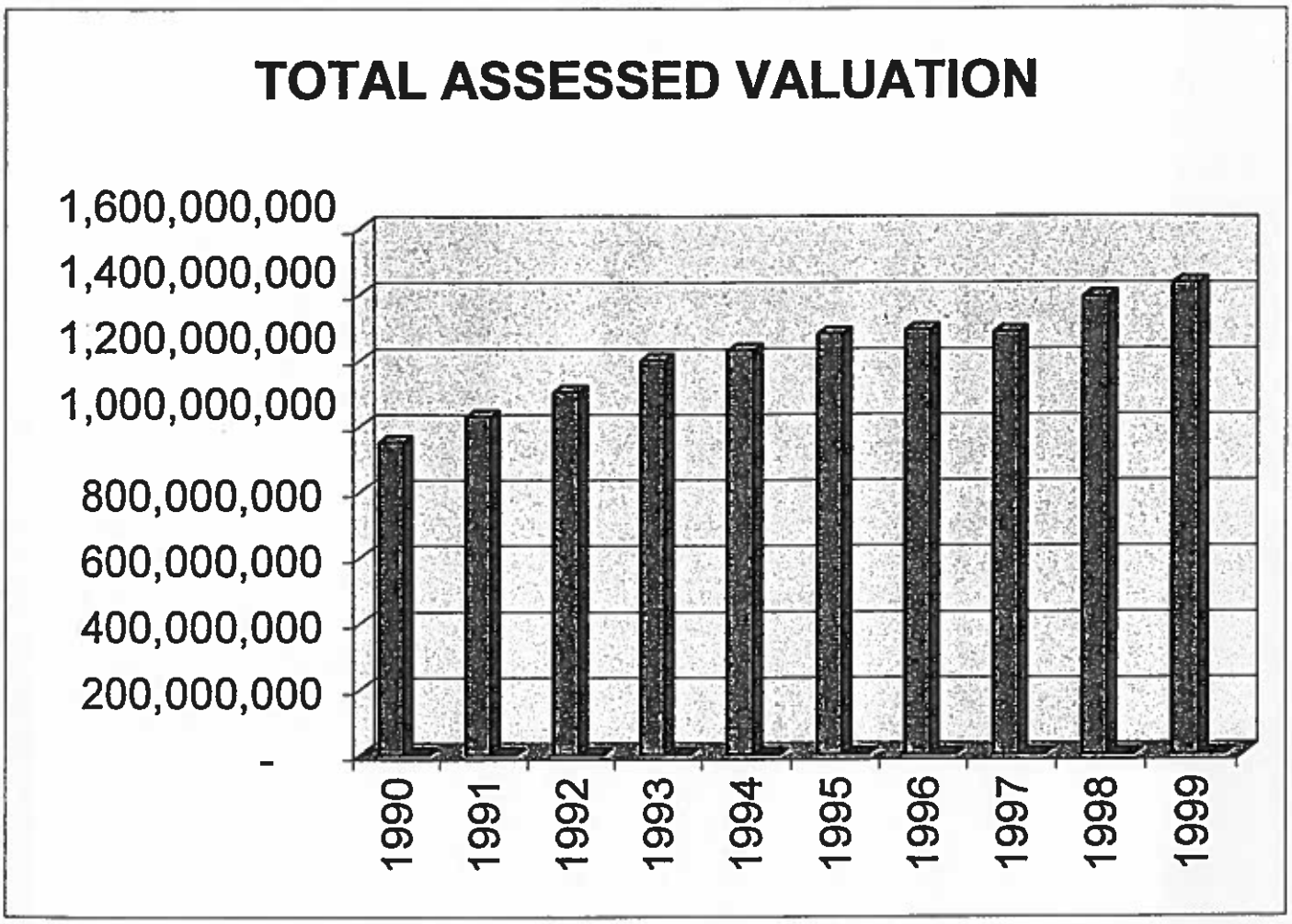
City of Indio, California
General Fund Expenditures - Last Ten Fiscal Years



