

City of **INDIO**



ANNUAL COMPREHENSIVE FINANCIAL REPORT
INDIO, CALIFORNIA
FOR FISCAL YEAR ENDED JUNE 30, 2022

CITY OF INDIO, CALIFORNIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2022

Prepared by:
FINANCE DEPARTMENT

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February 24, 2023

To the Honorable Mayor, Members of the City Council, and Citizens of the City of Indio:

I am pleased to submit the City of Indio's Annual Comprehensive Financial Report (Annual Report) for the fiscal year that ended June 30, 2022. A licensed, certified public accountant conducted the audit and validated the complete set of financial statements contained in this report. The financial statements are presented in conformity with generally accepted accounting principles (GAAP) and the audit was conducted in accordance with generally accepted auditing standards. The financial report includes all funds of the City of Indio and its component units for which the City is financially accountable. The report is intended to provide relevant financial information to the citizens of the City, creditors, investors, and other interested readers. Readers are encouraged to contact the City's Finance Department with any questions or comments concerning the report.

The Government Accounting Standards Board sets standards that require City management to include a narrative introduction, an overview, and an analysis with the financial statements in order to help the reader interpret the data. That commentary is titled Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A furnishes an objective analysis of the City's financial statements and can be found immediately following the independent auditor's report in this Annual Report.

Responsibility for the accuracy of the data in the Annual Report and the objectivity of presentation, including all footnotes and disclosures, rests with the City. I am confident that the data and material presented in this report are accurate. Statements and disclosures necessary for the reader to obtain a thorough understanding of the City's financial activities have been included. Financial operations of the City occur within an internal-control framework that is designed to protect the City's assets from loss, theft, or misuse and to aid in the compilation of reliable statistics in order to prepare financial statements that are accurate and conform to GAAP. Because the cost of internal controls should not outweigh their benefits, the City's framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements are free from material misstatements.

The City's financial statements have been audited by Lance, Soll & Lunghard, LLP. The goal of their independent audit is to provide reasonable assurance that

the financial statements of the City—for the fiscal year ending June 30, 2022 in this case—are free of material misstatements and conform to GAAP. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements and evaluating the overall financial statement presentation to provide a reasonable basis for their opinion. The audit also included assessing the accounting principles used and the significant financial estimates made by City management.

Based upon the audit, the independent auditors concluded that there was reasonable basis for rendering an “unmodified opinion,” which means that the City’s financial statements for the fiscal year ended June 30, 2022 do fairly represent the City’s financial position. The “unmodified” opinion expressed by the auditors indicates that the City is in compliance with Governmental Accounting Standards and that the City’s financial statements are presented fairly in all material respects.

Please be sure to read the independent auditor’s report, which is presented as the first component within the Financial Section of this Annual Report.

The City’s Annual Comprehensive Financial Report is divided into three sections:

I. Introductory Section

- Letter of Transmittal
- List of Officials
- City Organizational Chart
- Certificate of Achievement for Excellence in Financial Reporting

II. Financial Section

- Independent Auditor’s Report
- Management’s Discussion and Analysis
- Basic Financial Statements
- Required Supplementary Information
- Combining and Individual Fund Financial Statements and Schedules

III. Statistical Section

- Pertinent financial and non-financial data that presents historical trends and facts about the City

In order to enhance comprehension and usefulness for Annual Report readers, following is a brief profile of the City along with discussion on relevant budget practices, current economics, and major City initiatives.

PROFILE OF THE CITY OF INDIO

The City of Indio is a general law city incorporated in 1930, encompassing

approximately 33 square miles at the geographic mid-point of Riverside County, California. With a growing population around 95,000, Indio is the largest city by population in the sub-region of the County known as the Coachella Valley. The City is located about 125 miles east of the center of the Los Angeles region, 75 miles north of the California-Baja California/Mexican border and 30 miles southeast of Palm Springs. The climate of the Coachella Valley is influenced by the surrounding geography. High mountain ranges on three sides contribute to its unique and year-round warm climate, with some of the warmest winters west of the Rocky Mountains. The City has a warm-winter hot-summer climate. According to data from the National Oceanic and Atmospheric Administration for 1981-2010, the City's average annual high temperature is 89.5 degrees Fahrenheit and average annual low is 62.1 degrees. Summer highs above 108 degrees are common and on rare occasions exceed 120 degrees. Winters are warm with daytime highs often between 68-86 degrees. Less than four inches of annual precipitation is average, with typically over 348 days of sunshine per year.

The City is a center for business, government and entertainment within the Coachella Valley. The City has many golf and retirement communities in addition to a sizable population of families located in traditional neighborhoods. Residents enjoy the benefits of local parks, recreation, and youth programs. Known as the "City of Festivals," the City hosts the Coachella Valley Music and Arts Festival (Coachella Fest), the Stagecoach Country Music Festival, Riverside County Fair & National Date Festival, the Palm Springs Kennel Club Dog Show, Southwest Arts Festival, and the Indio International Tamale Festival. The Coachella Fest and Stagecoach Music Festival, put on by Goldenvoice Productions (an entity of AEG Worldwide) have been held in the City since 1999 and 2007, respectively. After a two-year hiatus, due to the Coronavirus pandemic, the Coachella and Stagecoach Music Festivals returned in April, 2022. Work is well underway for Coachella Fest 2023. The City's ability to draw and host worldwide festivals is based on being home to the Riverside County Fairgrounds, as well as both the Empire Polo Club and the Eldorado Polo Club, which are large-scale outdoor entertainment venues, unique to the Coachella Valley.

INDIO CITY GOVERNMENT

The Indio City Council consists of five members, elected to four-year overlapping terms. The City transitioned from an at-large election process to a by-district election process commencing with the November 2018 general municipal election. Council members must be residents of the City and live within the district they represent. District lines are redrawn every ten years following completion of the United States census. The Mayor, whose position rotates annually, conducts council meetings, appoints council committees, and represents the City on formal and ceremonial occasions. The City Treasurer and City Clerk are elected for four-year terms on an at-large basis.

The City Council serves as the legislative board for the municipality, establishes policy, passes ordinances, adopts annual appropriations, and sets priorities for the City. In addition to serving as the policy makers, the City Council is responsible for numerous land-use decisions within the City's borders, including adoption of the General Plan. The City has a Council-Manager form of municipal government, where the City Council appoints the City Manager, who is responsible for the day-to-day administration of City business. The City Manager appoints and supervises all City department directors. The City Council also appoints the City Attorney and resident members to various municipal advisory boards and commissions.

The City provides a broad range of services to its citizens, including police and fire protection, water service, trash collection, street construction and maintenance, parks and recreation, planning and zoning, housing and community development, building inspection and general and administrative support services. The City collaborates with Riverside County in the provision of flood control, animal services, as well as local fire and paramedic services. Local fire and paramedic apparatus are staffed through the County's contract with the State's Department of Forestry and Fire Protection (CalFire). The City of Indio owns the local fire facilities and some of the fire equipment. The staffing and some equipment are provided by contract. The Coachella Valley Desert Recreation District operates a 39,000 square foot comprehensive recreational facility in the City. The City maintains more than 15 parks.

The Indio City Council also serves as the Board of the Indio Water Authority (IWA), which operates as an independent water enterprise, serving 24, 895 residential and commercial accounts. For fiscal year 2022-23, IWA operations are expected to total \$25.6 million, cover the cost of 47 employees, with an additional \$3.2 million budgeted for capital improvements.

Indio is the East County/Alternate county seat for the County of Riverside and contains a large number of County facilities including the alternate emergency operations center, with the primary emergency operations center being located in the City of Riverside.

BUDGET PROCESS OF THE CITY

The City's fiscal year begins on July 1st of each year and ends on June 30th the following year. The City Manager and key staff members review revenues and expenditures for each department, for the ensuing fiscal year. Prior to the beginning of each fiscal year, the City Manager submits to the City Council a budget proposal. In at least one public meeting, but more commonly more, the City Council considers the proposed budget and makes any revisions it deems appropriate. On or before June 30th, the City Council adopts the budget with revisions, if any, by the affirmative vote of at least three of the five members.

Upon approval of the budget by the City Council, expenditure levels and revenue assumptions stated in the proposed budget become “adopted” and are appropriated to the various departments and divisions for which they were authorized. Midway through the fiscal year, the City Manager presents a budget update to the City Council, recommending changes to the budget thereby revising expenditure plans as deemed necessary and appropriate. All appropriation (budget) changes are approved by the City Council. All appropriations lapse at the end of the fiscal year to the extent that they have not been expended or lawfully encumbered.

RELEVANT FINANCIAL POLICIES

The City continues to act in accordance with the Financial and Budget Management Policy adopted in 2010, the Fund Balance Policy adopted in 2013, a Continuing Disclosure Compliance Policy adopted in 2016, and a Debt Management Policy adopted in 2017. These policies ensure consistent and professional conduct in all fiscal matters by requiring sound fiscal management through the establishment of strategies in the areas of accounting, financial planning, budgeting, revenue projection, fees, reserves (fund balance), debt, and cash flow.

LONG-TERM FINANCIAL PLANNING

The City continues to evaluate its long-term financial challenges and prospects, focusing particularly on long-term infrastructure needs and the major impacts of unfunded pension liability. The City engaged Bartel Associates, LLC, a highly competent actuarial-consulting firm to project pension contribution rates over the next 30 years and to analyze funding options. To address the unfunded pension liability, the City Council authorized staff to proceed with selling pension obligation bonds (POBs) in November 2021. Unfortunately, the upward swing of interest rates led the City to pause the effort, but the issuance of POBs remains possible and will be evaluated again in the future.

ECONOMIC CONDITION AND OUTLOOK

The City’s economic condition is strong; however, concerns over the likelihood that the U.S. economy will slip into recession sometime in 2023 are rising. Therefore, the City’s outlook is cautious. How long will inflation last, is the big question. The national economy seems to be fundamentally changing and the old economic metrics do not seem to provide as much insight. Federal stimulus funds and robust consumer spending positively augmented the City’s balance sheet last year, but a cooling in the housing market and a slight reduction in the demand for goods will undoubtedly make 2023 an interesting year. Fund balance in the City’s General Fund increased 50% in fiscal year 2021-22 to \$83 million, excluding stimulus funds that are separately recognized in special revenue funds outside the General Fund. The City has been careful to not spend those one-time funding sources on ongoing services. The City now has ample

reserves to mitigate future recessionary pressures that might constrict city-service levels.

Of significance, the City no longer has to plan for the sunset of the local 1% district transaction and use tax, locally known as Measure X. In November 2021, voters removed the hard 2037 end date. Backed by these long-term resources, the City was able to issue \$119 million in lease revenue bonds (LRBs) in July 2022. The LRBs will fund the design and construction of a public safety services building, a 911 dispatch center, a new fire station, a new city hall and a new library. Measure X funds will cover annual LRB debt service, memorialized as a lease payment to the Indio Public Financing Authority. Measure X generated \$17.3 million in fiscal year 2021-22. LRB debt will consume about 50% of the revenue generated by Measure X—in the near term—and less as the City's sales tax base grows. Remaining Measure X tax resources are earmarked for various infrastructure improvements across the City and, in the event of a prolonged recession, could be made available to cover core-service costs.

Sales tax is not the only bright spot for the City of Indio. Over the last five years, City General Fund revenue has grown 61%, topping \$100 million for the first time this past fiscal year. Another fast growing revenue source is Transient Occupancy Tax (TOT), commonly referred to as "bed" tax. The City has experienced significant growth in the vacation-home industry. Since fiscal year 2016-17, TOT has increased 135%, generating almost \$15 million in fiscal year 2021-22. While not as noteworthy, over the past five years, property-related taxes have steadily increased 5% a year, while Utility User's Tax growth has averaged 3% a year.

Looking into the future, the City expects these revenue trends to cool off as inflation slows local development and hampers consumer spending. Nonetheless, the City expects to retain current-service levels and continue to spend one-time money on infrastructure improvements.

MAJOR INITIATIVES FOR THE FUTURE

Conservative spending habits bracketed by strong revenue growth have fortified the City against future short-term economic downturns and afforded the City the opportunity to dedicate significant resources to one-time infrastructure projects. Beyond a modest use of Measure X funds to cover City operations (\$396,684) in fiscal year 2022-23, all of next year's budgeted Measure X revenue (\$15.6 million) and \$31.8 million in Measure X fund balance have been programmed for capital improvements. These funds along with \$14.7 million in various City capital funds and \$56.5 million federal, state, and other government agency funding support an ambitious fiscal year 2022-23 capital improvement plan categorized as follows:

Bridges	\$ 8,062,167
Street Projects	23,253,459
Street Maintenance	6,455,000
Freeway Interchanges	24,310,000
Sidewalks	5,879,068
Storm Drains	4,150,000
Traffic Signals	8,656,888
Park Projects	21,992,000
Public Buildings	9,555,200
Fleet	<u>3,636,728</u>
	<u>\$115,950,510</u>

Also, to ensure the continued success for the City of Indio, City staff and the City Council have been working on a detailed two-year Strategic Plan. This Plan will provide the principal guidance for the preparation of the City budget, program objectives and performance measures. It also provides direction on how we allocate resources, establish policy and progressively guide the affairs of the City organization. Practically, the Plan is a tool for the City Council and City Staff to effectively meet the needs of our growing and dynamic community.

The identified Areas of Focus and some major initiatives within those include:

- PUBLIC SAFETY
- BUSINESS & JOB GROWTH
- CITY-WIDE PHYSICAL INFRASTRUCTURE
- COMMUNITY BEAUTIFICATION
- DOWNTOWN & HIGHWAY 111 REVITALIZATION
- OUTREACH, COMMUNICATION & PARTICIPATION.
- FINANCIAL & ENVIRONMENTAL SUSTAINABILITY AND OPERATIONAL EXCELLENCE

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to City of Indio for its annual financial report for the fiscal year ended June 30, 2021. This was the fifteenth consecutive year that the City received this prestigious award. In order to receive a Certificate of Achievement, the City must publish an easily readable and efficiently organized annual financial report. The report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. I am confident that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements.

The City also received the GFOA's Distinguished Budget Presentation Award for its fiscal year 2022-23 adopted budget. This was the City's third consecutive year receiving the award. While the GFOA continues to further enhance and strengthen its criteria, I am confident that future budget documents will continue to meet the GFOA's high standards.

I appreciate the high level of professionalism and dedication that all of our staff members bring to the job. We also have outstanding City residents that care about and care for their community. And finally, I thank the extraordinarily capable members of the Indio City Council for their leadership and selfless service to the residents of the City.

Respectfully submitted,



Bryan H. Montgomery
City Manager

CITY OF INDIO
City Officials
as of June 30, 2022

CITY COUNCIL

WAYMOND FERMON
Mayor

OSCAR ORTIZ
Mayor Pro Tempore

ELAINE HOMES
Council Member

LUPE RAMOS AMITH
Council Member

GLENN MILLER
Council Member

OTHER ELECTED OFFICIALS

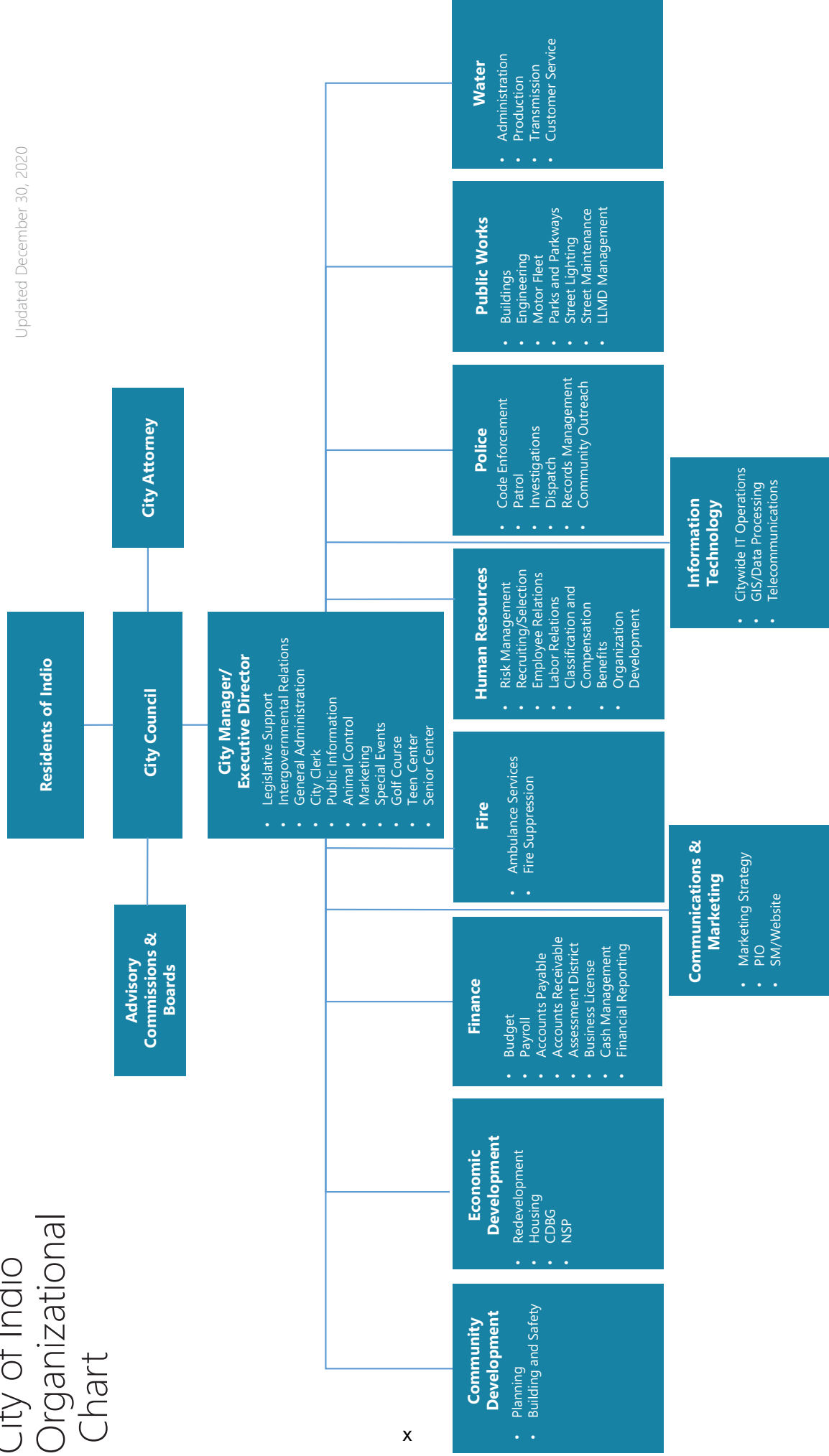
Cynthia Hernandez, City Clerk
Balvina Ramirez, Treasurer

EXECUTIVE STAFF

Bryan Montgomery, City Manager
Rob Rockwell, Asst. City Manager & Director of Finance
Scott Trujillo, Deputy City Manager
Vacant, Director of Communications & Marketing
Ian Cozens, Director of Information Technology
Carl Morgan, Director of Economic Development
Kevin Snyder, Director of Community Development
Rey Trejo, Indio Water Authority General Manager
Mike Washburn, Chief of Police
Tim Wassil, Director of Public Works
Bryan White, Fire Chief

City of Indio Organizational Chart

Updated December 30, 2020





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Indio
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morill

Executive Director/CEO

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INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of the City Council
City of Indio, California

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Indio, California, (the "City") as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

Change in Accounting Principle

As described in Note 11 to the financial statements, in the fiscal year ended June 30, 2022, the City adopted new accounting guidance, GASB Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.



To the Honorable Mayor and Members of the City Council
City of Indio, California

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Other Reporting Responsibilities

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules for the General Fund and American Rescue Plan Act fund, and required pension and other post-employment benefits schedules, as listed on the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.



To the Honorable Mayor and Members of the City Council
City of Indio, California

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and schedules (supplementary information) are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section and statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 24, 2023 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Lance, Soll & Lughard, LLP".

Brea, California
February 24, 2023

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MANAGEMENT'S DISCUSSION AND ANALYSIS

This discussion and analysis of the City of Indio's financial statements provides a narrative overview of the City's financial activities for the fiscal year that ended June 30, 2022. For the most comprehensive understanding, please read this analysis in conjunction with the accompanying transmittal letter, the financial statements, and the notes to those financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

This section is intended to serve as an introduction to the City's basic financial statements. The City of Indio's basic financial statements consist of summary-level reports reflecting the financial activities of the City followed by required note disclosures. The two types of summary-level reports are government-wide financial statements and fund financial statements. In addition, reconciliations of the fund financial statements to the government-wide financial statements are provided to help explain the differences created by the integrated reporting approach.

This section contains supplementary information in addition to what can be found with the basic financial statements. Financial statements separate governmental activities from business-like activities for the City and its component units. Component units are legally separate organizations from the City of Indio, but because their operations are closely tied to the City's, their financial activities are included as part of the City's financial report. The basic tests that qualify a separate legal entity as a component unit are: 1) the separate organization's ultimate authority is significantly compliant to the City Council; 2) the separate organization is fiscally dependent on the City or; 3) excluding the separate organization's finances would result in misleading financial information. The following organizations are component units of the City of Indio:

- The Indio Water Authority
- The Indio Housing Authority
- The Indio Public Financing Authority
- The Indio Financing Authority
- The Industrial Development Authority of the City of Indio

NOTES TO THE FINANCIAL STATEMENTS

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 31-81.

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its retiree health and pension obligations. Additionally, a budget to actual comparison schedule is provided for the City's General Fund on pages 84-85. Required supplementary information can be found on pages 84-94.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements present the financial picture of the City from the economic-resources-measurement focus using the accrual basis of accounting. Two statements are designed to provide the reader with a broad overview of the City's finances. Both the Statement of Net Position and the Statement of Activities report information about the City in a manner similar to a private-sector business. The Statement of Net Position presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position provide insight into whether the City's financial health is improving, weakening, or holding steady. The Statement of Activities presents information showing how the City's net position changed during the fiscal year. All changes in net position are reported regardless of when cash was received or disbursed. Thus, revenue and expenses are reported in this statement for some items that will result in cash flows in a future fiscal period (e.g., uncollected taxes and earned but unused employee vacation leave).

Both government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenue (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). Governmental activities of the City include general administration, public safety, community development, community services (recreation), public works, and interest on long-term debt. Property taxes, sales taxes, utility users' taxes, service fees, interest income, as well as some state and federal grants typically finance these activities. The business-type activities of the City include: water services, managed by the Indio Water Authority, and municipal golf operations, managed by Landmark Golf LP. The Indio Water Authority is significantly compliant to the Indio City Council and therefore has been included as an integral part of the primary government. The governmental-wide financial statements can be found on pages 17-19.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As reflected in the Statement of Net Position, at the close of the 2021-22 fiscal year, the City's assets exceeded its liabilities by \$577.6 million. The City's net position increased \$26.8 million from the year before, an increase of about 5 percent. This outcome was driven by increases in assets (\$42 million), deferred outflows (\$.6 million), and deferred inflows (\$27.3 million) and a minor decrease in liabilities (\$11.5 million).

The City's net position is mainly tied to its investment in capital assets (e.g., land, buildings, machinery, equipment and infrastructure) in excess of any related outstanding debt incurred to purchase those assets. The City uses these capital assets to provide services to its citizens; consequently, most of these assets are not liquid, immediately spendable, resources. As mentioned, total assets increased \$42 million. This outcome is driven primarily by increases in current assets (\$57.8 million), a slight decrease in noncurrent assets (\$1.9 million), and a decrease in capital assets (\$13.9 million). Current assets are those that are expected to be converted to cash or consumed within a fiscal year, while noncurrent assets are expected to be consumed over more than one fiscal year. A capital asset is significant property or infrastructure that has a useful life longer than one year that is not intended to be sold, but does lose value over time, like a computer or a vehicle. The following table is a simplified summary the City's net position.

Net Position Summary (in thousands)						
	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 162,770	\$111,220	\$ 62,460	\$ 56,250	\$225,230	\$167,470
Capital assets	455,530	463,443	150,079	156,078	605,609	619,521
Other noncurrent assets	5,763	7,658	-	-	5,763	7,658
Total assets	<u>624,063</u>	<u>582,321</u>	<u>212,539</u>	<u>212,328</u>	<u>836,602</u>	<u>794,649</u>
Pensions	12,723	12,447	2,778	1,131	15,501	13,578
OPEB	9,144	8,649	7	1,743	9,151	10,392
Deferred loss on refunding of debt	-	-	913	978	913	978
Total deferred outflows	<u>21,867</u>	<u>21,096</u>	<u>3,698</u>	<u>3,852</u>	<u>25,565</u>	<u>24,948</u>
Long-term liabilities	141,362	165,004	62,023	68,039	203,385	233,043
Other liabilities	42,158	27,407	8,519	5,131	50,677	32,538
Total liabilities	<u>183,520</u>	<u>192,411</u>	<u>70,542</u>	<u>73,170</u>	<u>254,062</u>	<u>265,581</u>
Pensions	23,322	979	2,571	19	25,893	998
OPEB	442	515	-	103	442	618
Leases	2,601	-	-	-	2,601	-
Unamortized gain on refunding of debt	1,486	1,582	82	-	1,568	1,582
Total deferred inflows	<u>27,851</u>	<u>3,076</u>	<u>2,653</u>	<u>122</u>	<u>30,504</u>	<u>3,198</u>
Net position:						
Net investment in	420,008	425,271	103,062	106,981	523,070	532,252
Restricted	27,974	23,954	322	321	28,296	24,275
Unrestricted	(13,422)	(41,295)	39,658	35,586	26,236	(5,709)
Total net position	<u>\$ 434,560</u>	<u>\$407,930</u>	<u>\$143,042</u>	<u>\$142,888</u>	<u>\$577,602</u>	<u>\$550,818</u>

As reflected in the following Change in Net Position Summary Table, revenue from governmental activities is broken down into Program Revenue and General Revenue, where Program Revenue must be used for the purpose it was collected and General Revenue is spent at the discretion of the City Council. Program Revenue totaled \$76.1 million, \$16.5 million more than last fiscal year due to increases in charges for services (\$11 million) and increases in capital grants (\$6.2 million), which are offset slightly by decreases in operating grants (\$.6 million). General Revenue totaled \$86 million and was \$13.1 million more than prior fiscal year revenue. The increase in General Revenue was primarily due to an increase in tax revenue (\$15.3 million).

Expenses for all governmental activities totaled \$107.2 million, \$6.1 million more than the prior fiscal-year's total. Annual expenditures for governmental activities were up in some functions, but were down in Public Works and Community Development due to temporary staffing vacancies.

Revenue for all business-type activities totaled \$28.3 million, an annual decrease of \$0.6 million, driven by increases in charges for services (\$.4 million) and decreases in capital contributions (\$.1 million) and decreases from various other revenue sources (\$.9 million).

Expenses for all business-type activities totaled \$28.1 million, an annual increase of \$3.1 million. The increase in expenditures was mostly associated with the delivery of water (\$2.9 million) and a small increase in expenditures for municipal golf activities.

	Change in Net Position Summary (in thousands)					
	Governmental Activities		Business-Type Activities		Totals	
	2022	2021	2022	2021	2022	2021
Program Revenues:						
Charges for services	\$ 26,642	\$ 16,104	\$ 27,158	\$ 26,727	\$ 53,800	\$ 42,831
Operating contributions/grants	19,764	13,592	-	-	19,764	13,592
Capital contributions/grants	518	1,125	1,981	2,057	2,499	3,182
General Revenues:						
Property taxes	20,951	19,691	-	-	20,951	19,691
Other taxes	65,294	51,216	-	-	65,294	51,216
Other	615	1,965	(872)	79	(257)	2,044
Total revenues	<u>133,784</u>	<u>103,693</u>	<u>28,267</u>	<u>28,863</u>	<u>162,051</u>	<u>132,556</u>
Expenses:						
Water	-	-	26,518	23,570	26,518	23,570
Golf	-	-	1,595	1,435	1,595	1,435
General government	16,693	15,563	-	-	16,693	15,563
Public safety	54,116	47,695	-	-	54,116	47,695
Public works	22,165	22,893	-	-	22,165	22,893
Community development	8,542	9,960	-	-	8,542	9,960
Community services	3,785	3,002	-	-	3,785	3,002
Interest expense/other charges	1,853	1,985	-	-	1,853	1,985
Total Expenses	<u>107,154</u>	<u>101,098</u>	<u>28,113</u>	<u>25,005</u>	<u>135,267</u>	<u>126,103</u>
Change in net position before transfers	<u>26,630</u>	<u>2,595</u>	<u>154</u>	<u>3,858</u>	<u>26,784</u>	<u>6,453</u>
Change in net position	<u>26,630</u>	<u>2,595</u>	<u>154</u>	<u>3,858</u>	<u>26,784</u>	<u>6,453</u>
Net Position - beginning of fiscal year	<u>407,930</u>	<u>405,335</u>	<u>142,888</u>	<u>139,030</u>	<u>550,818</u>	<u>544,365</u>
Net Position - beginning of fiscal year, restated	<u>407,930</u>	<u>405,335</u>	<u>142,888</u>	<u>139,030</u>	<u>550,818</u>	<u>544,365</u>
Net Position - end of fiscal year	<u>\$ 434,560</u>	<u>\$ 407,930</u>	<u>\$143,042</u>	<u>\$ 142,888</u>	<u>\$577,602</u>	<u>\$550,818</u>

FUND FINANCIAL STATEMENTS

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds for the City are placed into one of three categories: governmental funds, proprietary funds, or fiduciary funds. Governmental activities within the governmental fund group are calculated using the current financial-resources-measurement focus and the modified accrual basis of accounting. Proprietary (business-like) activities are calculated using the economic-resources-measurement focus and the accrual basis of accounting. Fiduciary activities are calculated using the economic-resources-measurement focus and the accrual basis of accounting. Fund financial statements provide detailed information about the most significant funds, not the City as a whole. Some funds are required to be established by state law or by bond covenant. However, the City does on occasion establish other funds to help segregate and manage resources collected for particular purposes. Additionally, funds are created to isolate certain taxes, grants, and other legally restricted resources from general-purpose resources.

GOVERNMENTAL FUNDS

The cost of basic City services is reported in the governmental fund group. Governmental fund financial statements focus on near-term flows of spendable resources in and out of various funds and the balances left at yearend that remain available for spending in the future. Such information is useful in evaluating the City's near-term financing requirements. Governmental fund information helps determine whether there are more or fewer financial resources available to be spent in the future to finance City programs. Differences between the governmental fund financial statements and the government-wide financial statements are explained in a reconciliation following the governmental fund financial statement on page 21.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers will better understand the long-term impact of the City's near-term financing decisions. Both the governmental funds Balance Sheet and the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains 37 individual governmental funds, which are broken down into two groups for basic financial reporting: Major Funds and Non-Major Funds. Major Funds consist of funds that are significant because of their purpose, size, or importance to the City. The City's financial statements report two Major Funds: General Fund and Capital Projects Fund. Unlike the Non-Major Funds group, where the financial information is aggregated, Major Funds are reported independent of other fund groups.

The General Fund is the primary operating fund of the City and it accounts for all activity not required to be accounted for in another specialized or restricted fund. The General Fund encompasses many of the commonly thought of activities occurring within a municipal government. These activities include: police, fire, senior and teen services, building and safety, planning, public works, finance, and general administration. The Capital Projects Fund accounts for financial resources that are restricted, committed, or assigned to expenditures for capital outlays including the acquisition or construction of major capital items. Within the Non-Major Funds group, data from 36 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these Non-Major funds is provided in the form of combining statements elsewhere in this report. The governmental fund financial statements can be found of pages 20-23.

GOVERNMENTAL FUND FINANCIAL ANALYSIS

At the close of the fiscal year, governmental funds reported a combined ending fund balance of \$115.5 million, a year-over-year increase of \$35.1 million. Approximately 68 percent of total fund balance (\$78.9 million) was available for spending at the government's discretion (assigned, unassigned, and committed). Fund balance in the City's General Fund increased \$29.6 million. Fund balance within the American Rescue Plan Act increased \$.1 million. Fund balance within the City's Capital Projects Fund increased \$1.8 million. Within the Non-Major fund group, fund balance increased \$3.5 million.

General Fund Financial Highlights:

At the close of the fiscal year, the City's General Fund reported an ending fund balance of \$83.3 million, up \$29.6 million from the prior year. Approximately 88 percent (\$73.4 million) of the \$83.3 million was available for spending at the government's discretion (assigned, unassigned, and committed). Nonspendable fund balance represents resources that cannot be spent because they are not in a spendable form. Nonspendable fund balance totaled \$8.6 million, consisting of prepaid expenditures (\$0.1 million), land held for resale (\$5.0 million), and a note receivable (\$3.5 million). Restricted fund balance represents amounts that can only be spent for a specific purpose. Restricted fund balance totaled \$1.2 million, which did not change from the prior fiscal year. This \$1.2 million represents a Section 115 trust fund established for pension stabilization. Assigned fund balance represents resources that are earmarked by City administration for a particular governmental purpose. Assigned fund balance totaled \$44.2 million, an increase of \$32.1 million from the prior fiscal year. Committed fund balance represents resources that are formally set aside by the City Council for emergencies or critical City priorities. Committed fund balance totaled \$15 million, an increase from the prior fiscal year of 3 million. Unassigned fund balance represents resources that have not been categorized as nonspendable, restricted, committed, or assigned. Unassigned fund balance totaled \$14.3 million, a decrease of \$2.8 million from the prior fiscal year.

Capital Projects Fund Financial Highlights:

At the close of the fiscal year, the City's Capital Projects Fund reported a positive ending fund balance of \$7.9 million, up \$1.8 million from the prior year. This is due to deferring certain capital projects in response to the coronavirus pandemic.

Non-Major Governmental Funds Financial Highlights:

Non-Major Governmental Funds accumulated \$24.3 million in fund balance at the end of the fiscal year, an increase of \$3.6 million from the previous year. Non-major capital project fund balances increased by \$0.9 million. Fund balance for non-major debt service funds decreased by \$0.5 million. Within the Non-Major Governmental Funds, revenues exceeded expenses by \$3.4 million and interfund transfers-in exceeded interfund transfers-out by \$0.2 million, resulting in a net increase of \$3.6 million in fund balance.

PROPRIETARY FUNDS FINANCIAL ANALYSIS

When the City charges outside customers or other internal governmental units for services, those services are generally reported within the Proprietary Fund group. The City maintains two different types of proprietary funds: enterprise funds and internal service funds. Enterprise funds are used to report the same function presented as business-type activities in the governmental-wide financial statements. The City uses enterprise funds to account for its water services, golf course operations, and solid waste services. Internal service funds are an accounting device used to accumulate and allocate costs among the City's various departments and functions. The City uses internal service funds to account for and manage its fleet of vehicles, vehicle replacements, insurance, building maintenance, and information-technology systems. Because these five services principally benefit the City rather than business-type functions, which predominantly benefit the public, they are included as governmental activities in the government-wide financial statements.

Proprietary Fund statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for water services. Only water services, managed by the Indio Water Authority, are considered to be Major and thusly reported independent from other proprietary funds. Golf and Solid Waste services are aggregated and reported as Other Enterprise Funds and are reported individually elsewhere in this report. Internal Service Funds are combined into a single aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service fund group is provided in the form of combining statements elsewhere in the report.

At the close of the fiscal year, proprietary funds reported a combined ending net position of \$147 million, a year-over-year increase of \$.1 million. City enterprise funds accumulated a year ending net position of \$143 million, a year-over-year decrease of \$.1 million. Internal service funds accumulated a net position of \$4.0 million, a year-over-year decrease of \$0.2 million. Within the enterprise fund group, net position in the City's water fund decreased \$.1 million. Net position within the City's other enterprise funds, golf and solid waste, increased \$0.2 million.

FIDUCIARY FUNDS FINANCIAL ANALYSIS

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for the fiduciary fund financial statements is much like that used for proprietary funds. The City's fiduciary activities are reported in separate statements of fiduciary net position. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes and are kept separate from City resources. The City uses fiduciary funds to account and manage resources for: various community facilities districts, the East Valley Reclamation Authority, the East Valley Coalition, and the Eastern Riverside County Interoperable Communication Authority. The finances for these entities are aggregated under the title Agency Funds. The City also manages resources for the Successor Agency to the Indio Redevelopment Agency, which is reported under the private-purpose trust fund.

At the close of the fiscal year, as is standard for custodial funds, agency assets equaled liabilities. However, net position of the RDA Successor Agency was negative \$43.1 million, due to its long-term debt on bonds, which is funded annually through the Recognized Obligation Payment Schedule (ROPS). Year-over-year, the Successor Agency's net position decreased \$1.5 million.

ANALYSIS OF LONG-TERM DEBT

Debt, which is considered a liability of governmental activities, totaled \$146 million, a decrease of \$19.3 million from the prior fiscal year. The decrease in debt was driven by the decreases in net pension liability (23.6 million), lease revenue bonds (1.8 million), judgement obligation bonds (0.7 million), financing agreements (0.1 million), certificates of participation (\$0.6 million), and compensated absences (\$0.2 million). Compensated absences refers to employees' time off with pay for vacations and sick days that are obligated to be paid in the future. These decreases were offset by an increase in post-employment benefit (7.7 million).

Activity for outstanding debt is represented in the table below. Additional information on the City's long-term debt can be found in notes 8 through 14 on pages 52-71.

Outstanding Debt Summary (in thousands)						
	Governmental Activities		Business-Type Activities		Totals	
	2022	2021	2022	2021	2022	2021
Claims Payable	\$ 14	\$ 27	\$ -	\$ -	\$ 14	\$ 27
Lease Revenue Bonds	33,082	34,856	-	-	33,082	34,856
Judgement Obligation Bond	13,115	13,770	-	-	13,115	13,770
Lease Payable	107	-	66	-	173	-
Water Bonds	-	-	47,863	50,075	47,863	50,075
Financing Agreements	153	249	-	-	153	249
Certificates of Participation	650	1,275	-	-	650	1,275
Net pension liability	40,269	63,859	5,867	7,857	46,136	71,716
Post employment benefit	56,279	48,580	10,500	9,777	66,779	58,357
Compensated absences	2,152	2,388	336	330	2,488	2,718
Total	\$ 145,821	\$ 165,004	\$ 64,632	\$ 68,039	\$ 210,453	\$ 233,043

ANALYSIS OF CAPITAL ASSETS

Capital assets of the City are those assets used in the performance of municipal functions, including infrastructure. Capital assets, net of depreciation, for governmental activities totaled \$455.5 million. Capital assets, net of depreciation, for business-type activities totaled \$150.1 million. Overall, net capital asset value decreased \$13.9 million from the prior fiscal year. Fiscal-year activity is presented in the table below. Additional information on the City's capital assets can be found in note 7 on pages 50-51.

Capital Assets Summary (in thousands)						
	Governmental Activities		Business-Type Activities		Totals	
	2022	2021	2022	2021	2022	2021
Land	\$ 42,140	\$ 41,660	\$ 2,175	\$ 2,175	\$ 44,315	\$ 43,835
Right of way	54,694	54,694	-	-	54,694	54,694
Structures and improvements	37,133	37,133	15,351	15,351	52,484	52,484
Machinery, equipment and vehicles	20,886	21,883	5,836	5,576	26,722	27,459
Infrastructure	615,711	607,084	295,159	293,697	910,870	900,781
Right-to-use assets	163	-	123	-	286	-
Construction in progress	28,075	28,348	1,070	999	29,145	29,347
Capital Assets	798,802	790,802	319,714	317,798	1,118,516	1,108,600
Accumulated depreciation/amortization	343,272	327,359	169,635	161,720	512,907	489,079
Net Capital Assets	\$ 455,530	\$ 463,443	\$ 150,079	\$ 156,078	\$ 605,609	\$ 619,521

ANALYSIS OF THE BUDGET AND SIGNIFICANT VARIANCES

The annually adopted budget appropriates expenditures by category: salaries and benefits, purchased services, materials and supplies, fixed assets, internal transfers, and transfers out to other City funds. Expenditure controls are set at these same levels. Actual yearend expenditures and revenues rarely match budgeted appropriation levels exactly, due to changes in policy, economic impacts, unexpected outlays, and naturally occurring operational variances. Schedules comparing budget expectations to actual outcomes can be found on pages 119-149 for the General Fund and on pages 152-154 for other non-major funds.

For fiscal year 2021-22, General Fund revenue totaled \$107.6 million, including \$4.4 million categorized as Transfers In. In total, the City received \$8.3 million (8%) more than budgeted. Budget expectations conservatively projected revenues, as they were derived in the very early days of the COVID-19 pandemic, when there was significant uncertainty surrounding the future of revenues. Total tax revenues were stronger than anticipated, exceeding budgeted expectations by \$11.3 million. Overages primarily consisted of: sales taxes (\$4.1 million), transient occupancy taxes (\$5.3 million), utility users taxes (\$0.9 million), and property taxes (\$0.2 million). City sales tax revenue exceeded estimates by \$4.1 million, bolstered by increases in online and contact-free shopping amid the pandemic. Transient occupancy taxes exceeded estimates by \$5.3 million as businesses were able to re-open after stay at home orders were lifted and travelers utilized short-term rentals to take safe, socially distanced vacations in compliance with public health orders. Property tax and utility user tax collections remained strong despite economic uncertainty surrounding the pandemic. Charges for services reported an overage of \$0.2 million, mainly supported by higher than expected plan checks and inspections due to increased building activities within the City. These building activities also supported robust collections of licenses and permit fees, with approximately \$3.2 million in revenue beyond expectations.

The original fiscal year 2021-22 General Fund budget authorized \$93 million in expenditures. The budget as finally adjusted by the City Council authorized \$93.2 million in expenditures. At the end of the fiscal year, General Fund expenditures totaled \$76.8 million, including transfers out of \$3.1 million. In total, expenditures were \$16.4 million (18%) less than budgeted. Nearly half of the \$16.4 million is attributable to budgetary savings in Police Field Services (\$2.5 million), Fire and Ambulance services (\$1.3 million) and street maintenance and operations (4.6 million). Within the General Government group, six administrative budget units recorded an overage of \$0.7 million combined, related to an expense overrun in the city attorney unit, covering unexpected litigation costs. Most notably, within the General Government group, the Non-departmental budget unit generated savings of \$1.3 million. Within the Public Safety group budgetary savings in nine budget units, totaling \$4.4 million (8%), are offset by slight overages totaling \$0.1 million (1%) in one budget units. The majority of savings were in the Police Field Services unit (\$2.5 million), due to salary savings from vacant positions, and the Fire and Ambulance unit (\$1.3 million). Animal Control and Code Enforcement also reported expenditures below expectations of \$0.1 million and \$0.2 million, respectively. Within the Community Development group, Building and Safety and Economic Development generated \$0.2 million in budget savings (7%) via salary savings, and Planning had an overage of \$53 thousand. Within the Community Services group, four budget units generated \$0.5 million (13%) in savings. The Public Works group, composed of three budgetary units, generated \$4.6 million (39%) in savings, mostly related to other professional and technical services. Within the General Fund, \$53,386 was recognized in Capital Outlay, which is simply the recognition of new City assets. Finally, within the category Transfers Out, \$6.1 million in budget savings was recognized due to the deferral of some capital projects.