FISCAL YEAR	GENERAL GOVERNMENT	POLICE	FIRE	PUBLIC WORKS & ENGINEERING	PARKS & SENIOR CENTER	TOTAL
1990	2,810,981	4,338,640	3,109,976	1,480,204	562,921	12,302,722
1991	3,219,043	5,004,800	3,198,983	1,608,115	537,247	13,568,188
1992	3,041,031	5,160,184	3,090,051	1,543,950	500,379	13,335,595
1993	3,178,096	4,946,157	2,980,234	1,725,852	326,589	13,156,928
1994	3,042,770	4,847,084	3,191,204	1,682,479	301,900	13,065,437
1995	3,041,770	4,940,462	3,267,274	1,695,050	346,899	13,291,455
1996	3,816,864	5,416,645	3,143,841	1,654,547	374,573	14,406,470
1997	4,090,868	5,707,143	3,363,320	1,340,997	419,602	14,921,930
1998	4,552,778	6,286,509	2,968,308	1,279,933	177,710	15,265,238
1999	3,858,335	5,954,181	2,672,994	1,372,358	373,549	14,231,417

City of Indio, California

Assessed & Actual Value of Taxable Property - Last Ten Fiscal Years



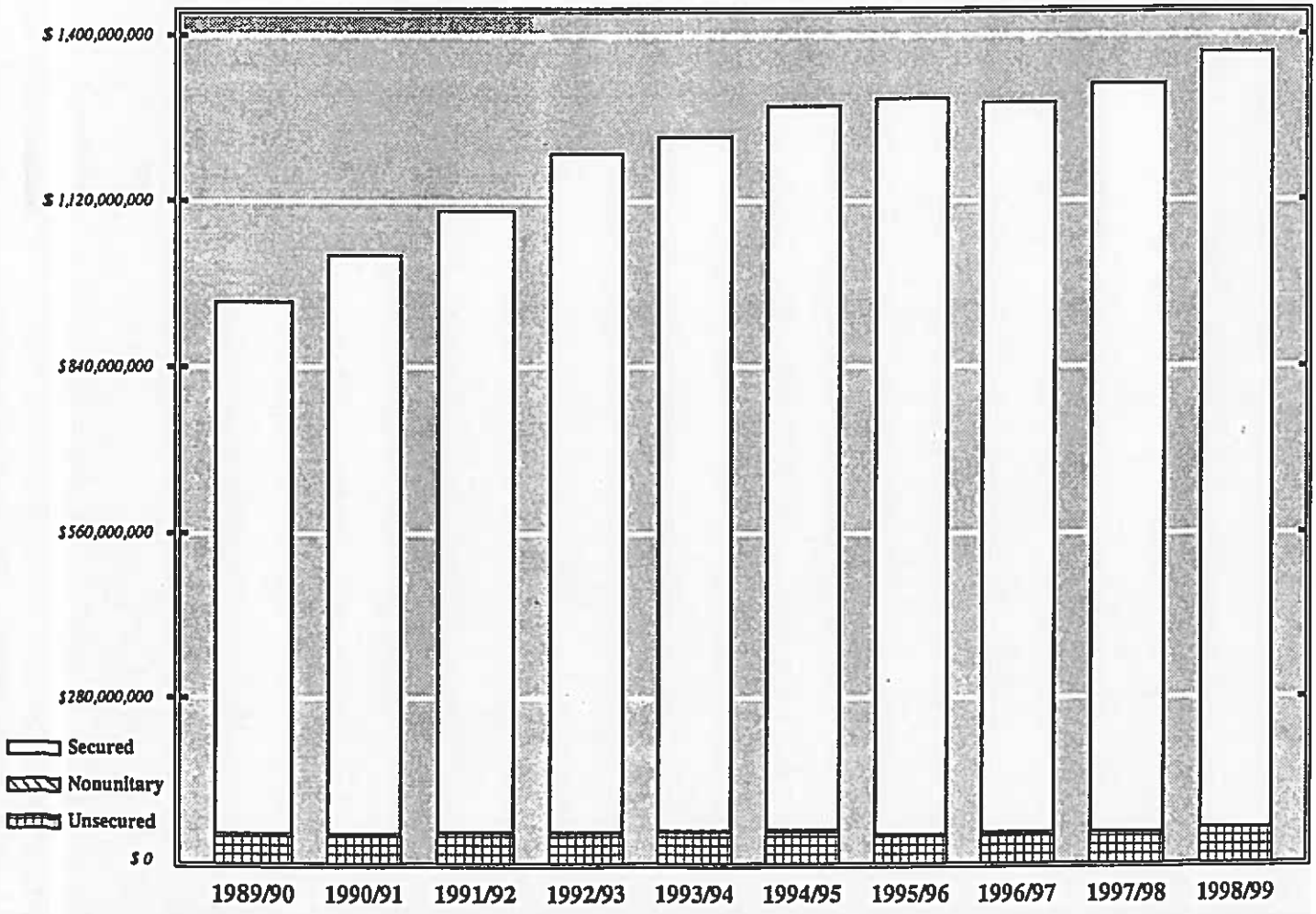
FISCAL YEAR	SECURED PROPERTY	UNSECURED PROPERTY	TOTAL ASSESSED	ESTIMATED MARKET
1990	899,780,830	49,607,387	949,388,217	949,388,217
1991	977,666,310	49,875,626	1,027,541,936	1,027,541,936
1992	1,050,351,048	52,625,275	1,102,976,323	1,102,976,323
1993	1,146,575,842	52,624,292	1,199,200,134	1,199,200,134
1994	1,173,148,165	54,991,774	1,228,139,939	1,228,139,939
1995	1,224,059,872	55,514,990	1,279,574,862	1,279,574,862
1996	1,244,252,538	48,034,087	1,292,286,625	1,292,286,625
1997	1,233,178,245	51,813,657	1,284,991,902	1,284,991,902
1998	1,305,612,331	85,857,526	1,391,469,857	1,391,469,857
1999	1,330,929,898	103,179,485	1,434,109,383	1,434,109,383