FACTS AND CONDITIONS OF FUTURE SIGNIFICANCE

For the coming 2022-23 fiscal year, the City Council adopted a Citywide budget totaling \$331.7 million in appropriations, a \$118.2 million (55%) increase from the prior-year's adopted budget. This increase in appropriations is primarily attributable to the re-normalization of General Fund and Capital Project Fund spending, following the COVID-19 pandemic. About \$97.2 million (29%) of the budget is appropriated to move resources across funds, in order to properly isolate, track, and capture specific expenditures and revenues in accordance with generally accepted accounting principles. Citywide, revenue is expected to total \$283.2 million, an increase from the prior year of \$85.2 million (43%). In FY 2019-20, the operational year prior to the pandemic, citywide revenue of \$177.2 million was approximately 37 percent lower than the current year recommended revenue. Sales tax, Measure X sales tax, Transient Occupancy Tax, and Music Festival services payments account for the majority of the revenue increases. Across all funds, the \$48.5 million gap between appropriations and expected revenue will be funded from fund balance (fund equity) and assumed salary savings.

About \$154.5 million (47%) of the budget will be spent on acquiring services, which includes payments for professional services, contract labor, and utilities. The recommended budget is built on the expectation of spending \$48.1 million (14%) citywide on employee salaries and benefits. About \$97.2 million (29%) will be appropriated to move resources from one fund to another. These interfund transfers represent flows of assets, such as cash and goods, between funds of the city. Of the \$97.2 million in transfers, \$17.3 million represents internal service fees, which are used to account for the financing of goods and services provided by one city department to another on a cost-reimbursement basis. The bulk of these transfers (46 percent) are General Fund and Special Revenue Fund resources moving to a Capital Project Fund in support of \$111.8 million in various planned capital improvements. The remaining transfers represent the accumulation of resources to pay debt, mostly on bonds. Of all citywide appropriations, \$21.6 million (seven percent) will be established for purchasing fixed assets and to pay debt on previously constructed assets. About \$10.3 million (three percent) will be budgeted for other operating costs, including materials and supplies such as tools, cleaning supplies, and automobile parts.

The budget supports 289 full-time, 7 elected officials, 35 appointed commissioners, and 9 part-time positions. Consistent with our community's historical support of maintaining essential public safety services, neighborhood police patrols, ambulance and fire services and overall 911 response, the adopted budget funds 77 sworn police positions. The Adopted Budget also includes some new staff positions: three facilities maintenance workers, who will expedite needed maintenance and assist with the load of ambitious capital projects; one police records specialist, who will focus on record redacting within the Police Department; and one part-time community program aide, who will help facilitate programs at the Teen Center. Three additional Community Service Officers in the Police Department will also be brought on board as part of the Department's overall staffing plan.

The General Fund is the primary operating fund of the city and it accounts for all activity not required to be accounted for in another specialized or restricted fund. The General Fund encompasses many of the commonly thought of activities occurring within a municipal government. These activities include: police, fire, senior and teen services, building and safety, planning, public works, parks, streets and general administration.

The FY 2022-23 adopted General Fund budget establishes \$137.7 million in spending authority, \$44.7 million more than what was authorized in the previous-year's adopted budget. This increase in spending authority reflects the city's capital project ambitions after years of conservative capital spending in response unknown economic impacts tied to COVID-19.

Police protection accounts for the largest portion (28 percent) of all General Fund appropriations, totaling about \$38 million. In addition to typical policing operations, the police department budget also includes code enforcement operations. About \$17.9 million (13 percent) is appropriated for fire, emergency operations, and ambulance services, which are contracted through the County of Riverside. Combined, these public safety operations represent 41 percent of all planned General Fund expenditures.

For Public Works, \$7.5 million will be appropriated to fund engineering, capital project oversight as well as maintenance on parks and public streets. Within the recommended budget, general Administration accounts for about \$11.1 million of all General Fund appropriations. These administrative activities include finance, human resources, legal services, city clerk, community services, teen and senior services, and animal control services. The city contracts with the County of Riverside for animal control services. Community Development represents about \$3.3 million of all planned General Fund expenditures. The \$866,843 appropriated for Economic Development will be used to attract new businesses to the city, cover department staffing, and fund other economic development efforts. From the General Fund, \$11.7 million is appropriated for nondepartmental expenditures, which covers the payment for long-term capital lease (debt) obligations, tax-sharing agreements with various local businesses, as well as various city memberships and sponsorships. For FY 2022-23, Measure X (sales tax revenue) expenditures totals approximately \$47.4 million (34 percent) of all General Fund appropriations.

CASH MANAGEMENT

To effectively manage cash, the City employs a pooled cash system (reference note 3 in the notes to the financial statements). Under the pooled cash concept, the City invests cash from all funds, with investment maturities planned to coincide with expenditure needs. Idle cash is invested in eligible securities, as allowable by law and limited by the City's Investment Policy. The goals of the City's Investment Policy, in priority order are, safety (preserving principal), liquidity (accessibility), and then yield (return on investment).

CONTACTING THE CITY'S FINANCE DEPARTMENT

This financial report is designed to provide citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report, separate reports of the City's component units, or need any additional financial information, contact the Finance Department at 100 Civic Center Mall, Indio, California, 92201, phone (760) 391-4115, finance@indio.org.

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CITY OF INDIO, CALIFORNIA

STATEMENT OF NET POSITION
JUNE 30, 2022

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets:			
Cash and investments	\$ 125,500,904	\$ 57,441,472	\$ 182,942,376
Restricted cash and investments	1,050,825	-	1,050,825
Restricted cash and investments with fiscal agents	4,301,559	321,456	4,623,015
Receivables:			
Accounts	6,370,993	3,758,206	10,129,199
Taxes	9,792,232	-	9,792,232
Notes and loans	8,727,295	-	8,727,295
Accrued interest	1,684	73,207	74,891
Lease	3,046,367	-	3,046,367
Due from other governments	3,904,041	-	3,904,041
Prepaid costs	74,320	767,322	841,642
Inventories	-	98,856	98,856
Advance to Successor Agency	392,357	-	392,357
Property held for resale	5,371,017	-	5,371,017
Capital assets - not being depreciated	124,909,265	3,244,824	128,154,089
Capital assets - net of accumulated depreciation/amortization	330,620,545	146,833,984	477,454,529
Total Assets	624,063,404	212,539,327	836,602,731
Deferred Outflows of Resources:			
Deferred charge on refunding	-	912,881	912,881
Pension deferrals	12,722,675	2,778,326	15,501,001
OPEB deferrals	9,144,467	6,472	9,150,939
Total Deferred Outflows of Resources	21,867,142	3,697,679	25,564,821
Liabilities:			
Accounts payable	17,160,335	1,591,243	18,751,578
Accrued liabilities	922,166	1,003,832	1,925,998
Accrued interest	301,600	472,898	774,498
Unearned revenue	14,730,247	-	14,730,247
Deposits payable	4,585,202	2,842,463	7,427,665
Noncurrent liabilities due within one year:			
Bonds and notes payable	2,786,000	2,260,000	5,046,000
Lease payable	45,418	56,145	101,563
Financing agreements	100,700	-	100,700
Compensated absences	1,526,999	282,610	1,809,609
Noncurrent liabilities due in more than one year:			
Bonds and notes payable	44,060,946	45,603,205	89,664,151
Lease payable	61,856	9,370	71,226
Financing agreements	51,842	-	51,842
Compensated absences	624,923	53,132	678,055
Claims and judgments	13,720	-	13,720
Net pension liability	40,269,397	5,867,449	46,136,846
Net other post-employment benefits liability	56,278,736	10,500,238	66,778,974
Total Liabilities	183,520,087	70,542,585	254,062,672
Deferred Inflows of Resources:			
Leases	2,601,054	-	2,601,054
Unamortized gain on refunding of debt	1,485,610	-	1,485,610
Pension deferrals	23,322,220	2,570,468	25,892,688
OPEB deferrals	441,527	82,379	523,906
Total Deferred Inflows of Resources	27,850,411	2,652,847	30,503,258
Net Position:			
Net investment in capital assets	420,008,470	103,062,969	523,071,439
Restricted:			
Community development projects	201,611	-	201,611
Public safety	2,327,851	-	2,327,851
Public works	11,659,315	-	11,659,315
Capital projects	8,622,803	-	8,622,803
Debt service	1,592,621	321,456	1,914,077
Assessment districts	75,839	-	75,839
Public education government channel	1,150,741	-	1,150,741
Parks and recreation	1,070,444	-	1,070,444
Pension stabilization	1,240,827	-	1,240,827
American Rescue Plan Act funds	40,343	-	40,343
Pollution remediation	796	-	796
Unrestricted	(13,431,613)	39,657,149	26,225,536
Total Net Position	\$ 434,560,048	\$ 143,041,574	\$ 577,601,622

The notes to financial statements are an integral part of this statement.

CITY OF INDIO, CALIFORNIA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants
Primary Government:				
Governmental Activities:				
General government	\$ 16,693,059	\$ 1,760,473	\$ 17,871	\$ 377,362
Public safety	54,116,153	8,510,078	7,632,599	-
Community development	8,542,505	932,485	6,839,538	-
Community services	3,784,851	355,745	-	-
Public works	22,165,625	15,082,907	5,274,330	140,533
Interest on long-term debt	1,852,616	-	-	-
Total Governmental Activities	107,154,809	26,641,688	19,764,338	517,895
Business-Type Activities:				
Water	26,518,079	25,391,934	-	1,980,786
Golf	1,594,884	1,765,919	-	-
Total Business-Type Activities	28,112,963	27,157,853	-	1,980,786
Total Primary Government	\$ 135,267,772	\$ 53,799,541	\$ 19,764,338	\$ 2,498,681

General Revenues:

Taxes:

Property taxes
 Transient occupancy taxes
 Sales taxes
 Franchise taxes
 Business licenses taxes
 Utility users tax
 Other taxes

Motor vehicle in lieu - unrestricted
 Use of money and property
 Other

Loss on disposal of capital asset

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position - Beginning

Net Position - Ending

The notes to financial statements are an integral part of this statement.

**Net (Expenses) Revenues and Changes in Net
Position**

Primary Government

Governmental Activities	Business-Type Activities	Total
----------------------------	-----------------------------	-------

\$ (14,537,353)	\$ -	\$ (14,537,353)
(37,973,476)	-	(37,973,476)
(770,482)	-	(770,482)
(3,429,106)	-	(3,429,106)
(1,667,855)	-	(1,667,855)
(1,852,616)	-	(1,852,616)
(60,230,888)	-	(60,230,888)

-	854,641	854,641
-	171,035	171,035
-	1,025,676	1,025,676
(60,230,888)	1,025,676	(59,205,212)

20,950,829	-	20,950,829
14,813,210	-	14,813,210
34,217,817	-	34,217,817
2,839,792	-	2,839,792
634,518	-	634,518
9,542,953	-	9,542,953
3,140,548	-	3,140,548
105,845	-	105,845
(1,432,505)	(998,191)	(2,430,696)
2,162,425	38,212	2,200,637
(26,763)	-	(26,763)
(87,823)	87,823	-
86,860,846	(872,156)	85,988,690
26,629,958	153,520	26,783,478
407,930,090	142,888,054	550,818,144
\$ 434,560,048	\$ 143,041,574	\$ 577,601,622

The notes to financial statements are an integral part of this statement.

CITY OF INDIO, CALIFORNIA

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2022**

	General Fund	Special Revenue Fund American Rescue Plan Act	Capital Projects Fund Capital Projects Fund	Non-Major Governmental Funds	Total Governmental Funds
Assets:					
Cash and investments	\$ 72,312,828	\$ 13,062,409	\$ 11,025,944	\$ 20,998,199	\$ 117,399,380
Receivables:					
Accounts	4,413,586	-	1,675,641	263,639	6,352,866
Taxes	9,509,907	-	-	282,325	9,792,232
Notes and loans	3,519,958	-	-	5,207,337	8,727,295
Accrued interest	1,684	-	-	-	1,684
Lease	3,046,367	-	-	-	3,046,367
Prepaid costs	66,494	-	-	7,826	74,320
Due from other governments	1,757,555	-	334,084	1,812,402	3,904,041
Due from other funds	1,626,774	-	-	-	1,626,774
Advances to Successor Agency	-	-	-	392,357	392,357
Property held for resale	5,029,363	-	-	341,654	5,371,017
Restricted assets:					
Cash and investments	1,050,825	-	-	-	1,050,825
Cash and investments with fiscal agents	-	-	1,910,309	2,295,132	4,205,441
Total Assets	\$ 102,335,341	\$ 13,062,409	\$ 14,945,978	\$ 31,600,871	\$ 161,944,599
Liabilities, Deferred Inflows of Resources, and Fund Balances:					
Liabilities:					
Accounts payable	\$ 9,868,344	\$ 642,393	\$ 3,507,250	\$ 2,521,714	\$ 16,539,701
Accrued liabilities	826,902	-	-	28,072	854,974
Unearned revenues	-	12,379,673	1,774,998	334,316	14,488,987
Deposits payable	4,227,448	-	11,272	346,482	4,585,202
Due to other funds	-	-	-	1,554,094	1,554,094
Total Liabilities	14,922,694	13,022,066	5,293,520	4,784,678	38,022,958
Deferred Inflows of Resources:					
Unavailable revenues	1,505,861	-	1,795,641	2,518,061	5,819,563
Leases	2,601,054	-	-	-	2,601,054
Total Deferred Inflows of Resources	4,106,915	-	1,795,641	2,518,061	8,420,617
Fund Balances:					
Nonspendable	8,615,815	-	-	7,826	8,623,641
Restricted	1,240,827	40,343	-	26,702,021	27,983,191
Committed	15,000,000	-	-	-	15,000,000
Assigned	44,181,030	-	7,856,817	-	52,037,847
Unassigned	14,268,060	-	-	(2,411,715)	11,856,345
Total Fund Balances	83,305,732	40,343	7,856,817	24,298,132	115,501,024
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 102,335,341	\$ 13,062,409	\$ 14,945,978	\$ 31,600,871	\$ 161,944,599

CITY OF INDIO, CALIFORNIA

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2022**

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

Total fund balances - governmental funds		\$ 115,501,024
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		452,034,004
Compensated absences and long-term debt are not due and payable in the current period, and therefore, are not reported in the funds.		
Bonds payable	\$ (45,725,000)	
Leases payable	(61,856)	
Unamortized premiums/(discounts) on bonds payable	(466,059)	
Deferred charge on bond refunding	(1,485,610)	
Installment agreement	(650,000)	
Compensated absences	<u>(2,151,922)</u>	(50,540,447)
Accrued interest payable for the current portion of interest due on long-term debt has not been reported in the governmental funds.		(301,382)
Governmental funds report all pension contributions as expenditures; however, in the statement of activities, the excess of the total pension liability over the plan fiduciary net position is reported as a net pension liability.		(37,906,957)
Deferred outflows and inflows related to pension and other post-employment benefits are only reported in the Statement of Net Position as changes in these amounts only affect Contributions made after the actuarial measurement date is as follows:		
Deferred outflows related to pensions	12,365,556	
Deferred inflows related to pensions	(22,121,458)	
Deferred outflows related to other post-employment benefits	8,508,601	
Deferred inflows related to other post-employment benefits	<u>(410,825)</u>	(1,658,126)
Governmental funds report all other post-employment benefits contributions as expenditures; however, in the statement of net position, the excess of the total other post-employment benefits liability over the plan fiduciary net position is reported as a net other post-employment benefits liability.		(52,365,362)
Revenues reported as unavailable revenue in the governmental funds are recognized in the statement of activities.		5,819,563
Internal service funds are used by management to charge the costs of certain activities, such as equipment and technology replacement, to individual funds. The assets and liabilities of the internal service funds must be added to the statement of net position.		<u>3,977,731</u>
Net Position of Governmental Activities		<u>\$ 434,560,048</u>

CITY OF INDIO, CALIFORNIA

STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	General Fund	Special Revenue Fund American Rescue Plan Act	Capital Projects Fund	Non-Major Governmental Funds	Total Governmental Funds
Revenues:					
Taxes	\$ 83,978,218	\$ -	\$ -	\$ 2,161,449	\$ 86,139,667
Licenses and permits	5,920,447	-	-	-	5,920,447
Intergovernmental	542,240	7,283,792	928,002	9,157,646	17,911,680
Charges for services	9,531,780	-	-	-	9,531,780
Use of money and property	(889,543)	-	(250,017)	(292,951)	(1,432,511)
Fines and forfeitures	937,486	-	-	76,428	1,013,914
Contributions	-	-	-	5,571,033	5,571,033
Developer participation	-	-	5,244,770	273,724	5,518,494
Miscellaneous	1,957,069	-	168,122	526,688	2,651,879
Total Revenues	101,977,697	7,283,792	6,090,877	17,474,017	132,826,383
Expenditures:					
Current:					
General government	9,786,938	184,519	-	371,913	10,343,370
Public safety	49,270,007	1,056,788	-	397,006	50,723,801
Community development	4,207,924	504,412	-	918,824	5,631,160
Community services	3,219,312	50,323	-	192,361	3,461,996
Public works	7,183,694	3,129,763	-	3,705,315	14,018,772
Capital outlay	53,386	542,558	4,411,626	3,532,240	8,539,810
Debt service:					
Principal retirement	-	-	-	3,024,998	3,024,998
Interest and fiscal charges	-	-	-	1,996,956	1,996,956
Total Expenditures	73,721,261	5,468,363	4,411,626	14,139,613	97,740,863
Excess of Revenues over Expenditures	28,256,436	1,815,429	1,679,251	3,334,404	35,085,520
Other Financing Sources (Uses):					
Transfers in	4,418,624	-	1,692,832	4,574,290	10,685,746
Transfers out	(3,109,272)	(1,775,086)	(1,550,000)	(4,329,767)	(10,764,125)
Total Other Financing Sources (Uses)	1,309,352	(1,775,086)	142,832	244,523	(78,379)
Net Change in Fund Balance	29,565,788	40,343	1,822,083	3,578,927	35,007,141
Fund Balance - Beginning	53,739,944	-	6,034,734	20,719,205	80,493,883
Fund Balance - Ending	\$ 83,305,732	\$ 40,343	\$ 7,856,817	\$ 24,298,132	\$ 115,501,024

CITY OF INDIO, CALIFORNIA

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022**

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

Net change in fund balances - total governmental funds		35,007,141
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense and any related gain/loss on the sale or disposal of assets in the current period.</p>		
Capital outlay	\$ 9,387,762	
Loss on disposal of assets	26,763	
Depreciation	<u>(16,808,104)</u>	(7,393,579)
<p>The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.</p>		
Bond principal repayments	2,400,000	
Amortization of bond premiums/discounts	28,707	
Amortization of deferred charge on bond refunding	82,880	
Lease principal repayments	27,334	
Installment agreement principal repayments	625,000	
Change in compensated absences	<u>236,498</u>	3,400,419
Net change in accrued interest on long-term debt for the current period reported on the statement of activities.		20,085
Pension obligation expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		1,773,090
Other post-employment benefits obligation expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		(6,953,389)
Revenues reported as unavailable revenue in the governmental funds are recognized in the statement of activities. These are included in the operating contributions and miscellaneous income in the statement of activities.		1,017,780
Internal service funds are used by management to charge the costs of certain activities, such as equipment and technology replacement, to individual funds. The net revenues of the internal service funds are reported with governmental activities.		<u>(241,589)</u>
Change in Net Position of Governmental Activities		<u><u>26,629,958</u></u>

CITY OF INDIO, CALIFORNIA

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 JUNE 30, 2022

	Business-Type Activities - Enterprise Funds			Governmental
	Water	Other Enterprise Funds	Totals	Activities- Internal Service Funds
Assets:				
Current Assets:				
Cash and investments	\$ 53,597,636	\$ 3,843,836	\$ 57,441,472	\$ 8,101,524
Restricted cash with fiscal agents	321,456	-	321,456	96,140
Accounts receivable	3,662,176	96,030	3,758,206	18,127
Accrued interest receivable	73,207	-	73,207	-
Inventories	68,043	30,813	98,856	-
Prepaid costs	692,322	75,000	767,322	-
Total Current Assets	58,414,840	4,045,679	62,460,519	8,215,791
Noncurrent Assets:				
Capital assets - not being depreciated	2,778,865	465,959	3,244,824	-
Capital assets - net of accumulated depreciation	146,533,551	300,433	146,833,984	3,495,806
Total Noncurrent Assets	149,312,416	766,392	150,078,808	3,495,806
Total Assets	207,727,256	4,812,071	212,539,327	11,711,597
Deferred Outflows of Resources:				
Deferred charge on refunding	912,881	-	912,881	-
Pension deferrals	1,075,399	3,264	1,078,663	357,119
OPEB deferrals	1,699,663	6,472	1,706,135	635,866
Total Deferred Outflows of Resources	3,687,943	9,736	3,697,679	992,985
Liabilities:				
Current Liabilities:				
Accounts payable	1,462,465	128,778	1,591,243	620,634
Accrued liabilities	1,003,205	627	1,003,832	67,192
Accrued interest	472,894	4	472,898	218
Unearned revenues	-	-	-	241,260
Deposits payable	447,120	2,395,343	2,842,463	-
Due to other funds	-	-	-	72,680
Lease payable	-	56,145	56,145	17,323
Compensated absences	282,610	-	282,610	-
Financing agreements	-	-	-	100,700
Bonds payable	2,260,000	-	2,260,000	-
Total Current Liabilities	5,928,294	2,580,897	8,509,191	1,120,007
Noncurrent Liabilities:				
Compensated absences	53,132	-	53,132	-
Accrued claims and judgments	-	-	-	13,720
Financing agreements	-	-	-	51,842
Bonds payable	45,603,205	-	45,603,205	-
Lease payable	-	9,370	9,370	33,982
Net pension liability	5,845,113	22,336	5,867,449	2,362,440
Net other post-employment benefits liability	10,460,409	39,829	10,500,238	3,913,374
Total Noncurrent Liabilities	61,961,859	71,535	62,033,394	6,375,358
Total Liabilities	67,890,153	2,652,432	70,542,585	7,495,365
Deferred Inflows of Resources:				
Pension deferrals	2,560,061	10,407	2,570,468	1,200,762
OPEB deferrals	82,066	313	82,379	30,702
Total Deferred Inflows of Resources	2,642,127	10,720	2,652,847	1,231,464
Net Position:				
Net investment in capital assets	102,362,092	700,877	103,062,969	3,291,959
Restricted for debt service	321,456	-	321,456	-
Unrestricted	38,199,371	1,457,778	39,657,149	685,794
Total Net Position	\$ 140,882,919	\$ 2,158,655	\$ 143,041,574	\$ 3,977,753

The notes to financial statements are an integral part of this statement.