THE CITY OF INDIO

NET TAXABLE ASSESSED VALUES - TEN YEAR HISTORY

Lien Year:	1989/90	1990/91	1991/92	1992/93	1993/94
Secured	$ 899,780,830	$ 977,666,310	$ 1,050,351,048	$ 1,146,575,842	$ 1,173,148,165
Nonunitary	$ 0	$ 0	$ 0	$ 0	$ 0
Unsecured	$ 49,607,387	$ 49,875,626	$ 52,625,275	$ 52,624,292	$ 54,991,774
Net Total AV	**$ 949,388,217**	**$ 1,027,541,936**	**$ 1,102,976,323**	**$ 1,199,200,134**	**$ 1,228,139,939**

Lien Year:	1994/95	1995/96	1996/97	1997/98	1998/99
Secured	$ 1,224,059,872	$ 1,244,252,538	$ 1,233,178,245	$ 1,259,953,063	$ 1,305,899,449
Nonunitary	$ 0	$ 0	$ 0	$ 3,149,815	$ 3,333,540
Unsecured	$ 55,514,990	$ 48,034,087	$ 51,813,657	$ 53,340,630	$ 60,032,169
Net Total AV	**$ 1,279,574,862**	**$ 1,292,286,625**	**$ 1,284,991,902**	**$ 1,316,443,508**	**$ 1,369,265,158**



Source: HdL Coren & Cone, Riverside County Assessor Combined Tax Rolls SI909171152

This report is not to be used in support of debt issuance or continuing disclosure statements without the written consent of HdL, Coren & Cone.

THE CITY OF INDIO
1998/99 CITY ROLL SUMMARY
Taxable Property Values

	Secured Taxable	Nonunitary Utilities	Unsecured Roll
Parcels	14,125	38	913
TRAs	91	11	43
Values			
Land	$ 468,815,238	$ 2,303,897	$ 231,896
Improvements	$ 843,129,630	$ 832,956	$ 5,408,596
Personal Property	$ 12,494,352	$ 196,687	$ 30,346,377
Fixtures	$ 6,490,678	$ 0	$ 24,455,588
Aircraft*		$ 0	$ 5,000
Total Value*	$ 1,330,929,898	$ 3,333,540	$ 60,442,457
Exemptions			
Real Estate	$ 25,030,449	$ 0	$ 415,288
Personal Property	$ 0	$ 0	
Fixtures	$ 0	$ 0	
Aircraft*		$ 0	$ 0
Homeowners*	$ 31,078,444	$ 0	$ 0
Total Exemptions*	$ 25,030,449	$ 0	$ 415,288
Total Net Value*	$ 1,305,899,449	$ 3,333,540	$ 60,027,169