CITY OF INDIO, CALIFORNIA

STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Business-Type Activities - Enterprise Funds			Governmental Activities- Internal Service Funds
	Water	Other Enterprise Funds	Totals	
Operating Revenues:				
Sales and service charges	\$ 25,391,934	\$ 1,765,919	\$ 27,157,853	\$ -
Interdepartmental charges	-	-	-	16,018,763
Other income	38,212	-	38,212	221,677
Total Operating Revenues	25,430,146	1,765,919	27,196,065	16,240,440
Operating Expenses:				
Personnel services	7,807,072	45,075	7,852,147	9,425,121
Contractual services	3,004,916	598,074	3,602,990	988,561
Repairs and maintenance	2,510,791	400,300	2,911,091	967,378
Claims expense	-	-	-	38,301
Depreciation expense	7,964,333	18,252	7,982,585	1,152,136
Materials and supplies	1,089,452	478,146	1,567,598	3,918,043
Rentals and leases	108,283	-	108,283	-
Utilities	1,991,326	-	1,991,326	-
Total Operating Expenses	24,476,173	1,539,847	26,016,020	16,489,540
Operating Income	953,973	226,072	1,180,045	(249,100)
Nonoperating Revenues (Expenses):				
Interest revenue	(935,118)	(63,073)	(998,191)	28
Interest expense	(2,041,906)	(55,037)	(2,096,943)	(28,791)
Total Nonoperating Revenues (Expenses)	(2,977,024)	(118,110)	(3,095,134)	(28,763)
Income before Capital Contributions	(2,023,051)	107,962	(1,915,089)	(277,863)
Transfers in	-	87,898	87,898	-
Transfers out	-	(75)	(75)	(9,444)
Capital grants and contributions	1,980,786	-	1,980,786	45,740
Changes in Net Position	(42,265)	195,785	153,520	(241,567)
Net Position - Beginning	140,925,184	1,962,870	142,888,054	4,219,320
Net Position - Ending	\$ 140,882,919	\$ 2,158,655	\$ 143,041,574	\$ 3,977,753

The notes to financial statements are an integral part of this statement.

CITY OF INDIO, CALIFORNIA

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2022

	Business-Type Activities - Enterprise Funds			Governmental Activities- Internal Service Funds
	Water	Other Enterprise Funds	Totals	
Cash Flows from Operating Activities:				
Receipts from customers and users	\$ 25,799,063	\$ 1,954,627	\$ 27,753,690	\$ -
Receipts from interfund services and charges	-	-	-	15,995,669
Receipts from insurance settlements	-	-	-	86,834
Other receipts	-	-	-	83,663
Payments to suppliers and service providers	(8,434,835)	(1,452,271)	(9,887,106)	(5,694,533)
Payments to employees for salaries and benefits	(6,306,988)	(22,744)	(6,329,732)	(8,994,613)
Net Cash Provided by Operating Activities	11,057,240	479,612	11,536,852	1,477,020
Cash Flows from Non-Capital Financing Activities:				
Transfers to other funds	-	(75)	(75)	(9,444)
Transfers from other funds	-	87,898	87,898	-
Repayment made on short-term interfund borrowing	-	-	-	72,680
Net Cash (Used for) Non-Capital Financing Activities	-	87,823	87,823	63,236
Cash Flows from Capital and Related Financing Activities:				
Capital impact fees	1,980,789	-	1,980,789	-
Acquisition and construction of capital assets	(1,946,282)	-	(1,946,282)	(480,142)
Principal paid on capital debt	(2,155,000)	-	(2,155,000)	(96,848)
Interest paid on capital debt	(2,030,627)	-	(2,030,627)	(8,365)
Proceeds from sales of capital assets	-	-	-	21,389
Net Cash (Used for) Capital and Related Financing Activities	(4,151,120)	-	(4,151,120)	(563,966)
Cash Flows from Investing Activities:				
Interest on investments	(998,213)	(118,336)	(1,116,549)	(27,825)
Net Cash Provided by Investing Activities	(998,213)	(118,336)	(1,116,549)	(27,825)
Net Increase in Cash and Cash Equivalents	5,907,907	449,099	6,357,006	948,465
Cash and Cash Equivalents, July 1	48,011,185	3,394,737	51,405,922	7,249,199
Cash and Cash Equivalents, June 30	\$ 53,919,092	\$ 3,843,836	\$ 57,762,928	\$ 8,197,664
Reconciliation of Cash and Cash Equivalents to Amounts Reported on the Statement of Net Position:				
Cash and cash equivalents	\$ 53,597,636	\$ 3,843,836	\$ 57,441,472	\$ 8,101,524
Restricted cash and cash equivalents	321,456	-	321,456	96,140
Total Cash and Cash Equivalents	\$ 53,919,092	\$ 3,843,836	\$ 57,762,928	\$ 8,197,664

The notes to financial statements are an integral part of this statement.

CITY OF INDIO, CALIFORNIA

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2022

	Business-Type Activities - Enterprise Funds			Governmental Activities- Internal Service Funds
	Water	Other Enterprise Funds	Totals	
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:				
Operating income	\$ 953,973	\$ 226,072	\$ 1,180,045	\$ (249,100)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation expense	7,964,333	18,252	7,982,585	1,152,136
(Increase) decrease in accounts receivable	337,010	(96,030)	240,980	(16,154)
(Increase) decrease in due from other governments	-	6,391	6,391	-
(Increase) decrease in prepaid costs	(39,855)	-	(39,855)	-
(Increase) decrease in inventories	23,074	(21,090)	1,984	-
Increase (decrease) in accounts payable	291,784	45,339	337,123	179,449
Increase (decrease) in accrued liabilities	164,031	71	164,102	2,532
Increase (decrease) in retentions payable	(5,070)	-	(5,070)	-
Increase (decrease) in unearned revenues	-	-	-	(6,940)
Increase (decrease) in deposits payable	31,907	278,347	310,254	-
Increase (decrease) in compensated absences	5,451	-	5,451	-
Increase (decrease) in accrued claims and judgments	-	-	-	(12,879)
Increase (decrease) in pension obligations	610,987	3,537	614,524	250,972
Increase (decrease) in OPEB obligations	719,615	18,723	738,338	177,004
Total Adjustments	10,103,267	253,540	10,356,807	1,726,120
Net Cash Provided by Operating Activities	\$ 11,057,240	\$ 479,612	\$ 11,536,852	\$ 1,477,020
Schedule of Non-Cash Capital and Related Financing Activities:				
Amortization of bond premium	\$ (56,012)	\$ -	\$ (56,012)	\$ -
Amortization of deferred charge on refunding	94,363	-	94,363	-
Capital contributions	-	-	-	45,740
Total Non-Cash Capital and Related Financing Activities	\$ 38,351	\$ -	\$ 38,351	\$ 45,740

The notes to financial statements are an integral part of this statement.

CITY OF INDIO, CALIFORNIA

STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 JUNE 30, 2022

	Private-Purpose Trust Fund	
	RDA Successor Agency Fund	Custodial Funds
Assets:		
Cash and cash equivalents	\$ 4,406,191	\$ 10,599,406
Receivables:		
Notes and loans	19,750	-
Accrued interest	-	260
Cash and investments with fiscal agent	1,623,072	4,599,507
Due from other governments	-	81,373
Property held for resale	769,500	-
Capital assets - not being depreciated	-	132,336
Capital assets - net of accumulated depreciation	-	967,515
Total Assets	6,818,513	16,380,397
Liabilities:		
Accounts payable	6,697	106,587
Accrued liabilities	3,714	-
Accrued interest	888,297	16,464
Deposits payable	4,250	198,305
Long-term liabilities:		
Due within one year	2,560,000	368,276
Due in more than one year	46,019,028	380,423
Advances from the City of Indio	392,357	-
Total Liabilities	49,874,343	1,070,055
Net Position:		
Restricted for:		
Individuals, organizations, and other governments	(43,055,830)	15,310,342
Total Net Position	\$ (43,055,830)	\$ 15,310,342

The notes to financial statements are an integral part of this statement.

CITY OF INDIO, CALIFORNIA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2022

	<u>Private- Purpose Trust Fund</u>	
	<u>RDA Successor Agency Fund</u>	<u>Custodial Funds</u>
Additions:		
Investment Earnings:		
Interest and net (decrease) in fair value of investments	\$ (119,966)	\$ (192,952)
Charges for services	-	1,198,182
Taxes and assessments	6,457,113	5,789,642
Intergovernmental	-	842,970
Miscellaneous	-	460,971
Total Additions	6,337,147	8,098,813
Deductions:		
Community development	282,539	-
Administrative expense	5,357,587	1,007,922
Contractual services	-	500,680
Interest expense	2,186,724	2,050,062
Principal expense	-	3,622,122
Depreciation expense	-	398,985
Contributions to other governments	649	-
Total Deductions	7,827,499	7,579,771
Changes in Net Position	(1,490,352)	519,042
Net Position - Beginning, as Originally Reported	(41,565,478)	(4,128,176)
Restatements	-	18,919,476
Net Position - Beginning, as Restated	(41,565,478)	14,791,300
Net Position - Ending	\$ (43,055,830)	\$ 15,310,342

The notes to financial statements are an integral part of this statement.

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I. SIGNIFICANT ACCOUNTING POLICIES

Note 1: Summary of Significant Accounting Policies

The financial statements of the City of Indio (City) have been prepared in conformity with accounting principles generally accepted in the United States of America 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 accounting principles generally accepted in the United States of America, 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. A brief description of the City's component units are as follows:

Blended Component Units:

- 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 Exercise of 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. Separate financial statements of the Authority are not prepared.

- 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 and the management of the City has operational responsibility for the Housing Authority. Separate financial statements of the Housing Authority are not prepared.

Note 1: Summary of Significant Accounting Policies (Continued)

- 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 and the management of the City has operational responsibility for the Authority. No separate financial statements of the Industrial Development Authority are prepared. There was no activity in the Industrial Development Authority in the current fiscal year.

- Indio Water Authority

The Indio Water Authority was established on November 1, 2001 to issue revenue bonds and oversee water services on behalf of the City of Indio. Since the component unit's governing body is the same as the governing body of the primary government and there is a financial relationship between the primary government and the component unit it is reported as a blended component unit. Separate financial statements of the Indio Water Authority are prepared and can be obtained at City Hall.

- Indio Financing Authority

The Indio 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 Housing Authority formed the Authority by the execution of a joint exercise of powers agreement dated as of April 18, 2012. Pursuant to the Joint Exercise of 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. Separate financial statements of the Authority are not prepared.

Since the component units primarily serve the City, the members of the City Council sit as the governing board or appoint the governing board of the component units, and the City Council has the ability to impose its will upon, and is financially accountable for its component units, they 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 primary government.

Note 1: Summary of Significant Accounting Policies (Continued)

b. Measurement Focus and Basis of Accounting

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

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

Government-wide Financial Statements

Government-wide financial statements display information about the reporting government as a whole, except for its fiduciary activities. These statements include separate columns for the governmental and business-type activities of the primary government, including its blended component units. Eliminations have been made in the Statement of Activities so that certain allocated expenses are recorded only once (by the function to which they were allocated) except for interfund services provided between departments and funds. However, general government expenses have not been allocated as indirect expenses to the various functions of the City.

Government-wide financial statements are presented using the economic resources measurement focus and accrual basis of accounting. Under the economic resources measurement focus, all (both current and long-term) economic resources and obligations of the reporting government are reported in the government-wide financial statements. Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Under the accrual basis of accounting, revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33.

Program revenues include charges for services and payments made by parties outside the reporting government's citizenry if that money is restricted to a particular program. Program revenues are netted with program expenses in the statement of activities to present the net cost of each program.

Amounts paid to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as an expenditure. Proceeds of long-term debt are recorded as a liability in the government-wide financial statements, rather than as another financing source. Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability, rather than as an expenditure.

Fund Financial Statements

The underlying accounting system of the City is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Note 1: Summary of Significant Accounting Policies (Continued)

Fund financial statements for the primary government's governmental, proprietary, and fiduciary funds are represented after the government-wide financial statements. These statements display information about major funds individually and nonmajor funds in the aggregate for governmental and enterprise funds. Fiduciary statements include financial information for fiduciary funds and similar component units. Fiduciary funds of the City primarily represent assets held by the City in a custodial capacity for other individuals or organizations.

Governmental Funds

In the fund financial statements, governmental funds are presented using the modified-accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Measurable means that the amounts can be estimated, or otherwise determined. Available means that the amounts were collected during the reporting period or soon enough thereafter to be available to finance the expenditures accrued for the reporting period. The City uses an availability period of 60 days.

Sales taxes, property taxes, franchise taxes, gas taxes, motor vehicle in lieu, transient occupancy taxes, grants and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period to the extent normally collected within the availability period. Other revenue items are considered to be measurable and available when cash is received by the government.

Revenue recognition is subject to the measurable and available criteria for the governmental funds in the fund financial statements. Exchange transactions are recognized as revenues in the period in which they are earned (i.e., the related goods or services are provided). Locally imposed derived tax revenues are recognized as revenues in the period in which the underlying exchange transaction upon which they are based takes place. Imposed nonexchange transactions are recognized as revenues in the period for which they were imposed. If the period of use is not specified, they are recognized as revenues when an enforceable legal claim to the revenues arises or when they are received, whichever occurs first. Government-mandated and voluntary nonexchange transactions are recognized as revenues when all applicable eligibility requirements have been met.

In the fund financial statements, governmental funds are presented using the current financial resources measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. The reported fund balance (net current assets) is considered to be a measure of "available spendable resources." Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

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

Note 1: Summary of Significant Accounting Policies (Continued)

Recognition of governmental fund type revenue represented by non-current receivables are deferred until they become current receivables. Non-current portions of long-term receivables are offset by fund balance reserve accounts.

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

Amounts expended to acquire capital assets are recorded as expenditures in the year that resources were expended, rather than as fund assets. The proceeds of long-term debt are recorded as another financing sources rather than as a fund liability. Amounts paid to reduce long-term indebtedness are reported as fund expenditures.

Proprietary and Fiduciary Funds

The City's enterprise and internal service funds are proprietary funds. In the fund financial statements, proprietary funds are presented using the accrual basis of accounting. Revenues are recognized when they are earned, and expenses are recognized when the related goods or services are delivered. In the fund financial statements, proprietary funds are presented using the economic resources measurement focus. This means that all assets and all liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in total net position.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies, taxes, and investment earnings result from non-exchange transactions or ancillary activities. Amounts paid to acquire capital assets are capitalized as assets in the enterprise fund financial statements, rather than reported as expenditures. Proceeds of long-term debt are recorded as a liability in the enterprise fund financial statements, rather than as another financing source. Amounts paid to reduce long-term indebtedness of the enterprise fund are reported as a reduction of the related liability, rather than as an expenditure.

Custodial funds are custodial in nature (assets equal liabilities) and do not involve the recording of City revenues and expenses. Custodial funds use the economic resources measurement focus and the accrual basis of accounting, except for the recognition of certain liabilities of defined benefit pension plans.

c. Fund Classifications

The City reports the following major governmental funds:

General Fund - The General Fund is used to account for resources traditionally associated with governments, which are not legally required or by sound financial management to be accounted for in another fund.

American Rescue Plan Act Fund – This fund is used to account for federal funding received as part of the American Rescue Plan Act passed by Congress to provide funding for economic recovery for local governments resulting from economic hardship caused by the coronavirus pandemic.

Note 1: Summary of Significant Accounting Policies (Continued)

Capital Projects Fund - This fund is used to account for capital projects of the City with resources from bond financing, government grants, and investment income.

The City uses proprietary funds to report an activity for which a fee is charged to external users to recover the cost of operation. The City reports the following fund as a major fund.

Water Fund - This fund is an enterprise fund used to account for the activities associated with the transmission and distribution of potable water by the City and its users.

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

Special Revenue Funds - These funds are used to account for the proceeds of specific revenue sources (other than for debt service or capital projects) that are restricted by law or administrative action or committed to expenditures for specified purposes.

Capital Projects Funds - These funds are used to account for and report financial resources that are restricted, committed, or assigned for the acquisition or construction of major capital facilities, other than those financed by Internal Service Funds.

Debt Service Funds - These funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Internal Service Funds - These funds have been established to finance and account for goods and services provided by one City department to other City departments or agencies. Such goods and services include: worker's compensation, liability insurance, retiree medical insurance, information technology, vehicle replacement and maintenance, maintenance of City owned buildings and grounds, and centralized operating services.

Fiduciary Funds - Fiduciary fund financial statements include a statement of net position and statement of changes in net position. The City's fiduciary funds are used to account for assets held by the City as trustee for the Redevelopment Agency Successor Agency. Trust funds use the flow of economic resources measurement focus and the accrual basis of accounting, except for the recognition of certain liabilities of defined benefit pension plans.

Custodial Funds - These funds have been established to account for items that are custodial in nature and are not held in a trust or similar arrangement.

d. Appropriations Limit

Under Article XIII B 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, 2022, proceeds of taxes did not exceed appropriations.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 1: Summary of Significant Accounting Policies (Continued)

e. Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of funds are recorded in the governmental funds. Encumbrances are reported as restrictions of fund balances since they do not constitute expenditures or liabilities.

f. Cash Equivalents

For purposes of the statement of cash flows, cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to known amounts of cash or so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. Cash equivalents have an original maturity date of three months or less from the date of purchase.

Investments are reported in the accompanying balance sheet at fair value, except for certain certificates of deposit and investment contracts that are reported at cost 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, except for assets held by fiscal agents. 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.

g. Capital Assets

Capital assets are recorded at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at acquisition value at the time of acquisition. Generally, capital asset purchases in excess of \$5,000 are capitalized if they have an expected useful life of three years or more.

Capital assets include additions to public domain (infrastructure) general capital assets consisting of certain improvements including roads, streets, sidewalks, medians, and storm drains. Public domain assets acquired prior to 1980 have been included in the accompanying financial statements.

The following schedule summarizes capital asset useful lives:

Buildings	40 years
Equipment	3-20 years
Improvements	40 years
Infrastructure	40 years
Water Wells and pumps	70 years

Note 1: Summary of Significant Accounting Policies (Continued)

Depreciation has been provided using the straight-line method over the estimated useful life of the asset in the government-wide financial statements and in the fund financial statements of the proprietary funds.

h. Compensated Absences

Employees hired prior to 1991, carry forward for use in subsequent years, earned but unused vacation and sick leave benefits. Upon termination, the City is obligated to compensate those employees for all earned but unused vacation days and 50% to 100% of earned but unused sick leave benefits depending on their date of hire.

In accordance with GASB Statement No. 16, Accounting for Compensated Absences, 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.

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 future event (illness), which is outside the control of the City and the employee.

If material, a proprietary fund liability is accrued for all 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 been terminated prior to year-end. All other amounts are recorded in the government-wide financial statements. These non-current amounts will be recorded as fund expenditures in the fiscal year in which they are paid or become due.

i. Advances to Other Funds

Long-term interfund advances are recorded as a receivable and as nonspendable fund balance by the advancing governmental fund in the fund financial statements.

j. Inventories and Prepaid Items

Inventories are stated at weighted 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.

Certain payments to vendor reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2022

Note 1: Summary of Significant Accounting Policies (Continued)

k. 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 fiscal year-end.

The property tax calendar is as follows:

Lien Date:	January 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

l. 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.

m. Amortization of Bond Premiums and Discounts

Bond premiums and discounts are deferred and amortized over the term of the bonds using the straight-line method, which materially approximates the effective interest method. Bond premiums and discounts are presented as a reduction or addition to the face amount of the bonds payable.

n. Unamortized Gain/Loss on Refunding

Gain/Loss on refunding debt is deferred and amortized over the shorter of the term of the new debt or the refunded debt using the straight-line method, which materially approximates the effective interest method. These are now recorded, per GASB Statement No. 65, as deferred inflows or outflows of resources.

o. Property/Land Held for Resale

Homes purchased for the purpose of resale under the federally funded Neighborhood Stabilization Program and land purchased for the purpose of resale (or contribution to a redevelopment project) are recorded at the City's or Successor Agency's cost to purchase the property or, upon entering into a contract for sale, at the estimated net realizable value, if lower.

Note 1: Summary of Significant Accounting Policies (Continued)

p. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

q. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has deferred outflows of resources on the deferred loss on refunding of debt, pensions, and OPEB in the statement of net position.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. The City has deferred inflow of resources deferred revenue on the fund financial statements and unamortized gain on refunding of debt, pensions, and OPEB in the statement of net position.

r. Pensions

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

s. Other Post-Employment Benefits

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

t. Fund Balance and Net Position

GASB Statement No. 63 adds the concept of Net Position, which is measured on the full accrual basis, to the concept of Fund Balance, which is measured on the modified accrual basis.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 1: Summary of Significant Accounting Policies (Continued)

Net position is the excess of all the City's assets over all its liabilities, regardless of fund. Net position is divided into three captions under GASB Statement No. 34. These captions apply only to net position, which is determined only at the government-wide level, proprietary funds, and fiduciary funds and are described below.

Net Investment in capital assets describe the portion of net position which is represented by the current net book value of the City's capital assets, less the outstanding balance of any debt issued to finance these assets.

Restricted describe the portion of net position which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the City cannot unilaterally alter. These principally include developer fees received for use on capital projects, debt service requirements, redevelopment funds restricted for low-and-moderate income purposes, and gas tax funds for street construction.

Unrestricted describes the portion of net position which is not restricted as to use.

As prescribed by GASB Statement No. 54, governmental funds report fund balance in classifications based primarily on the extent to which the City is bound to honor constraints on the specific Purposes for which amounts in the funds can be spent. As of June 30, 2022, fund balances for governmental funds are made up of the following:

Nonspendable – includes amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash.

Restricted – includes amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.

Committed – includes amounts that can only be used for the specific purposes determined by a formal action of the City's highest level of decision-making authority, the City Council. Commitments may be changed or lifted only by the City Council taking the same formal action that imposed the constraint originally (for example: resolution and ordinance). Ordinance is the highest level of the City Council's approval.

Assigned – amounts that are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed, should be reported as assigned fund balance. This policy hereby delegates the authority to assign amounts to be used for specific purposes to the City Manager, Finance Officer or Deputy Finance Officer for the purpose of reporting these amounts in the annual financial statements.

Unassigned – is the residual classification for the General Fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balance are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the governing board has provided otherwise in its commitment or assignment actions.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2022

Note 1: Summary of Significant Accounting Policies (Continued)

u. Changes in Accounting Principles and New GASB Pronouncements

The City implemented Government Accounting Standards Board (GASB) Statement No. 87, *Leases* during fiscal year 2021-22. GASB Statement No. 87 enhances the relevance and consistency of information of the government's leasing activities. It establishes requirements for lease accounting based on the principle that leases are financings of the right to use an underlying asset. A lessee is required to recognize a lease liability and an intangible right to use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. These changes were incorporated in the City's 2022 financial statements and did not have an effect on the beginning net position. The City recognized \$3,187,962 in leases receivable at July 1, 2021, due to the implementation of GASB Statement No. 87; however, this entire amount was offset by deferred inflows of resources for leases.

	Impact to Beginning Net Position for Fiscal Year Ending June 30, 2022
Governmental Activities	
Right to Use Leased Assets	\$ 134,846
Leases Payable	(134,846)
Lease Receivable	3,187,962
Deferred Inflow Amounts From Leases	(3,187,962)
	<u>\$ -</u>
Business-Type Activities	
Right to Use Leased Assets	\$ 121,547
Leases Payable	(121,547)
	<u>\$ -</u>

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Note 2: Stewardship, Compliance, and Accountability

a. Deficit Fund Balances and Deficits in Internal Service Funds

The following governmental funds had deficit fund balances as of June 30, 2022, due to the timing of grant reimbursement requests and temporary receivables where the City must initially make the expenditure and subsequently seek reimbursement.

Homeland Security	\$ (2,447)
HBRRP	(1,661,184)
Department of Conservation Grant	(15,651)
Community Development Block Grant	(382,677)
Local Gov. Planning Support Grant	(160,772)
Planning Prog. Grant SB-2	(186,804)

The following internal service funds had deficit net position as of June 30, 2022, and the City anticipates that these deficits will be reduced during the next fiscal year as part of the City's financial recovery plan.

Information Technology	\$ (135,606)
Fleet Maintenance	(2,066,821)

b. Compliance with Budgetary Limitations

The Unclaimed Property, Asset Forfeiture, Emergency Abandoned and Recalcitrant, and Neighborhood Stabilization Grant 3 special revenue funds; and the Assessment District capital projects fund did not adopt budgets for the year ended June 30, 2022.

Note 2 to Required Supplementary Information, *Excess of Expenditures over Appropriations*, describes budgetary excesses in the General Fund and American Rescue Plan Fund that occurred for the year ended June 30, 2022.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

III. DETAILED NOTES ON ALL FUNDS

Note 3: Cash and Investments

Cash and investments as of June 30, 2022, are classified in the accompanying financial statements as follows:

Statement of net position:		
Cash and investments		\$ 182,942,376
Cash and investments held by bond trustee		4,623,015
Restricted cash and investments		1,050,825
Fiduciary Funds:		
Cash and investments		15,005,597
Cash and investments held by bond trustee		<u>6,222,579</u>
Total cash and investments		<u>\$ 209,844,392</u>
Cash on hand		\$ 8,600
Deposits with financial institutions		54,567,325
Investments		<u>155,268,467</u>
Total cash and investments		<u>\$ 209,844,392</u>

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

The table below identifies the investment types that are authorized for the City by the California Government Code and the City's investment policy. The table also identifies certain provisions of the California Government Code (or the City's investment policy, if more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustee that are governed by the provisions of debt agreements of the City, rather than the general provisions of the California Government Code or the City's investment policy.

Investment Types Authorized by State Law	Authorized by Investment Policy	Maximum Maturity*	Maximum Percentage of Portfolio*	Maximum Investment In One Issuer*
U.S. Treasury Obligations	Yes	5 years	None	None
U.S. Agency Securities	Yes	5 years	None	None
Banker's Acceptances	Yes	180 days	40%	5%
Commercial Paper	Yes	270 days	25%	5%
Certificates of Deposit (Nonnegotiable)	Yes	5 years	None	None
Certificates of Deposit (Negotiable)	Yes	5 years	30%	None
Repurchase Agreements	Yes	1 year	None	5%
Medium-Term Notes	Yes	5 years	30%	5%
Municipal Investments	Yes	5 years	10%	5%
Money Market Mutual Funds	Yes	N/A	20%	10%
Mortgage Pass-Through Securities	Yes	5 years	20%	None
Local Agency Investment Funds	Yes	N/A	None	\$50 million

*Based on state law requirements or City investment policy requirements, whichever is more restrictive.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 3: Cash and Investments (Continued)Investments Authorized by Debt Agreements

Investments of debt proceeds held by bond trustee are governed by provisions of the debt agreements, rather than general provisions of the California Government Code or the City's investment policy. The table below identifies the investment types that are authorized for investments held by bond trustee. The table also identifies certain provisions of these debt agreements that address interest rate risk, credit risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage Allowed	Maximum Investment In One Issuer
U.S. Treasury Obligations	None	None	None
U.S. Agency Securities	None	None	None
Banker's Acceptances	180 days	None	None
Commercial Paper	270 days	None	None
Money Market Mutual Funds	N/A	None	None
Repurchase Agreements	270 days	None	None
Investment Contracts	30 years	None	None

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair values of the City's investments (including investments held by bond trustee) to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity:

Investment Type	Total	Remaining Maturity (in Months)		
		12 Months or Less	13 to 36 Months	37 to 60 Months
U.S. Treasury Issues	\$ 19,732,461	\$ -	\$ 12,569,100	\$ 7,163,361
Federal Agency Securities	21,207,096	2,448,664	13,721,696	5,036,736
Suprationals	3,817,528	-	-	3,817,528
Municipal Securities	534,220	-	534,220	-
Corporate Medium Term Notes	24,447,749	-	10,563,541	13,884,208
Asset-Backed Securities	8,688,229	-	5,082,890	3,605,339
Money Market Mutual Funds	2,077,726	2,077,726	-	-
Local Agency Investment Fund	63,394,465	63,394,465	-	-
Held with Bond Trustees:				
Money Market Mutual Funds	11,368,993	11,368,993	-	-
Total	<u>\$ 155,268,467</u>	<u>\$ 79,289,848</u>	<u>\$ 42,471,447</u>	<u>\$ 33,507,172</u>

CITY OF INDIO, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2022

Note 3: Cash and Investments (Continued)

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the City's investment policy, or debt agreements, and the actual rating as of fiscal year end for each investment type.

Investment Type	Total	Minimum Legal Rating	Moody's Rating as of Fiscal Year End			
			Aaa	Aa	A	Exempt or Not Rated
U.S. Treasury Issues	\$ 19,732,461	N/A	\$ -	\$ -	\$ -	\$ 19,732,461
Federal Agency Securities	21,207,096	N/A	21,207,096	-	-	-
Supranationals	3,817,528	AA	3,817,528	-	-	-
Municipal Securities	534,220	N/A	-	534,220	-	-
Corporate Medium Term Notes	24,447,749	A	-	-	24,447,749	-
Asset-Backed Securities	8,688,229	Aa	8,688,229	-	-	-
Money Market Mutual Funds	2,077,726	Aaa	2,077,726	-	-	-
Local Agency Investment Fund Held with Bond Trustees:	63,394,465	N/A	-	-	-	63,394,465
Money Market Mutual Funds	11,368,993	Aaa	11,368,993	-	-	-
Total	\$ 155,268,467		\$ 47,159,572	\$ 534,220	\$ 24,447,749	\$ 83,126,926

Custodial Credit Risk

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

For investments identified herein as held by bond trustee, the bond trustee selects the investment under the terms of the applicable trust agreement, acquires the investment, and holds the investment on behalf of the reporting government.

As of June 30, 2022, none of the City's deposits with financial institutions in excess of federal depository insurance limits were held in uncollateralized accounts.

Concentration of Credit Risk

The City diversifies its investments by security type and institution. The investment policy of the City contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code, with the exceptions of United States Treasury Obligations, mutual funds, and external investment pools. As of June 30, 2022, investments in any one issuer that represents 5% or more of total City investments are as follows:

Issuer	Investment Type	Reported Amount
Federal Home Loan Mortgage Co.	Federal Agency Securities	\$9,720,241

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 3: Cash and Investments (Continued)Investment in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code 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 on the City's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. LAIF does not impose limits or restrictions on participant withdrawals, and the entire balance of the City's investment in the portfolio is available for withdrawal at any time. LAIF is not registered with the Securities and Exchange Commission and is not rated. Deposits and withdrawals in LAIF are made on the basis of \$1 and not fair value. Accordingly, the City's investment in this pool is measured on uncategorized inputs not defined as Level 1, 2, or 3.

Fair Value Hierarchy

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs utilized by the City to determine fair market value include: matrix pricing, market corroborated pricing, and other inputs such as yield curves and indices. Level 3 inputs are significant unobservable inputs. At June 30, 2022, all of the City's investments are valued using Level 2 inputs, with the exception of LAIF, which is uncategorized.

Note 4: Interfund Receivables, Payables, and Transfers

Transfers in and out for the fiscal year ended June 30, 2022, were as follows:

<u>Transfers from</u>	<u>Transfers to</u>	<u>Amount</u>
General Fund	Other Governmental Funds	\$ 3,021,374 (b)
General Fund	Other Enterprise Funds	87,898 (b)
Capital Projects Fund	Other Governmental Funds	1,550,000 (b)
American Rescue Plan Act	Capital Projects Fund	1,692,832 (a)
American Rescue Plan Act	General Fund	82,254 (c)
Other Governmental Funds	General Fund	4,326,851 (d)
Other Governmental Funds	Other Governmental Funds	2,916 (a)
Other Enterprise Funds	General Fund	75 (d)
Internal Service Funds	General Fund	9,444 (d)
Total		<u>\$ 10,773,644</u>

Interfund transfers were principally used for the following purposes:

- a. \$1,692,832 and \$2,916 was transferred from the American Rescue Plan Act Fund and Other Governmental funds, respectively, to the Capital Projects and Other Governmental funds to cover costs associated with public works projects and other building costs.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 4: Interfund Receivables, Payables, and Transfers (Continued)

- b. \$3,109,272 and \$1,550,000 were transferred from the General Fund and Capital Projects Fund, respectively, to the Other Governmental and Enterprise Funds to cover debt service payments. The remaining amounts are for various other operating purposes.
- c. \$82,254 was transferred from the American Rescue Plan Act Fund to the General Fund for public safety costs associated with responding to the coronavirus pandemic.
- d. \$143,845 was transferred from the Other Governmental Funds, Other Enterprise and Internal Service Funds to the General Fund for police and fire services and ballot initiative costs.

Current interfund receivables and payables as of June 30, 2022, are as follows:

<u>Due to Fund</u>	<u>Due from Fund</u>	<u>Amount</u>
General Fund	Other Governmental Funds	\$ 1,554,094
General Fund	Internal Service Funds	<u>72,680</u>
Total		<u>\$ 1,626,774</u>

Interfund balances are a result of short-term interfund borrowings to manage cash flows.

Note 5: Notes Receivable and Long-Term Receivable

The City administered a First Time Home Buyer Program. The program is designed to encourage construction or improvement in low-to-moderate income housing or other projects. Under these programs, loans are provided under favorable terms to homeowners or developers who agree to spend these funds in accordance with the City's terms. As of June 30, 2022, notes receivable of \$46,100 reported under the Indio Housing Authority.

The Neighborhood Stabilization Program is funded by the U.S. Department of Housing and Urban Development (HUD) to help very low-to-moderate-income first-time home buyers purchase completely renovated foreclosed and/or abandoned homes. Three targeted areas in the City of Indio ("City") were selected to create the greatest impact by stabilizing and bringing new families into older established neighborhoods. The program will be available to anyone that is a first-time home buyer and has not owned a home in the last three years, has an annual income that is not greater than 120% of the area median income as published by the U.S. Department of Housing and Urban Development (HUD). The amount of loans outstanding as of June 30, 2022, was \$1,412,392.

The Horizons at Indio Senior Housing Project note was issued on December 1, 2005 and is due in full on December 1, 2060 or at an earlier time if the acceleration clause of the agreement becomes effective as defined in the agreement. The note accrues interest at 1% annually. The amount of the note outstanding as of June 30, 2022, was \$3,748,845.

The Geovel, Inc. promissory note was provided to a major auto dealer so that the dealer could purchase 18 acres located on the north side of Varner Road between Adams Street and Jefferson Street in an area known as the I-10 Auto Mall. The auto dealership generates sales tax for the City. The site also fills the gap between the I-10 Auto Mall and other proposed dealership, making the site area more attractive for future development. The note was issued December 22, 2014 and is due in full on February 19, 2030 or at an earlier time if the Note is

CITY OF INDIO, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2022

Note 5: Notes Receivable and Long-Term Receivable (Continued)

prepaid in whole or in part at any time, without charge, fee or premium, based on the prepayment clause defined in the agreement. The note accrues interest at 4% annually, provided, however, that after the outstanding principal becomes due and payable, interest shall commence accruing at the lesser of 8% annually or the highest rate permitted by law. The amount of the note outstanding as of June 30, 2022, was \$3,519,958.

	Outstanding at June 30, 2022
First time home buyer notes issued homebuyers	\$ 46,100
Neighborhood Stabilization deferred loan program	1,412,392
Horizons at Indio senior housing project	3,748,845
Geovel, Inc. secured promissory note	3,519,958
Total	<u>\$ 8,727,295</u>

Note 6: Property Held for Resale

The land held for resale is recorded in the general fund with the intention to be sold to local businesses or developers. Land purchased for the purpose of resale (or contribution to a redevelopment project) is recorded at the City's cost to purchase the property or, upon entering into a contract for sale, the estimated net realizable value, if lower.

The City of Indio received federal funding in Neighborhood Stabilization Program (NSP2 and NSP3) from the U.S. Department of Housing and Urban Development (HUD) pursuant to Section 1497 of the Wall Street Reform and Consumer Protection Act of 2010 (aka Dodd-Frank Act) for the purpose of addressing the growing inventory of abandoned, foreclosed residential properties.

	General Fund	Indio Housing Authority	Neighborhood Stabilization Grant 2	Total
Property held for resale	<u>\$ 5,029,363</u>	<u>\$ 164,000</u>	<u>\$ 177,654</u>	<u>\$ 5,371,017</u>

CITY OF INDIO, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2022

Note 7: Capital Assets

Capital asset activity for the fiscal year ended June 30, 2022, is as follows:

a. Governmental Activities:

	Balance at July 1, 2021	Additions	Deletions	Transfers	Balance at June 30, 2022
Structure and improvements	\$ 37,133,048	\$ -	\$ -	\$ -	\$ 37,133,048
Machinery and equipment	9,280,495	220,847	(15,000)	-	9,486,342
Vehicles	12,602,460	305,035	(1,507,829)	-	11,399,666
Infrastructure: street network	607,083,665	47,059	-	8,579,806	615,710,530
Right-to-use assets	134,846	27,736	-	-	162,582
Total Cost of depreciable/amortizable assets	666,234,514	600,677	(1,522,829)	8,579,806	673,892,168
Less accumulated depreciation:					
Structures and improvements	12,311,323	951,171	-	-	13,262,494
Machinery and equipment	8,139,853	330,758	(15,000)	-	8,455,611
Vehicles	10,360,146	794,445	(1,481,093)	-	9,673,498
Infrastructure: street network	296,547,613	15,284,928	-	-	311,832,541
Right-to-use assets	-	47,479	-	-	47,479
Total accumulated depreciation/amortization	327,358,935	17,408,781	(1,496,093)	-	343,271,623
Net depreciable/amortizable assets	338,875,579	(16,808,104)	(26,736)	8,579,806	330,620,545
Capital assets not depreciated:					
Construction in process	28,348,031	8,306,608	-	(8,579,806)	28,074,833
Land	41,659,586	480,477	-	-	42,140,063
Right of Way	54,694,369	-	-	-	54,694,369
Total capital assets not depreciated	124,701,986	8,787,085	-	(8,579,806)	124,909,265
Capital assets, net	\$ 463,577,565	\$ (8,021,019)	\$ (26,736)	\$ -	\$ 455,529,810

Total depreciation/amortization expense of \$17,408,781, including \$1,152,136 of internal service depreciation, was charged in the following functions:

General government	\$ 5,793,714
Public safety	1,053,389
Public works	7,262,292
Community development	2,099,848
Community services	47,402
Internal service funds	1,152,136
	<u>\$ 17,408,781</u>

CITY OF INDIO, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2022

Note 7: Capital Assets (Continued)

b. Business-Type Activities:

	Balance June 30, 2021	Additions	Deletions	Transfers	Balance June 30, 2022
Structures and improvements	\$ 15,351,444	\$ -	\$ -	\$ -	\$ 15,351,444
Machinery and equipment	3,362,487	27,111	-	-	3,389,598
Vehicles	2,213,601	356,003	(122,885)	-	2,446,719
Utility distribution system	293,696,618	1,462,925	-	-	295,159,543
Right-of-use assets	121,547	-	-	-	121,547
Total cost of depreciable assets	314,745,697	1,846,039	(122,885)	-	316,468,851
Less accumulated depreciation/amortization:					
Structures and improvements	4,049,429	382,799	-	-	4,432,228
Machinery and equipment	3,004,850	64,735	-	-	3,069,585
Vehicles	1,653,797	174,349	(122,785)	-	1,705,361
Utility distribution system	153,012,158	7,360,702	-	-	160,372,860
Right-of-use assets	54,833	-	-	-	54,833
Total accumulated depreciation/amortization	161,775,067	7,982,585	(122,785)	-	169,634,867
Net depreciable/amortizable assets	152,970,630	(6,136,546)	(100)	-	146,833,984
Capital assets not depreciated:					
Construction in process	998,972	100,243	(29,060)	-	1,070,155
Land	2,174,669	-	-	-	2,174,669
Total capital assets not depreciated	3,173,641	100,243	(29,060)	-	3,244,824
Capital assets, net	\$ 156,144,271	\$ (6,036,303)	\$ (29,160)	\$ -	\$ 150,078,808

Depreciation/amortization expense was charged in the following function in the Statement of Activities:

Water	\$ 7,964,333
Golf	18,252
	<u>\$ 7,982,585</u>

Note 8: Obligations Under Financing Agreements

A summary of changes of governmental activities' financing agreements for the year ended June 30, 2022, is as follows:

	Balance June 30, 2021	Additions	Deletions	Balance June 30, 2022	Due Within One Year
Facilities Energy Efficient Equipment	\$ 249,390	-	\$ (96,848)	\$ 152,542	\$ 100,700

Facilities Energy Efficient Equipment – A ten-year contract was entered into for the purchase of energy efficient equipment to be installed in various City facilities. The gross cost of the equipment, at loan inception, was \$866,896. The balance at June 30, 2022, on this contract was \$152,542.