Combined Values*	Total
Total Values	$ 1,394,705,895
Total Exemptions	$ 25,445,737
Net Total Values	$ 1,369,260,158
Net Aircraft Values	$ 5,000

Notes:
Totals Do Not Include Aircraft Values Or Exemptions
Homeowners Exemption Not Included In Total Exemptions

Source: HdL Coren & Cone, Riverside County Assessor 1998/99 Combined Tax Rolls *SI909171151*
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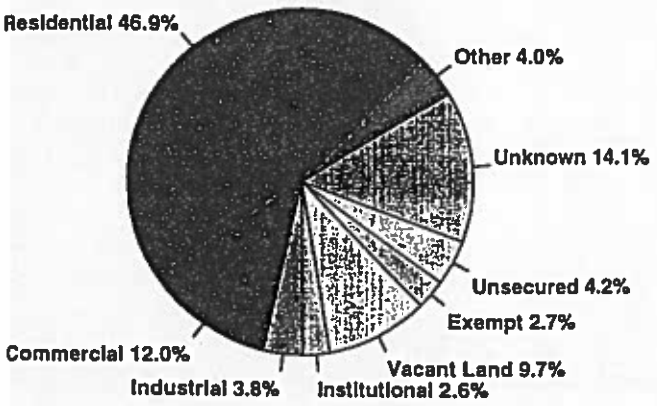
THE CITY OF INDIO
USE CATEGORY SUMMARY, 1998/99

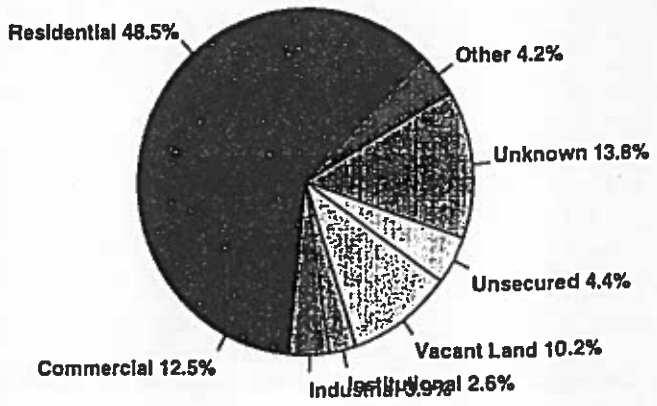
HdL COREN & CONE

BASIC PROPERTY VALUE TABLE			
CATEGORY	PARCELS	ASSESSED VALUE	NET TAXABLE VALUE
Residential	8,962	$ 672,086,034 (46.9%)	$ 664,025,815 (48.5%)
Commercial	346	$ 171,853,697 (12.0%)	$ 170,641,167 (12.5%)
Industrial	92	$ 54,278,564 (3.8%)	$ 53,648,871 (3.9%)
Irrigated	35	$ 5,456,198 (0.4%)	$ 5,456,198 (0.4%)
Dry Farm	24	$ 8,619,353 (0.6%)	$ 8,619,353 (0.6%)
Recreational	18	$ 23,044,930 (1.6%)	$ 23,044,930 (1.7%)
Institutional	45	$ 37,477,030 (2.6%)	$ 35,956,156 (2.6%)
Vacant Land	1,674	$ 139,411,236 (9.7%)	$ 139,042,091 (10.2%)
Exempt	620	$ 39,398,488 (2.7%)	$ 0 (0.0%)
SBE Nonunitary	[38]	$ 3,333,540 (0.2%)	$ 3,333,540 (0.2%)
Possessory Int.	[962]	$ 17,196,153 (1.2%)	$ 16,637,245 (1.2%)
Unsecured	[913]	$ 60,447,457 (4.2%)	$ 60,032,169 (4.4%)
Unknown	1,967	$ 201,506,703 (14.1%)	$ 188,827,623 (13.8%)
TOTALS	13,783	$ 1,434,109,383	$ 1,369,265,158