CITY OF INDIO, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2022

Note 8: Obligations Under Financing Agreements (Continued)

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

Amount of future payments for the fiscal year ending June 30,		
2023		\$ 105,212
2024		52,606
Subtotal		157,818
Less amount representing interest		(5,276)
Present value of future payments		<u>\$ 152,542</u>

Note 9: Compensated Absences

Changes in compensated absences for the year ended June 30, 2022, are as follows:

	Balance June 30, 2021	Additions	Deletions	Balance June 30, 2022	Due Within One Year
Governmental Activities	\$ 2,388,420	\$ 1,458,320	\$ 1,694,818	\$ 2,151,922	\$ 1,526,999
Business-Type Activities	330,291	282,209	276,758	335,742	282,610
Totals	<u>\$ 2,718,711</u>	<u>\$ 1,740,529</u>	<u>\$ 1,971,576</u>	<u>\$ 2,487,664</u>	<u>\$ 1,809,609</u>

Compensated absences have no repayment schedule and are payable as employees utilize earned leave time. Compensated absences recorded in Governmental Activities are generally liquidated through the City's General Fund, and compensated absences recorded in Business-Type Activities are liquidated through the Water Fund.

Note 10: Long-Term Debt

Changes in long-term obligations for the year ended June 30, 2022, are as follows:

	Balance June 30, 2021	Additions	Deletions	Balance June 30, 2022	Due Within One Year
Governmental Activities:					
Bonds Payable:					
Lease Revenue Refunding Bonds, Series 2012	\$ 17,980,000	\$ -	\$ (705,000)	\$ 17,275,000	\$ 745,000
Lease Revenue Refunding Bonds, Series 2016A	13,135,000	-	(540,000)	12,595,000	565,000
Taxable Lease Revenue Refunding Bonds, Series 2016B	3,240,000	-	(500,000)	2,740,000	151,000
Judgment Obligation Bonds, Series 2017	13,770,000	-	(655,000)	13,115,000	675,000
Unamortized Bond Premiums/(Discounts)	500,653	-	(28,707)	471,946	-
Subtotal - Bonds Payable	<u>48,625,653</u>	<u>-</u>	<u>(2,428,707)</u>	<u>46,196,946</u>	<u>2,136,000</u>
Direct Borrowing and Direct Placements:					
Installment Sale Agreement	1,275,000	-	(625,000)	650,000	650,000
Total - Governmental Activities	<u>\$ 49,900,653</u>	<u>\$ -</u>	<u>\$ (3,053,707)</u>	<u>\$ 46,846,946</u>	<u>\$ 2,786,000</u>
Business-Type Activities:					
Bonds Payable:					
Enterprise Revenue Refunding Bonds, Series 2015A and B	\$ 49,010,000	\$ -	\$ (2,155,000)	\$ 46,855,000	\$ 2,260,000
Unamortized Bond Premiums/(Discounts)	1,064,217	-	(56,012)	1,008,205	-
Total - Business-Type Activities	<u>\$ 50,074,217</u>	<u>\$ -</u>	<u>\$ (2,211,012)</u>	<u>\$ 47,863,205</u>	<u>\$ 2,260,000</u>

Note 10: Long-Term Debt (Continued)

a. Governmental Activities – Bonds Payable

Lease Revenue Refunding Bonds, Series 2012

In October 2012, the City of Indio Public Financing Authority issued the \$24,500,000 Lease Revenue Refunding Bonds Series 2012. The proceeds were used to finance the acquisition and construction of certain capital improvements within the City and to advance refund the partial outstanding balance of Series 2007A and all of the remaining outstanding Series 2007B.

The Series 2012 bonds consist of \$9,565,000 of serial bonds and \$14,935,000 of term bonds. The serial bonds accrue interest at rates between 2.00% and 4.375% and the principal amounts mature between November 1, 2014 and November 1, 2024 in amounts ranging from \$635,000 to \$1,135,000. Term bonds of \$4,690,000 accrue interest at 4.50% and mature on November 1, 2029, bonds of \$4,620,000 accrue interest at 4.625% and mature on November 1, 2033, and bonds of \$5,625,000 accrue interest at 5% and mature on November 1, 2037.

In the event of default, bondholders are limited to legal recourse only, there are no acceleration of payments allowable under the term of the bond agreement. The bonds are secured solely by revenues and certain funds held in reserve. Reserve requirements for the Series 2012 bonds are disclosed in the bond documents. At June 30, 2022, the reserves were fully funded and the outstanding balance of the Series 2012 bonds was \$17,275,000.

Lease Revenue Refunding Bonds, Series 2016A

In April 2016, the City of Indio Public Financing Authority issued the \$14,150,000 Lease Revenue Refunding Bonds Series 2016A. The proceeds were used to refund the remaining outstanding balance of Series 2007A. The bonds are secured by leased properties, and in the event of default, no acceleration of payments is allowed, but legal action may be taken against the City to fulfill its obligations under the indenture agreement.

The Series 2016A bonds consist of \$11,720,000 of serial bonds and \$2,430,000 of term bonds. The serial bonds accrue interest at rates between 3.00% and 5.00% and the principal amounts mature between November 1, 2019 and November 1, 2037 in amounts ranging from \$500,000 to \$1,005,000. Term bonds of \$2,430,000 accrue interest at 3.00% and mature on November 1, 2031. At June 30, 2022, the outstanding balance of the Series 2016A bonds was \$12,595,000.

Taxable Lease Revenue Refunding Bonds, Series 2016B

In April 2016, the City of Indio Public Financing Authority issued the \$5,580,000 Lease Revenue Refunding Bonds Series 2016B. The proceeds were used to repay the remaining outstanding balance of the H.N. and Frances C. Berger Foundation note payable. The bonds are secured by leased properties, and in the event of default, no acceleration of payments is allowed, but legal action may be taken against the City to fulfill its obligations under the indenture agreement.

Note 10: Long-Term Debt (Continued)

The Series 2016B bonds consist of \$5,580,000 of serial bonds. The serial bonds accrue interest at rates between 1.520% and 3.650% and the principal amounts mature between November 1, 2016 and November 1, 2026 in amounts ranging from \$445,000 to \$570,000. At June 30, 2022, the outstanding balance of the Series 2016B bonds was \$2,740,000.

Judgment Obligation Bonds, Series 2017

In May 2017, the City of Indio issued the \$16,300,000 Judgment Obligation Bonds, Series 2017. The proceeds were used to pay the judgment ordered against the City in the case of *Jefferson Street Ventures, LLC v. City of Indio* on December 6, 2016. If in the event of default, the principal of all outstanding bonds may be declared due and payable. The City is obligated to deposit with the bond trustee each year the amount of payment obligations coming due in the fiscal year. Additionally, the city has covenanted to include in its budget in each fiscal year, a provision for funds in an amount sufficient to pay the principal and interest on the bonds coming due in such fiscal year.

The Series 2017 bonds consist of \$16,300,000 of serial bonds. The serial bonds accrue interest at rates between 1.250% and 4.250% and the principal amounts mature between November 1, 2017 and November 1, 2036 in amounts ranging from \$650,000 to \$1,140,000. At June 30, 2022, the outstanding balance of the Series 2017 bonds was \$13,115,000.

b. Governmental Activities – Direct Borrowings and Direct Placements

Installment Sale Agreement

In April 2008, the California Statewide Communities Development Authority issued \$14,665,000 of Gas Tax Revenue Certificates of Participation, Series 2008A, for the benefit of the City of Indio and the City of Coachella. Upon issuance of the Certificates, the Communities Authority caused the design, acquisition and construction of certain local roadway improvements and street resurfacing projects throughout the geographic boundaries of each local agency. The Communities Authority agreed to sell the projects to the local agencies and the local agencies agreed to purchase the projects. To fund the purchase price, the local agencies entered into Installment Sales Agreements. The purchase price paid by the local agencies under the Agreements is the sum of the principal amount of the local agency's obligation under the Agreements plus interest to accrue on the unpaid balance. The City of Indio's purchase price under the 2008 Installment Sales Agreement was \$7,450,000.

Principal installments are due annually on each Certificate payment date and the interest installments are due semiannually on each Certificate interest payment date. Principal installment payments range from \$340,000 to \$674,050 and are scheduled to terminate in 2023. The installments accrue interest at rates between 4.00% and 4.375%. The City of Indio's outstanding installment sale obligation is \$650,000 as of June 30, 2022.

All of the gas tax revenues and all money in the City's Gas Tax Fund are irrevocably pledged to the punctual payment of 2008 Installment Sales Payments, and the gas tax revenues shall not be used for any other purpose while any of the 2008 Installment Sales Payments remain outstanding. The City is not liable for any events of default caused by the City of Coachella; however, in the event of default, payment of principal and interest may be subject to acceleration.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 10: Long-Term Debt (Continued)

Per the terms of the trust agreement, the Series 2008A Certificates are required to maintain a reserve in the amount of 10% of the original proceeds or 125% of the average annual debt service for that every subsequent bond year. Each local agency is required to maintain a portion of that required reserve amount and the reserves were fully funded.

c. Governmental Activities – Debt Service Requirements to Maturity

The annual debt service requirements to maturity for the Governmental Activities long-term debts are as follows:

Year Ending June 30,	Governmental Activities			
	Bonds Payable		Direct Borrowings and Direct Placements	
	Principal	Interest	Principal	Interest
2023	\$ 2,500,000	\$ 1,839,047	\$ 650,000	\$ 28,438
2024	2,605,000	1,739,043	-	-
2025	2,700,000	1,635,055	-	-
2026	2,815,000	1,523,812	-	-
2027	2,910,000	1,405,317	-	-
2027-2032	13,325,000	5,359,115	-	-
2032-2037	16,350,000	2,346,848	-	-
2037-2038	2,520,000	54,834	-	-
	<u>\$ 45,725,000</u>	<u>\$ 15,903,071</u>	<u>\$ 650,000</u>	<u>\$ 28,438</u>

d. Business-Type Activities – Bonds PayableEnterprise Revenue Refunding Bonds, Series 2015 A and B

In June 2015, the Indio Water Authority (Authority) issued \$51,065,000 of Water Revenue Refunding Bonds Series 2015A, and \$9,150,000 of Water Revenue Refunding Bonds Series 2015B (Taxable). The proceeds were used to cause the refunding of the Authority's 2006 Water Revenue Bonds, finance certain capital improvements to the Authority's water system (only proceeds of the Series 2015A bonds), and to pay costs of issuance of the bonds. In the event of default, there is no acceleration of payments of unpaid principal or interest amounts. The bonds are secured by revenues pledged for the payment of debt service on the bonds.

The 2015A bonds consist of \$32,910,000 of serial bonds and \$18,155,000 of term bonds. The serial bonds accrue interest at rates between 3.250% and 5.000% and the principal amounts mature between April 1, 2021 and April 1, 2040 in amounts ranging from \$1,025,000 to \$3,250,000. Term bonds of \$14,320,000 accrue interest at 4.000% and mature on April 1, 2036, and bonds of \$3,835,000 accrue interest at 4.125% and mature on April 1, 2040. The 2015B bonds consist of \$9,150,000 of serial bonds and accrue interest at rates between 1.033% and 2.820%.

The Series 2015A term bonds maturing in the years 2036 and 2040 are subject to mandatory sinking account redemption on each April 1, commencing on April 1, 2033 and April 1, 2037, respectively, at a redemption price equal to the principal amount thereof together with accrued interest, without premium.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 10: Long-Term Debt (Continued)

At June 30, 2022, the outstanding balance of the Series 2015A bonds and Series 2015B bonds was \$46,855,000 and the Series 2015B bonds were fully matured with no balance outstanding.

Debt Covenants for Enterprise Refunding Revenue Bonds, Series 2015A and B

As per the Bond Indenture, the City shall fix, prescribe, revise and collect rates, fees and charges for the services and facilities furnished by the Water System during each fiscal year:

1. which shall be at least sufficient to yield gross water revenues for the Water Authority which are sufficient to pay the following amounts in the following order of priority:
 - i. All operation and maintenance costs estimated by the City, in consultation with the Authority and based on information provided by the Authority, to become due and payable in such fiscal year;
 - ii. The base rental payments and the principal of and interest on any outstanding parity water obligations as they become due and payable during such fiscal year, without preference or priority;
 - iii. The amount, if any, required to restore the balance in the reserve subaccounts to the full amount of the respective reserve requirements and, with respect to any other outstanding parity water obligations, to restore the balance in the related debt service reserve fund to the full amount of the applicable reserve requirement; and
 - iv. All other additional rental and other payments required to meet any other obligations of the City which are charges, liens, encumbrances upon gross water revenues during such fiscal year.
2. So that gross water revenues less operation and maintenance costs will be at least equal to 120% of the annual parity obligation payments for such fiscal year.

e. Business-Type Activities – Debt Service Requirements to Maturity

The annual debt service requirements to maturity for the Business-Type Activities long-term debts are as follows:

Year Ending June 30,	Business-Type Activities	
	Bonds Payable	
	Principal	Interest
2023	\$ 2,260,000	\$ 1,892,113
2024	2,375,000	1,779,113
2025	2,495,000	1,660,363
2026	2,620,000	1,535,613
2027	2,750,000	1,404,613
2027-2032	15,175,000	5,601,569
2032-2037	15,460,000	2,507,219
2037-2040	3,720,000	337,931
	<u>\$ 46,855,000</u>	<u>\$ 16,718,534</u>

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022
Note 11: Leases

The City implemented GASB Statement No. 87 in the fiscal year ended June 30, 2022. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

a. Leases Receivable and Deferred Inflows of Resources

The City leases land to various companies for installation of cellular towers and fiberoptic communications. The terms range from 4 months to 84 months as of the contract commencement date. Some leases have extension options ranging from 12 months to 2 years. An initial lease receivable was recorded in the amount of \$3,187,962. As of June 30, 2022, the value of the lease receivable is \$3,046,367. The value of the deferred inflow of resources as of June 30, 2022 was \$2,601,055 and the City recognized lease revenue of \$586,907 during the fiscal year. The amount of revenues recognized during the fiscal year for variable and other payments not previously included in the measurement of the lease receivable was \$445,314.

The principal and interest to maturity are as follows:

Fiscal Year	Governmental Activities		
	Principal	Interest	Total
2023	\$ 77,078	\$ 24,308	\$ 101,386
2024	730,251	22,425	752,676
2025	736,162	16,514	752,676
2026	751,457	10,459	761,916
2027	700,276	4,280	704,556
2028 - 2031	51,143	1,657	52,800
	<u>\$ 3,046,367</u>	<u>\$ 79,643</u>	<u>\$ 3,126,010</u>

b. Leases Payable and Right to Use Leased Assets

The City entered into a 36-month lease for the use of an automated external defibrillator. An initial lease liability was recorded in the amount of \$27,736. As of June 30, 2022, the value of the lease liability is \$19,284. The City is required to make monthly fixed payments of \$774. The lease has an interest rate of 0.315%. The value of the right to use asset as of June 30, 2022, of \$27,736 with accumulated amortization of \$8,218 is included with Equipment on the Lease Class activities table found below.

The City entered into a 35-month lease for the use of TicketPRO Ticket Writers. An initial lease liability was recorded in the amount of \$55,751. As of June 30, 2022, the value of the lease liability is \$36,684. The City is required to make monthly fixed payments of \$1,733. The lease has an interest rate of 0.315%. The value of the right to use asset as of June 30, 2022, of \$55,751 with accumulated amortization of \$19,115 is included with Equipment on the Lease Class activities table found below.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 11: Leases (Continued)

The City entered into a 60-month lease for the use of a Canopy Wireless Internet 2. An initial lease liability was recorded in the amount of \$60,336. As of June 30, 2022, the value of the lease liability is \$41,035. The City is required to make annual fixed payments of \$9,663. The lease has an interest rate of 0.577%. The value of the right to use asset as of June 30, 2022, of \$60,336 with accumulated amortization of \$12,067 is included with Infrastructure on the Lease Class activities table found below.

The City entered into a 35-month lease for the use of a postage meter. An initial lease liability was recorded in the amount of \$10,676. As of June 30, 2022, the value of the lease liability is \$6,804. The City is required to make quarterly fixed payments of \$975. The lease has an interest rate of 0.3150%. The value of the right to use asset as of June 30, 2022 of \$10,676 with accumulated amortization of \$3,595 is included with Equipment on the Lease Class activities table found below.

The City entered into a 21-month lease as for the use of a postage meter. An initial lease liability was recorded in the amount of \$8,083. As of June 30, 2022, the value of the lease liability is \$3,467. The City is required to make quarterly fixed payments of \$1,157. The lease has an interest rate of 0.218%. The value of the right to use asset as of June 30, 2022, of \$8,083 with accumulated amortization of \$4,484 is included with Equipment on the Lease Class activities table found below.

The City entered into a 26-month lease for the use of golf carts. An initial lease liability was recorded in the amount of \$121,547. As of June 30, 2022, the value of the lease liability is \$65,515. The City is required to make monthly fixed payments of \$4,686. The lease has an interest rate of 0.218%. The value of the right to use asset as of June 30, 2022 of \$121,547 with accumulated amortization of \$54,833 is included with Vehicles on the Lease Class activities table found below.

Right-to-use leased assets include the following at June 30, 2022:

Amount of Lease Assets by Major Classes of Underlying Asset		
Asset Class	As of Fiscal Year-end	
	Lease Asset Value	Accumulated Amortization
Equipment	\$ 102,246	\$ 35,412
Infrastructure	60,336	12,067
Vehicles	121,547	54,833
Total Leases	<u>\$ 284,129</u>	<u>\$ 102,312</u>

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 11: Leases (Continued)

Future principal and interest requirements to maturity for each lease liability are as follows:

Principal and Interest Requirements to Maturity			
Business-Type Activities			
Fiscal Year	Principal Payments	Interest Payments	Total Payments
2023	\$ 56,145	\$ 87	\$ 56,232
2024	9,370	3	9,373
	<u>\$ 65,515</u>	<u>\$ 89</u>	<u>\$ 65,605</u>
Governmental Activities			
Fiscal Year	Principal Payments	Interest Payments	Total Payments
2023	\$ 45,418	\$ 393	\$ 45,811
2024	39,833	231	40,064
2025	11,210	123	11,333
2026	10,813	62	10,875
	<u>\$ 107,274</u>	<u>\$ 809</u>	<u>\$ 108,083</u>

Note 12: Pledged Revenues

The City and its component units have a number of debt issuances outstanding that are collateralized by the pledging of certain revenues. The amount and term of the remainder of these commitments are indicated in the debt service to maturity tables presented in the accompanying notes. The purposes for which the proceeds of the related debt issuances were utilized are disclosed in the debt descriptions in the accompanying notes. For the current year, debt service payments as a percentage of the pledged gross revenue (or net of certain expenses where so required by the debt agreement) are indicated in the table below. These percentages also approximate the relationship of debt service to pledged revenue for the remainder of the term of the commitment:

Description of Pledged Revenue	Annual Amount of Pledged Revenue (net of expenses, where required)	Annual Debt Service Payments (of all debt secured by this revenue)	Debt Service as a Percentage of Pledged Revenue
Gas tax revenues	\$ 2,153,949	\$ 649,921	30%

Note 13: Pension Plans**a. Plan Descriptions**

The City contributes to the California Public Employees Retirement System (PERS); to both a miscellaneous agent multiple-employer and safety cost-sharing multiple employer defined benefit pension plans. 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 its executive office: 400 P Street, Sacramento, California 95814.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 13: Pension Plans (Continued)**b. Benefits Provided**

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible for non-duty disability benefits after 10 statutorily reduced benefits.

The Plans' provisions and benefits in effect at the measurement date, are summarized as follows:

	Miscellaneous Plans		
	Classic *	PEPRA	
Hire date	Prior to 7/1/2013	After 7/1/2013	
Benefit formula	2.7% @ 55	2.7% @ 62	
Benefit vesting schedule	5 yr. of service	5 yr. of service	
Benefit payments	monthly for life	monthly for life	
Retirement age	50-55	52-67	
Monthly benefits, as a % of eligible compensation	2.0% - 2.7%	1.0% - 2.5%	
Required employee contribution rates	7.55%	7.00%	
Required employer contribution rates	11.450%	11.450%	

	Safety Plans		
	Classic I *	Classic II *	PEPRA
Hire date	Prior to 7/1/2011	7/1/2011 - 7/1/2013	After 7/1/2013
Benefit formula	3.0% @ 50	3.0% @ 50	2.7% @ 57
Benefit vesting schedule	5 yr. of service	5 yr. of service	5 yr. of service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50-55	50-55	50-57
Monthly benefits, as a % of eligible compensation	3.0%	2.4% - 3.0%	2.0% - 2.7%
Required employee contribution rates	8.99%	8.99%	13.75%
Required employer contribution rates	25.990%	22.470%	13.980%

* Plan is closed to new entrants.

c. Employees Covered for the Miscellaneous Agent, Multiple-Employer Plan

At the June 30, 2020 valuation date, the following employees were covered by the benefit terms for the Miscellaneous Plans:

	Miscellaneous Plans
Inactive employees or beneficiaries currently receiving benefits	255
Inactive employees entitled to but not yet receiving benefits	162
Active employees	182
	599

d. Contribution Description

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 13: Pension Plans (Continued)

any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions.

For the year ended June 30, 2022, the contributions recognized as a reduction to the net pension liability was \$3,856,017 and \$4,675,712 for the miscellaneous and safety plans, respectively.

e. Actuarial Methods and Assumptions Used to Determine Total Pension Liability

The June 30, 2020 valuations were rolled forward to determine the June 30, 2021 total pension liabilities, based on the following actuarial methods and assumptions:

Actuarial Cost Method:	Entry Age Normal in accordance with the requirements of GASB 68
Actuarial Assumptions:	
Discount Rate:	7.15%
Inflation:	2.50%
Salary Increases:	Varies by Entry Age and Service
Mortality Rate Table ¹ :	Derived using CalPERS' Membership Data for all Funds
Post Retirement Benefit Increase:	The lesser of contract COLA or 2.5% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.5% thereafter

¹ The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from December 2017 that can be found on the CalPERS website.

f. Long-term Expected Rate of Return

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

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 13: Pension Plans (Continued)

to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses. The expected real rates of return by asset class are as followed:

Asset Class	Assumed Asset Allocation	Real Return Years 1-10 ¹	Real Return Years 11+ ²
Global equity	50.0%	4.80%	5.98%
Fixed income	28.0%	1.00%	2.62%
Inflation assets	0.0%	0.77%	1.81%
Private equity	8.0%	6.30%	7.23%
Real assets	13.0%	3.75%	4.93%
Liquidity	1.0%	0.00%	-0.92%

⁽¹⁾ An expected inflation of 2.00% used for this period.

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

g. Discount Rate

The discount rate used to measure the total pension liability was 7.15%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

h. Amortization of Deferred Outflows and Deferred Inflows of Resources

Under GASB 68, gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time.

The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense.

The amortization period differs depending on the source of the gain or loss:

Net Difference between projected and actual earnings on pension plan investments	5 year straight-line amortization
All other amounts	Straight-line amortization over the expected average remaining service lifetime (EARSL) of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 13: Pension Plans (Continued)

The EARSL for the Miscellaneous Plan for the measurement period ending June 30, 2021 is 3.2 years, which was obtained by dividing the total service years of 2,012 by 624 (the total number of plan participants). The EARSL for the Safety Plan pooled in CalPERS Plan PERF C for the measurement dated ending June 30, 2021, is 3.7 years, which was obtained by dividing the pool's total service years of 561,622 by 150,648 (the total number of plan participants in the PERF C).

i. Net Pension and Liability and Changes in Net Pension Liability

As of June 30, 2022, the City reported net pension liabilities of each as follows:

Net Pension Liability	
Miscellaneous agent	\$ 19,259,989
Safety cost-sharing proportionate share	26,876,857
Total Net Pension Liability	\$ 46,136,846

Changes in the Net Pension Liability – Miscellaneous Plan

The following table shows the changes in net pension liability recognized over the measurement period for the miscellaneous agent multiple-employer plan.

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (c) = (a) - (b)
Balance at: 06/30/2020 (valuation date)	\$ 104,784,531	\$ 73,788,567	\$ 30,995,964
Changes Recognized for the Measurement Period:			
Service Cost	2,393,138	-	2,393,138
Interest on Total Pension Liability	7,410,874	-	7,410,874
Differences between Expected and Actual Experience	203,161	-	203,161
Contributions - Employer	-	4,007,469	(4,007,469)
Contributions - Employees	-	978,865	(978,865)
Net Investment Income	-	16,830,524	(16,830,524)
Benefit Payments, including Refunds of Employee Contributions	(5,071,353)	(5,071,353)	-
Administrative Expense	-	(73,710)	73,710
Net Changes during 2020-21	4,935,820	16,671,795	(11,735,975)
Balance at: 06/30/2021 (measurement date)	\$ 109,720,351	\$ 90,460,362	\$ 19,259,989

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 13: Pension Plans (Continued)Proportionate Share of the Net Pension Liability – Safety Plans

For the Safety proportionate share of the net pension liability, it is measured as of June 30, 2021, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The City's proportionate share of the net pension liability for the Safety Plan as of June 30, 2020 and June 30, 2021, are as follows:

	<u>Total Plans</u>
Proportion - June 30, 2021	0.4994%
Proportion - June 30, 2020	<u>0.3512%</u>
Change - Increase (Decrease)	<u>0.1482%</u>

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

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

	Discount Rate - 1% 6.15%	Current Rate 7.15%	Discount Rate + 1% 8.15%
Miscellaneous Plan	\$ 34,265,202	\$ 19,259,989	\$ 6,919,294
Safety Plan	<u>45,422,546</u>	<u>26,876,857</u>	<u>11,888,102</u>
Total Plans	<u>\$ 79,687,748</u>	<u>\$ 46,136,846</u>	<u>\$ 18,807,396</u>

k. Pension Expense (Income) and Deferred Outflows and Deferred Inflows of Resources Related to Pensions

For the fiscal year ended June 30, 2022, the City recognized pension expense (income) as follows:

<u>Miscellaneous</u>	<u>Safety</u>	<u>Total Plans</u>
\$ 7,042,861	\$ (3,245,339)	\$ 3,797,522

CITY OF INDIO, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2022

Note 13: Pension Plans (Continued)

At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Miscellaneous Plan:		
Employer contributions subsequent to measurement date	\$ 3,357,747	\$ -
Changes of assumptions	-	2,905
Differences between expected and actual experiences	185,756	-
Net difference between projected and actual earnings on pension plan investments	-	8,432,643
Total Miscellaneous Plan	<u>3,543,503</u>	<u>8,435,548</u>
Safety Plan:		
Employer contributions subsequent to measurement date	5,570,612	-
Changes of assumptions	-	-
Differences between expected and actual experiences	6,211,415	-
Net difference between projected and actual earnings on pension plan investments	-	16,184,654
Adjustments due to differences in proportions	175,471	62,061
Difference in proportionate share	-	1,210,425
Total Safety Plan	<u>11,957,498</u>	<u>17,457,140</u>
Total All Plans	<u>\$ 15,501,001</u>	<u>\$ 25,892,688</u>

The \$3,357,747 and \$5,570,612 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in future pension expense as follows:

Fiscal Year Ended	<u>Deferred Outflows/(Inflows) of Resources</u>		
	<u>Miscellaneous</u>	<u>Safety</u>	<u>Total Plans</u>
June 30,			
2023	\$ (2,041,843)	\$ (2,114,087)	\$ (4,155,930)
2024	(1,888,641)	(2,576,118)	(4,464,759)
2025	(2,003,800)	(3,444,635)	(5,448,435)
2026	(2,315,508)	(2,935,414)	(5,250,922)

I. Pension Plan Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports. The plan fiduciary net position disclosed for GASB 68 accounting may differ from the plan assets reported in the City's funding actuarial valuation report due to several reasons. For example, for the accounting reports, CalPERS must keep items such as deficiency reserves and fiduciary self-insurance included as assets. These amounts are excluded for rate setting purposes in your funding actuarial valuation.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2022

Note 14: Other Post-Employment Benefits

a. Plan Description

Plan Administration

Integrated medical/prescription drug coverage is provided through CalPERS under the Public Employees' Medical and Hospital Care Act (PEMHCA). Employees can choose from a number of HMO and PPO options. The City sponsors a single-employer defined benefit plan that offers the same medical plans to its retirees as to its active employees, with the exception that once a retiree becomes eligible for Medicare (that is, reaches age 65), he or she must join a Medicare HMO or a Medicare Supplement plan under PEMHCA.

Benefits Provided

Employees become eligible to retire and receive City-paid healthcare benefits upon attainment of age 50 and five years of covered PERS service, or by qualifying disability retirement status. Benefits are paid for the lifetime of the retiree, spouse or surviving spouse, and adult children to the age of 26. The City contribution is limited to \$1,600/month for retirees in 2021 for employees hired prior to August 1, 2009.

Employees first hired on or after August 1, 2009 are subject to the "100/90" State contribution formula and the 10-year vesting schedule set forth in Government Code section 22893. The vesting schedule provides for a City contribution of 50% of the "100/90" dollar amounts after 10 years of credited PERS service (5 of which must be with the City), with an additional 5% per year of service until fully vested after 20 years.

The 2021 "100/90" monthly dollar amounts are \$767 single, \$1,461 two-party, and \$1,868 family. In addition, the City pays a 0.24%-of-premium administrative fee to PEMHCA for each retiree.

Plan Membership

At July 1, 2021, membership consisted of the following

Inactive members or beneficiaries currently receiving benefit payments	189
Inactive members or beneficiaries entitled to but not currently receiving benefit payments	6
Active plan members	<u>245</u>
	<u>440</u>

Contributions

The contribution requirements of plan members and the City are established and may be amended by the City Council. The City currently pays pay-as-you-go costs outside its irrevocable OPEB trust. The City contributes the excess, if any, of budgeted pay-go costs over the actual pay-go to the trust on an annual basis. For fiscal year 2021-22, the City recognized contributions in reduction to the net other post-employment benefit (OPEB) liability of \$2,030,041.

b. Net OPEB Liability

The City's Net OPEB Liability was measured as of June 30, 2021 and the Total OPEB Liability used to calculate the Net OPEB Liability was determined by an actuarial valuation as of July 1, 2020. Standard actuarial update procedures were used to project/discount from valuation to measurement dates.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 14: Other Post-Employment Benefits (Continued)Actuarial Assumptions

The total OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Salary increases	2.80 percent
Inflation rate	2.50 percent
Investment rate of return	6.00 percent, net of OPEB plan administrative expense
Healthcare cost trend rate	Based on 2021 Getzen model that reflects actual premium increases from 2021 to 2022, followed by 5.75% (non-Medicare) / 4.00% (Medicare) in 2022 decreasing gradually to an ultimate rate of 4.04% for non-Medicare and 4.00% for Medicare.

Pre-retirement mortality rates were based on the RP-2014 Employee Mortality Table for Males or Females, as appropriate, without projection. Post-retirement mortality rates were based on the RP-2014 Health Annuitant Mortality Table for Males or Females, as appropriate, without projection.

Actuarial assumptions used in the June 30, 2021 valuation were based on a review of plan experience during the period July 1, 2020 to June 30, 2021.

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

(geometric) real return plus inflation (rounded to the nearest 25 basis points, where appropriate). The table below provides the long-term expected real rates of return by asset class (based on published capital market assumptions).

Asset Class	Assumed Asset Allocation	Real Rate of Return
Global ex-U.S. Equity	40.0%	4.40%
U.S. Fixed	43.0%	1.50%
TIPS	5.0%	1.20%
Real Estate	8.0%	3.70%
Commodities	4.0%	0.60%

Discount Rate

GASB 75 requires a discount rate that reflects the following:

- a) The long-term expected rate of return on OPEB plan investments – to the extent that the OPEB plan’s fiduciary net position (if any) is projected to be enough to make projected benefit payments and assets are expected to be invested using a strategy to achieve that return;

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 14: Other Post-Employment Benefits (Continued)

- b) A yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher – to the extent that the conditions in (a) are not met.

To determine a resulting single (blended) rate, the amount of the plan's projected fiduciary net position (if any) and the amount of projected benefit payments is compared in each period of projected benefit payments. The discount rate used to measure the City's Total OPEB liability is based on these requirements and the following information:

Reporting Date	Measurement Date	Long-Term Expected Return of Plan Investments (if any)	Municipal Bond 20-Year High Grade Rate Index	Discount Rate
June 30, 2021	June 30, 2020	6.00%	2.45%	2.45%
June 30, 2022	June 30, 2021	6.00%	1.92%	2.06%

Schedule of Changes in Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability/(Asset) (c) = (a) - (b)
Balance at: 06/30/2020 (valuation date)	\$ 60,217,342	\$ 1,860,602	\$ 58,356,740
Changes Recognized for the Measurement Period:			
Service Cost	1,396,868	-	1,396,868
Interest	1,485,408	-	1,485,408
Changes of Assumptions	6,516,788	-	6,516,788
Differences between Expected and Actual Experience	1,418,375	-	1,418,375
Contributions - Employer ¹	-	2,030,041	(2,030,041)
Net Investment Income	-	365,842	(365,842)
Benefit Payments ¹	(1,982,654)	(1,982,654)	-
Administrative Expense	-	(678)	678
Net Changes during 2020-21	8,834,785	412,551	8,422,234
Balance at: 06/30/2021 (measurement date)	\$ 69,052,127	\$ 2,273,153	\$ 66,778,974

¹ Amount includes implicit subsidy associated with benefits paid.

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

The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage-point higher than the current discount rate:

	1% Decrease (1.06%)	Discount Rate (2.06%)	1% Increase (3.06%)
Net OPEB liability (asset)	\$79,764,672	\$66,778,974	\$56,650,716

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2022

Note 14: Other Post-Employment Benefits (Continued)

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

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

	1% Decrease (2.48% decreasing to 3.04%)	Healthcare Cost Trend Rate (3.48% decreasing to 4.04%)	1% Increase (4.48% decreasing to 5.04%)
Net OPEB liability (asset)	\$55,822,956	\$66,778,974	\$81,070,858

Plan Fiduciary Net Position

CalPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained from CalPERS' website at www.calpers.ca.gov.

c. OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2022, the City recognized \$6,953,389 in OPEB expenses.

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time. Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense.

The recognition period differs depending on the source of the gain or loss:

Net Difference between projected and actual earnings on pension plan investments	5 year straight-line amortization
All other amounts	Straight-line amortization over the expected average remaining service lifetime (EARS�) of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period (4.1 years at June 30, 2018)

At June 30, 2022, the City's deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources are:

	Deferred Outflows of Resources	Deferred Inflows of Resources
City contributions after the measurement date	\$ 2,117,231	\$ -
Changes in assumptions or other inputs	6,088,125	-
Differences between expected and actual experience	945,583	322,912
Differences between projected and actual return on plan investments	-	200,994
Total	\$ 9,150,939	\$ 523,906

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 14: Other Post-Employment Benefits (Continued)

The \$2,117,231 reported as City contributions after the measurement date will be recognized as a reduction of the Net OPEB Liability in the year ending June 30, 2023. Other amounts reported as deferred outflows and inflows of resources will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30,	Deferred Outflows/(Inflows) of Resources
2023	\$ 3,676,441
2024	3,014,365
2025	(48,373)
2026	(50,565)

Note 15: Liability, Property and Workers Compensation Protection**a. Description of Self-Insurance Pool Pursuant to Joint Powers Agreement**

The City of Indio is a member of the California Joint Powers Insurance Authority (Authority). The Authority is composed of 124 California public entities and is organized under a joint powers agreement pursuant to California Government Code §6500 et seq. The purpose of the Authority is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group purchased insurance for property and other lines of coverage. The California JPIA began covering claims of its members in 1978. Each member government has an elected official as its representative on the Board of Directors. The Board operates through a nine-member Executive Committee.

b. Self-Insurance Programs of the Authority

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

Primary Liability Program

Claims are pooled separately between police and general government exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$100,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$100,000 to \$500,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from \$500,000 to \$50 million, are distributed based on the outcome of cost allocation within the first and second loss layers.

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

Note 15: Liability, Property and Workers Compensation Protection (Continued)

Workers' Compensation Program

Claims are pooled separately between public safety (police and fire) and general government exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$75,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$75,000 to \$200,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from \$200,000 to statutory limits are distributed based on the outcome of cost allocation within the first and second loss layers.

For 2021-22 the Authority's pooled retention is \$1 million per occurrence, with reinsurance to statutory limits under California Workers' Compensation Law. Employer's Liability losses are pooled among members to \$1 million. Coverage from \$1 million to \$5 million is purchased through reinsurance policies, and Employer's Liability losses from \$5 million to \$10 million are pooled among members.

c. Purchased Insurance

Pollution Legal Liability Insurance

The City of Indio participates in the pollution legal liability insurance program which is available through the Authority. The policy covers sudden and gradual pollution of scheduled property, streets, and storm drains owned by the City of Indio. Coverage is on a claims-made basis. There is a \$250,000 deductible. The Authority has an aggregate limit of \$20 million.

Property Insurance

The City of Indio participates in the all-risk property protection program of the Authority. This insurance protection is underwritten by several insurance companies. City of Indio property is currently insured according to a schedule of covered property submitted by the City of Indio to the Authority. City of Indio property currently has all-risk property insurance protection in the amount of \$171,316,105. There is a \$10,000 deductible per occurrence except for non-emergency vehicle insurance which has a \$2,500 deductible.

Crime Insurance

The City of Indio purchases crime insurance coverage in the amount of \$3,000,000 with a \$2,500 deductible. The fidelity coverage is provided through the Authority.

d. Adequacy of Protection

During the past three fiscal years, none of the above programs of protection experienced settlements or judgments that exceeded pooled or insured coverage. There were also no significant reductions in pooled or insured liability coverage in 2021-22.

CITY OF INDIO, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2022

Note 15: Liability, Property and Workers Compensation Protection (Continued)

Changes in the claims payable amounts for the past three fiscal years were as follows:

	Beginning of Fiscal Year Liability	Fiscal Tear Claims and Prior Fiscal Year Changes in Estimates	Claim Payments	Balance at Fiscal Year End
2019-20	\$ 94,654	\$ -	\$ (23,649)	\$ 71,005
2020-21	71,005	-	(44,406)	71,005
2021-22	71,005	-	(57,285)	13,720

Note 16: Debt Issued Without Government Commitment

Assessment District Limited Obligation Bonds

The City of Indio issued the following Limited Obligation Improvement Bonds to finance the costs of acquisition of certain public improvements serving property within the prospective Assessment Districts. The bonds are payable from annual installments collected on regular property tax bills sent to owners of property having unpaid assessments levied against land benefited by the projects. Neither the faith, credit nor taxing power of the City is pledged to the repayment of the bonds. Accordingly, no liability has been recorded in the financial statements.

Description	Issuance Date	Face Value	Interest Rate	Maturity Date	Outstanding 6/30/2021	FY20/21 DS Principal	Outstanding 6/30/2022
AD2001-1/R	7/26/2012	\$ 3,295,000	4.690%	9/2/2026	\$ 1,545,000	\$ 225,000	\$ 1,320,000
AD2002-1/R	7/26/2012	3,410,000	4.690%	9/2/2026	1,750,000	215,000	1,535,000
AD2002-2/R	7/26/2012	2,162,900	4.690%	9/2/2027	1,124,794	134,869	989,925
AD2002-3/R	7/26/2012	4,119,800	4.710%	9/2/2027	2,121,313	262,953	1,858,360
AD2003-1/R	7/23/2014	1,752,000	3.550%	9/2/2029	1,148,000	112,000	1,036,000
AD2003-2/R	7/23/2014	1,402,000	3.550%	9/2/2029	928,000	91,000	837,000
AD2003-3/R	7/23/2014	4,038,000	3.550%	9/2/2029	2,675,000	261,000	2,414,000
AD2003-5/R	7/23/2014	1,343,000	3.550%	9/2/2029	891,000	86,000	805,000
AD2003-6/R	7/23/2014	1,627,000	3.550%	9/2/2029	1,069,000	105,000	964,000
AD2004-1/R	7/19/2017	1,465,000	2.80% to 6.00%	9/2/2030	1,175,000	100,000	1,075,000
AD2004-2/R	7/19/2017	2,320,000	1.67% to 3.86%	9/2/2030	1,855,000	160,000	1,695,000
AD2004-3/R	7/19/2017	3,910,000	2.90% to 5.50%	9/2/2030	3,135,000	270,000	2,865,000
CFD2004-3	8/4/2015	15,530,000	2.00% to 4.00%	9/1/2035	12,120,000	580,000	11,540,000
CFD2005-1 A1/R	7/23/2014	8,337,000	4.030%	9/1/2036	6,757,000	311,000	6,446,000
CFD2006-1/R	7/23/2014	7,554,000	4.030%	9/1/2036	6,884,000	280,000	6,604,000
CFD2005-1 A2/R	7/23/2014	8,499,000	4.030%	9/1/2036	6,102,000	315,000	5,787,000
					<u>\$ 51,280,107</u>	<u>\$ 3,508,822</u>	<u>\$ 47,771,285</u>

Note 17: Contingent Liabilities and Commitments

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.

Revenue Tax Sharing Agreement Commitment

In March 1997, the City entered into an agreement with the County of Riverside in order to obtain the County's cooperation to annex property in the unincorporated County area with the intention of developing a relocation site for the new and used auto dealers of the City of Indio. The development of the Desert Cities Auto Center and its annexation into the City of Indio is

Note 17: Contingent Liabilities and Commitments (Continued)

expected to generate significant sales and use taxes as well as property taxes from the improved site. In return, the City agrees to provide maintenance of certain County facilities. In return for the County's cooperation in approving the Desert Cities Auto Center site plan and its annexation into the City of Indio, this agreement provides that the City of Indio will dedicate 25% of sales and use taxes derived from the annexed property to the County for the remainder of a thirty-year period ending in the year 2027. Upon expiration of the term of the agreement and upon payment by the City to the County of the sum of \$1, the County shall convey fee title to the County Improvements. During fiscal year 2021-22, payment in the amount of \$628,788 was made to the County.