ASSESSED VALUE



NET TAXABLE VALUE



Data Source: Riverside County Assessor 1998/99 Combined Tax Rolls

SI909171152

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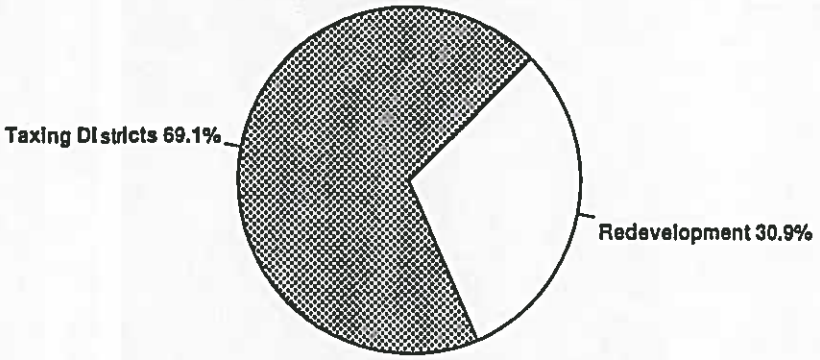
THE CITY OF INDIO
1998/99 GROWTH SUMMARY BY AGENCY

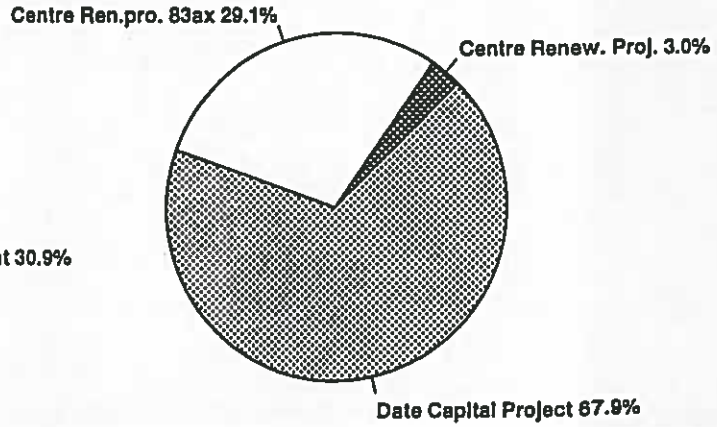
Percentage Growth Of Assessed Values By Agency Between 1997/98 And 1998/99

	County	City	General Taxing Agenc	Centre Renew. Proj.	Centre Ren.pro. 83ax	Date Capital Project	Indio Annex
Secured							
Land	-0.4%	+6.7%	+9.7%	+4.0%	+0.0%	-1.0%	0.0%
Improvements	+2.0%	+0.3%	+1.7%	+5.2%	-0.2%	-3.7%	0.0%
Personal Prop.	+6.5%	+20.6%	+29.8%	-0.3%	+6.1%	-7.8%	0.0%
Exemptions	-11.9%	-44.3%	-51.0%	+2.0%	+17.6%	-47.6%	0.0%
Net Total	+1.5%	+4.3%	+5.9%	+5.0%	-0.4%	+1.2%	0.0%
SBE Nonunitary							
Land	+3.9%	+3.8%	+2.6%	0.0%	+4.5%	0.0%	0.0%
Improvements	+10.5%	+8.2%	+22.6%	0.0%	+19.6%	0.0%	0.0%
Personal Prop.	+24.0%	+22.6%	+22.6%	0.0%	+22.6%	0.0%	0.0%
Exemptions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Net Total	+6.9%	+5.8%	+5.0%	0.0%	+7.7%	0.0%	0.0%
Unsecured							
Land	-9.0%	-36.0%	-10.6%	-5.4%	-44.2%	-23.6%	0.0%
Improvements	+10.7%	+10.2%	-0.3%	+169.2%	+53.4%	+14.9%	0.0%
Personal Prop.	+17.9%	+16.0%	+6.1%	+20.9%	+23.8%	+28.5%	0.0%
Exemptions	-56.2%	+38.3%	+15.8%	+3.7%	+55.9%	+31.2%	0.0%
Net Total	+15.6%	+12.5%	+2.6%	+64.8%	+32.1%	+21.8%	0.0%
Combined							
Land	-0.4%	+6.7%	+9.6%	+4.0%	-0.1%	-1.0%	0.0%
Improvements	+2.3%	+0.6%	+1.7%	+7.7%	+1.7%	-3.0%	0.0%
Personal Prop.	+14.5%	+17.3%	+14.2%	+19.0%	+17.5%	+24.1%	0.0%
Exemptions	-13.0%	-43.8%	-50.9%	+2.3%	+19.6%	-47.4%	0.0%
Net Total AV	+2.0%	+4.6%	+5.7%	+7.5%	+1.4%	+2.3%	0.0%
Net Taxable AV	+2.0%	+4.0%	+4.7%	+7.5%	+1.5%	+2.3%	0.0%

1998/99 Total Net AV



1998/99 Redevelopment Net AV



Source: HdL Coren & Cone, Riverside County Assessor Combined Tax Rolls S1909171152

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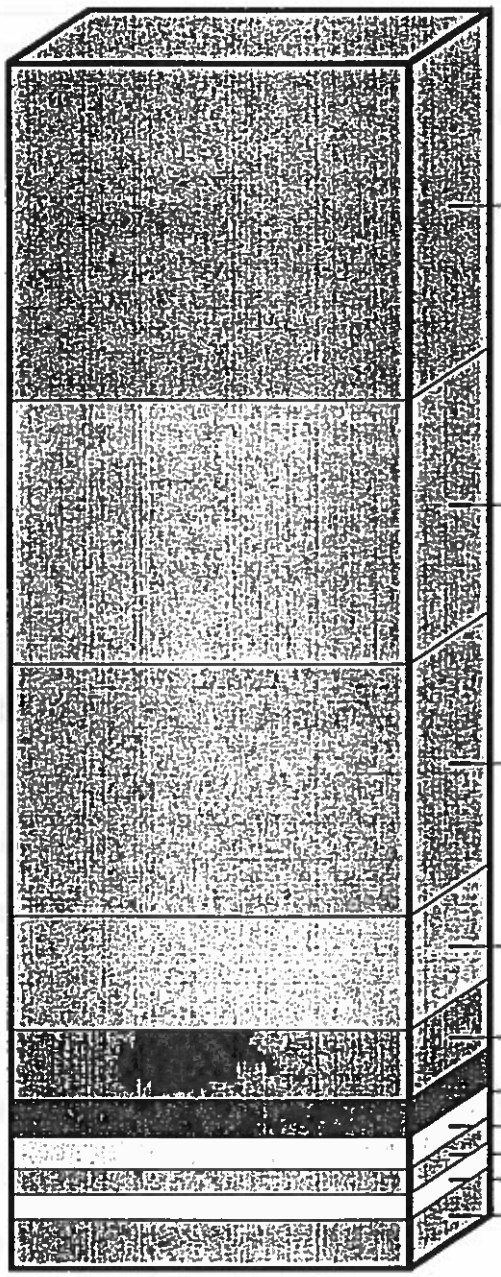
THE CITY OF INDIO

PROPERTY TAX DOLLAR BREAKDOWN



$ 0.278	Desert Sands Unified School
$ 0.220	County General
$ 0.211	City of Indio*
$ 0.095	Valley Sanitary
$ 0.058	Desert Community College
$ 0.031	School Equalization Aid
$ 0.027	Coach Valley County Water Storm Water Unit
$ 0.021	Coachella Valley County Water
$ 0.021	County Free Library
$ 0.0159	Coachella Valley Recreation & Park
$ 0.0105	Coachella Valley Mosquito Abatement
$ 0.0098	CVC Water Imp. Dist. #1 Debt Svc.
$ 0.0026	Coachella Valley Public Cemetery
$ 0.0000	Institutional Children
$ 0.0000	Physical Handicap Program County
$ 0.0000	Citrus Pest Control 2
$ 0.0000	Csa 152 Anx
$ 0.0000	County Superintendent School Capital Outlay B
$ 0.0000	Severe Mental Retard Program County
$ 0.0000	Regional Occupation Program County
$ 0.0000	County School Development Center
$ 0.0000	Coachella Valley Resource Conservation
$ 0.0000	Juvenile Hall Program County
$ 0.0000	County Superintendent School Capital Outlay A
$ 0.0000	County Superintendent School General Purpose
$ 1.000	

ATI (Annual Tax Increment) Ratios For Tax Rate Area 007-002, Excluding Redevelopment Factors & Additional Debt Service

*ERAF (Educational Revenue Augmentation Fund) general fund tax shifts are not included in tax ratio figures.

Source: HdL Coren & Cone, Riverside County Assessor 1998/99 Annual Tax Increment Tables

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THE CITY OF INDIO
1998 TOP PROPERTY OWNER SUMMARY

	Owner (Number of Parcels)	Assessed Value
1	National Medical Hospital (3)	$ 17,997,445
2	Colony Cablevision of California (3)	$ 15,020,817
3	Paseo Group Limited Partnership (21)	$ 13,835,175
4	John P. Hooten (31)	$ 12,468,587
5	S & D Indian Palms California Limited (75)	$ 11,969,566
6	Smoketree Associates (2)	$ 10,456,026
7	American Stores Properties Inc. (2)	$ 10,315,639
8	First American Trust Co. (20)	$ 9,712,363
9	Plantation Golf Club Inc. (3)	$ 9,313,186
10	7709 Lankershim Limited (3)	$ 7,958,689
11	Richard M. & Frances M. Marsh (10)	$ 7,719,940
12	CP Limited Partnership (5)	$ 7,455,754
13	DSL Service Company (3)	$ 7,138,674
14	Meadow Glen Wells Associates (3)	$ 6,932,000
15	Requa Associates (1)	$ 6,913,694
16	Richard K. Rifenbark (1)	$ 6,780,000
17	Sunrise Pointe Associates (1)	$ 6,681,656
18	Pacific Indio Properties Inc. (10)	$ 6,520,779
19	Dimare Enterprises Inc. (22)	$ 6,252,466
20	Indio Desert Palms Limited Partnership (1)	$ 5,992,702
21	JDG Properties (12)	$ 5,756,729
22	Diamond Benefits Life Insurance Company (8)	$ 5,672,000
23	Desert Aire RV Park Owners Association (22)	$ 5,572,997
24	DG & D California Properties (5)	$ 5,242,583
25	Richard J. Mazurek (1)	$ 5,216,500

Source: HdL Coren & Cone, Riverside County Assessor 1998/99 Combined Tax Rolls S1909171152

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THE CITY OF INDIO
TOP 25 SALES TAX PRODUCERS

BUSINESS NAME	*BUSINESS CATEGORY*
A C Houston Lumber	Lumber/Building Materials
A M P M Mini Mart	Service Stations
Circle K	Grocery Stores Beer/Wine
Clarks Union 76 Truck Stop	Service Stations
Dependable Roofing	Lumber/Building Materials
Fiesta Ford Lincoln Mercury	New Motor Vehicle Dealers
G T E California	Public Utilities/Trans.
Gottschalks	Department Stores
Hertz Equipment Rental	Heavy Industrial
High Tech Irrigation	Lumber/Building Materials
Indio Chrysler Center	New Motor Vehicle Dealers
J C Penney	Department Stores
K Mart	Discount Dept Stores
Mazda Superstore	New Motor Vehicle Dealers
Mc Donalds	Fast Food
Pep Boys	Automotive Supply Stores
Ralphs Market	Grocery Stores Liquor
Schmid Insulation Contractors	Contractors
Sears Roebuck	Department Stores
Stater Bros	Grocery Stores Liquor
Super Saver Food	Grocery Stores Liquor
Torre Nissan	New Motor Vehicle Dealers
U S Filter Distribution	Heavy Industrial
Unicars Honda	New Motor Vehicle Dealers
Utility Products Supply	Electrical Equipment

Percent Of City Total Paid By
Top 25 Accounts = 49.64%

** Firms Listed Alphabetically*
Period: April 98 thru March 99

Source: Hinderliter, de Llamas & Associates, State Board of Equalization