Interim Housing Facilities for Indio High School

In April 2010, the City entered into an agreement with the Desert Sands Unified School District (District) to equally share the actual Interim Housing costs during the course of construction on rebuilding the Indio High School campus. The City recently constructed a new "Teen Center" directly across from the High School. The City envisions an inter-generational campus for this area and believes the Original Design is not consistent with the City's vision. Pursuant to the City's request, the District prepared a revised design. The revised design will require an interim campus during the construction the City and District agreed to share the interim housing cost. The total cost is \$5,890,420, which 50% of the cost is committed by the City. Starting August 2018, the annual City's payment to the Indio High School will be \$147,260, until July 2037.

Purchase Commitments

For the fiscal year ended June 30, 2022, the City had open purchase commitments totaling \$1,362,282.

Note 18: Joint Venture Agreements

Eastern Riverside County Interoperable Communications Authority ("ERICA")

The Eastern Riverside Interoperable Communications Authority ("ERICA") was created in July 2008 by a Joint Exercise of Powers Agreement between public agency parties located in Riverside County, California. ERICA was formed to enable the Members to acquire real, personal and intangible property and to plan, design, finance, construct, operate, and maintain public safety radio communication systems, facilities and related structures to assist the Members in meeting public safety communication needs. The goal and intent of the ERICA is one of voluntary cooperation among cities for the collective benefit of cities in Riverside County. The City of Indio is a member of the ERICA and is responsible for the accounting records of the joint venture.

East Valley Reclamation Authority ("EVRA")

The East Valley Reclamation Authority (EVRA) was created on December 18, 2013 under a joint powers agreement between The City of Indio through the Indio Water Authority (IWA) and the Valley Sanitary District (VSD) to plan, implement and operate a recycled water program including the tertiary or enhanced treatment of water, as well as the lease, ownership, operation and maintenance of Facilities and the financing costs relation to Public Capital Improvements. Primary funding for the EVRA is through contributions from the IWA and the VSD. The EVRA is governed by a Board appointed by the IWA and VSD and administered by either the IWA or VSD based on a rotation determined by the Board. For the fiscal year ended June 30, 2021,

CITY OF INDIO, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2022

Note 18: Joint Venture Agreements (Continued)

the IWA was the administrator of the EVRA and therefore maintains the books and records of the EVRA. The IWA's contribution to the EVRA for the fiscal year ended June 30, 2022 was \$200,000 for operations. Audited financial statements may be obtained from the City of Indio, 100 Civic Center Mall, Indio, California 92201.

Note 19: Fund Balance Classifications

Fund balances are presented in the following categories: nonspendable, restricted, committed, assigned, and unassigned (see Note 1 for a description of these categories). A detailed schedule of fund balances at June 30, 2022, is as follows:

	General Fund	American Rescue Plan Act	Capital Projects Fund	Non-Major Governmental Funds	Total Governmental Funds
Nonspendable:					
Prepaid costs	\$ 66,494	\$ -	\$ -	\$ 7,826	\$ 74,320
Property held for resale	5,029,363	-	-	-	5,029,363
Notes and loans receivable	3,519,958	-	-	-	3,519,958
Total Nonspendable	8,615,815	-	-	7,826	8,623,641
Restricted:					
Community development projects	-	-	-	9,957,339	9,957,339
Public safety	-	-	-	1,079,811	1,079,811
Traffic safety	-	-	-	1,822,807	1,822,807
Public works	-	-	-	1,016,149	1,016,149
Capital Projects	-	-	-	3,992,057	3,992,057
Asset forfeiture	-	-	-	3,010,112	3,010,112
LLEBG	-	-	-	17,438	17,438
Abandoned vehicle	-	-	-	195,974	195,974
Unclaimed property	-	-	-	14,437	14,437
Measure A	-	-	-	3,801,792	3,801,792
NPDES	-	-	-	796	796
Air quality	-	-	-	200,688	200,688
Pension stabilization	1,240,827	-	-	-	1,240,827
American Rescue Plan	-	40,343	-	-	40,343
Debt service	-	-	-	1,592,621	1,592,621
Total Restricted	1,240,827	40,343	-	26,702,021	27,983,191
Committed:					
Economic uncertainty	15,000,000	-	-	-	15,000,000
Total Committed	15,000,000	-	-	-	15,000,000
Assigned:					
Capital projects	-	-	7,245,803	-	7,245,803
FY22/23 Community projects	31,761,467	-	-	-	31,761,467
FY22/23 Operations	7,316,083	-	-	-	7,316,083
Public Safety Radios	2,000,000	-	-	-	2,000,000
FY22/23 Reserves & Trust Deposits	3,000,000	-	-	-	3,000,000
Other purposes	103,480	-	611,014	-	714,494
Total Assigned	44,181,030	-	7,856,817	-	52,037,847
Unassigned	14,268,060	-	-	(2,411,715)	11,856,345
Total Fund Balance	\$ 83,305,732	\$ 40,343	\$ 7,856,817	\$ 24,298,132	\$ 115,501,024

Note 20: Tax Abatement Agreements

On September 16, 2020, the City entered into a tax abatement agreement of transient occupancy tax revenues with local developer under the authority of the City Council of the City of Indio. This agreement allows for fifty percent abatement of transient occupancy taxes and will expire six years after the first incentive payment by the City. For the fiscal year ended June 30, 2022, the City abated tax increments totaling \$347,753 under this agreement.

Note 20: Tax Abatement Agreements (Continued)

On May 3, 2017, the City entered into a tax abatement agreement of sales and use tax revenues with a local developer under the authority of the City Council of the City of Indio. This agreement allows for a 50 percent abatement of sales taxes, with a maximum ceiling of \$3,942,238, and will expire upon the later of the reaching the maximum ceiling or May 3, 2032. For the fiscal year ended June 30, 2022, the City abated tax increments totaling \$195,935 under this agreement.

On March 20, 2019, the City entered into a tax abatement agreement of transient occupancy tax revenues with a local developer under the authority of the City Council of the City of Indio. This agreement allows for a 50 percent abatement of transient occupancy taxes and will expire six years after the first incentive payment by the City. For the fiscal year ended June 30, 2022, the city abated tax increments totaling \$192,453 under this agreement.

Note 21: Successor Agency Trust for Assets of Former Redevelopment Agency

On December 29, 2011, the California Supreme Court upheld Assembly Bill 1X 26 (“the Bill”) that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City of Indio that previously had reported a redevelopment agency within the reporting entity of the City as a blended component unit.

The Bill provides that upon dissolution of a redevelopment agency, either the city or other unit of local government will agree to serve as the “successor agency” to hold the assets units they are distributed to other units of state and local government. On January 10, 2012, the City Council elected to become the Successor Agency for the former redevelopment agency in accordance with the Bill as part of the City resolution number 12-001.

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

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

The Bill directs that State Controller of the State of California to review the propriety of any transfers of assets between redevelopment agencies and other public bodies that occurred after January 1, 2011. If the public body that received such transfers is not contractually committed to a third party for the expenditure or encumbrance of those assets, the State Controller is required to order the available assets to be transferred to the public body designated as the successor agency by the Bill.

Management believes, in consultation with legal counsel, that the obligations of the former redevelopment agency due to the City are valid enforceable obligations payable by the successor agency trust under the requirements of the Bill. The City’s position on this issue is not a position of settled law and there is considerable legal uncertainty regarding this issue. It is reasonably possible that a legal determination may be made at a later date by an appropriate judicial authority that would resolve this issue unfavorably to the City.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 21: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)

In accordance with the timeline set forth in the Bill (as modified by the California Supreme Court on December 29, 2011) all redevelopment agencies in the State of California were dissolved and ceased to operate as a legal entity as of February 1, 2012.

Prior to that date, the final seven months of activity of the redevelopment agency continued to be reported in the governmental funds of the City. After the date of dissolution, the assets and activities of the dissolved redevelopment agency are reported in a fiduciary fund (private-purpose trust fund) in the financial statements of the City.

The transfer of the assets and liabilities of the former redevelopment agency as of January 31, 2012 from governmental funds of the City to fiduciary funds was reported in the governmental funds as an extraordinary loss (or gain) in the governmental fund financial statements. The receipt of these assets and liabilities as of January 31, 2012 was reported in the private-purpose trust fund as an extraordinary gain (or loss).

Because of the different measurement focus of the governmental funds (current financial resources measurement focus) and the measurement focus of the trust funds (economic resources measurement focus), the extraordinary gain (loss) recognized in the governmental funds was not the same amount as the extraordinary gain (loss) that was recognized in the fiduciary fund financial statements.

a. Cash and Investments

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

Cash and investments pooled with the City	\$ 4,406,191
Cash and investments with fiscal agent	<u>1,623,072</u>
Total	<u>\$ 6,029,263</u>

b. Notes Receivable

As of June 30, 2022, notes receivable consisted of the following:

Housing rehabilitation deferred loan program	<u>\$ 19,750</u>
Total	<u>\$ 19,750</u>

On November 5, 2008, and in furtherance of redevelopment goals to promote development on Highway 111, the RDA approved a \$500,000 loan agreement to Morcus Management and Jackalope for alterations to a restaurant located at 80-400 Highway 111, in Indio, California. The loan was scheduled to be paid over a seven-year period at an interest rate of 4%, however, on November 16, 2010, due to financial difficulties encountered by Morcus Management and Jackalope, an amendment was made to the original loan agreement providing that no payments are necessary for the first 13.5 months following the amendment date, to accommodate for the cash flow concerns of Morcus Management and Jackalope. Morcus Management and Jackalope have agreed, with the City, to defer all loan payments, interest free, until March 31, 2012. In the beginning of fiscal year 2012-13, Morcus Management and Jackalope started making the regular payments; the last payment received was on June 5, 2015. The loans were paid in full as of June 30, 2022.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 21: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)

The Housing Rehabilitation Deferred Loan program provides financial assistance in the form of deferred low-interest loans to qualified homeowners, allowing them to eliminate health and safety-related property conditions, make basic improvements to the interior of the residence, and to make needed exterior aesthetic home improvements. After ten years of satisfactory program participation, continued home-owner occupancy, and exemplary maintenance/upkeep of the property, the loan would be forgiven and converted into a grant. The amount of loans outstanding as of June 30, 2022 was \$19,750.

c. Land Held for Resale

Land held for resale in the RDA Capital Project Fund consists of 13 properties purchased as early as 1950. The purchases of these properties are spread over a longer period and recorded at cost. As of June 30, 2022, land held for resale totaled \$769,500.

d. SERAF Advance

In January 2010, the former Redevelopment Low/Moderate Fund loaned the former Redevelopment Capital Projects Fund \$4,557,784 for payment of the SERAF contribution. In fiscal year 2010-2011, the former Redevelopment Low/Moderate Fund loaned the Redevelopment Capital Project Funds \$938,367 for payment of the SERAF contribution. The Indio Housing Authority will be repaid in installments. Long term payable balance as of June 30, 2022 was \$392,357.

e. Long-Term Liabilities

Long-term debt of the Successor Agency as of June 30, 2022, consisted of the following:

	Balance at June 30, 2021	Increases	Decreases	Balance at June 30, 2022	Due Within One Year
Public Offerings:					
Tax Allocation 2004A	\$ 7,675,000	\$ -	\$ 105,000	\$ 7,570,000	\$ 110,000
Tax Allocation 2008A and B	14,170,000	-	1,120,000	13,050,000	760,000
2018 Subordinate Tax Allocation A and B	26,830,000	-	1,620,000	25,210,000	1,690,000
Unamortized Bond Premiums/(Discounts)	2,960,492	-	211,464	2,749,028	-
Total - Public Offerings	\$ 51,635,492	\$ -	\$ 3,056,464	\$ 48,579,028	\$ 2,560,000

Tax Allocation Bonds, Series 2004A

In July 2004, the City of Indio Redevelopment Agency issued \$9,760,000 Tax Allocation Bonds Series 2004A. The proceeds were used to finance redevelopment activities of the Agency and to advance refund Tax Increment Revenue Refunding Bonds 1997 Series C.

The 2004A bonds consist of \$500,000 of serial bonds and \$9,260,000 of term bonds. The serial bonds accrue interest at rates between 4.125% and 5.00% and the principal amounts mature between August 15, 2005 and August 15, 2009 in amounts ranging from \$95,000 to \$110,000. Term bonds of \$645,000 accrue interest at 5.60% and mature on August 15, 2014, and bonds of \$8,615,000 accrue interest at 6.30% and mature on August 15, 2033.

The Series 2004A term bonds maturing in the years 2014 and 2033 are subject to mandatory sinking account redemption on each August 15, commencing on August 15, 2010 and August 15, 2015, respectively, at a redemption price equal to the principal amount thereof together with accrued interest, without premium.

Note 21: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)

Per the terms of the bond indenture, the Series 2004A are required to maintain a reserve in the amount of 10% of the original proceeds, 125% of the average annual debt service for that every subsequent bond year, or 10% of the issue price of the bonds held in the Special Escrow Fund. At June 30, 2022, the reserve was fully funded and the outstanding balance of the Series 2004A was \$7,570,000.

Tax Allocation Bonds, Series 2008A and B

In April 2008, the City of Indio Redevelopment Agency issued \$60,600,000 Tax Allocation Bonds Series 2008A and \$6,640,000 Subordinate Tax Allocation Bonds Series 2008B. The proceeds were used to finance redevelopment activities of the Agency and to advance refund the outstanding Tax Increment Revenue Refunding Bonds, 1997 Series B, and Tax Allocation Bonds, 2004 Series B.

The 2008A bonds consist of \$35,655,000 of serial bonds and \$24,945,000 of term bonds. The serial bonds accrue interest at rates between 4.00% and 5.25% and the principal amounts mature between August 15, 2009 and August 15, 2028 in amounts ranging from \$770,000 to \$2,925,000. Term bonds of \$9,685,000 accrue interest at 5.250% and mature on August 15, 2031, bonds of \$7,630,000 accrue interest at 5.625% and mature on August 15, 2035, and bonds of \$7,630,000 accrue interest at 5.250% and mature on August 15, 2035.

The 2008B bonds consist of \$6,640,000 of term bonds. Term bonds of \$3,140,000 accrue interest at 5.500% and mature on August 15, 2013, and term bonds of \$3,500,000 accrue interest at 6.750% and mature on August 15, 2018.

The Series 2008A term bonds maturing in the years 2031, 2035 (accruing interest at 5.625%), and 2035 (accruing interest at 5.250%) are subject to mandatory sinking account redemption on each August 15, commencing on August 15, 2029, August 15, 2032, and August 15, 2032, respectively, at redemption price equal to the principal amount thereof together with accrued interest, without premium.

The Series 2008B term bonds maturing in the years 2013 and 2018 are subject to mandatory sinking account redemption on each August 15, commencing on August 15, 2009 at a redemption price equal to the principal amount thereof together with accrued interest, without premium.

The bonds are payable and secured, by the pledged tax revenues to be derived from the project area. Upon the occurrence of an Event of Default, there is no acceleration of payments, and bond owners are limited to obtaining monies in the reserve account and enforcing the obligation of the Successor Agency to pay the pledged tax revenues.

On December 4, 2018, the Successor Agency issued the 2018 Subordinate Tax Allocation Refunding Bonds, Series A and B, to refund and defease on a current basis, a portion of the 2008 Series A Bonds.

Reserve requirements for the Series 2008A and Series 2008B bonds are disclosed in the bond documents. At June 30, 2022, the reserves were fully funded and the outstanding balance of the Series 2008A was \$13,050,000 and the Series 2008B bonds were fully matured, with \$0 outstanding, respectively.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2022

Note 21: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)

2018 Subordinate Tax Allocation Refunding Bonds, Series A and B

In December 2018, the City of Indio Successor Agency to the Former Redevelopment Agency issued \$29,060,000 Subordinate Tax Allocation Refunding Bonds, Series A and \$1,605,000 Subordinate Tax Allocation Refunding Bonds, Series B (taxable). The bonds were issued primarily to refund and defease all of the Successor Agency's previously issued Housing Set-Aside Revenue Refunding Bonds, Series 1999, and a portion of the Successor Agency's Indio Merged Redevelopment Project Area 2008 Subordinate Tax Allocation Bonds, Series A.

The bonds are payable and secured, by the pledged tax revenues to be derived from the project area. Upon the occurrence of an Event of Default, the bond trustee may declare the principal of the bonds to be immediately due and payable, whereupon that portion of the principal of the bonds thereby coming due and the interest thereon accrued to the date of payment will, without further action, become and be immediately due and payable.

The 2018A bonds consist of \$29,060,000 of serial bonds accruing interest at rates between 3% and 5% and the principal amounts mature between August 15, 2019 and August 15, 2035 in amounts ranging from \$655,000 to \$2,200,000. The 2018B bonds consist of \$1,605,000 of serial bonds accruing interest at a rate of 3% and will mature on August 15, 2020.

Per the terms of the bond indenture, the bonds are required to maintain a reserve in the amount of the maximum annual debt service on the outstanding bonds, 125% of the average annual debt service for that every subsequent bond year, or 10% of the original issue price of the bonds held in a special escrow fund. At June 30, 2022, the reserve was fully funded and the outstanding balance of the bonds was \$25,210,000.

Debt Service Requirements to Maturity

The annual debt service requirements to maturity for bonds payable are as follows:

<u>Year Ending June 30,</u>	<u>Successor Agency</u>	
	<u>General Obligation Bonds</u>	
	<u>Principal</u>	<u>Interest</u>
2023	\$ 2,560,000	\$ 2,325,208
2024	2,380,000	2,199,368
2025	2,620,000	2,071,053
2026	2,745,000	1,932,868
2027	2,880,000	1,786,799
2027-2032	17,775,000	6,295,419
2032-2036	14,870,000	1,356,491
	<u>\$ 45,830,000</u>	<u>\$ 17,967,206</u>

f. Pledged Revenue

The City pledged, as security for bonds issued, either directly or through the Financing Authority, a portion of tax increment revenue (including Low- and Moderate-Income Housing set-aside and pass-through allocations) that it receives. The bonds issued were to provide financing for various capital projects, accomplish Low- and

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 21: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)

Moderate-Income Housing projects and to defease previously issued bonds. Assembly Bill 1X 26 provided that upon dissolution of the Redevelopment Agency, property taxes allocated to redevelopment agencies no longer are deemed tax increment but rather property tax revenues and will be allocated first to successor agencies to make payments on the indebtedness incurred by the dissolved redevelopment agency. Total principal and interest remaining on the debt is \$63,797,206 with annual debt service requirements as indicated above. For the current year, the total property tax revenue recognized by the Successor Agency for the payment of indebtedness incurred by the dissolved redevelopment agency was \$6,457,113 and the debt service obligation on the bonds was \$4,898,881.

Note 22: Custodial Funds**a. Long-Term Liabilities**Obligations under Capital Loans

On October 18, 2009, ERICA entered into an Equipment Loan-Purchase Agreement with Motorola, Inc. for backbone equipment in the amount of \$5,557,603. The Agreement was subsequently amended on November 1, 2009. A partial prepayment in the amount of \$1,389,400 was granted by Loaner as a one-time accommodation. Effective November 1, 2010, the annual payment amount is \$403,002 and carries an effective interest rate of 5.29%. The last loan payment is due on November 1, 2023. The loan purchase agreement was amended on December 17, 2015, reducing the interest rate to 3.29% effective November 1, 2017. The outstanding balance on this loan as of June 30, 2022 was \$713,488.

A Supplemental Loan for the backbone system was also entered into with Motorola, Inc. in 2009 for \$202,489. This Supplemental Loan requires 15 annual payments of \$20,294 and carries an effective interest rate of 5.97%. The last loan payment is due on November 1, 2023. The loan purchase agreement was amended on December 17, 2015, reducing the interest rate to 3.47% effective November 1, 2017. The outstanding balance on this loan as of June 30, 2022, was \$35,211.

Future minimum loan payments in the ERICA fund as of June 30, 2022, are as follows:

Amount of future loan payments for the fiscal year ending June 30,	Amount
2023	\$ 392,971
2024	392,971
Total Payments	785,942
Loan amount representing interest	(37,243)
Principal outstanding	<u>\$ 748,699</u>

CITY OF INDIO, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2022

Note 22: Custodial Funds (Continued)

b. Capital Assets

Capital asset activity in the ERICA fund for the fiscal year ended June 30, 2022, is as follows:

	Balance June 30, 2021	Additions	Deletions	Balance June 30, 2022
Machinery and Equipment	\$ 6,112,437	\$ -	\$ -	\$ 6,112,437
Total cost of depreciable assets	<u>6,112,437</u>	<u>-</u>	<u>-</u>	<u>6,112,437</u>
Less accumulated depreciation:				
Machinery and equipment	<u>(4,745,937)</u>	<u>(398,985)</u>	<u>-</u>	<u>\$ (5,144,922)</u>
Total accumulated depreciation	<u>(4,745,937)</u>	<u>(398,985)</u>	<u>-</u>	<u>(5,144,922)</u>
Capital assets, net	<u>\$ 1,366,500</u>	<u>\$ (398,985)</u>	<u>\$ -</u>	<u>\$ 967,515</u>

For the fiscal year ended June 30, 2022, the East Valley Reclamation Authority fund had capital assets valued at \$132,336. This was entirely made up of construction in progress.

c. Prior Period Adjustment

For the fiscal year ended June 30, 2022, the City restated the beginning net position of the Assessment Districts fund by \$12,287,897. This prior period adjustment was primarily made to correct the implementation of GASB Statement No. 84, done during the prior year. Interpretation of GASB Statement No. 84, was ambiguous regarding the treatment of conduit debts for which the City operates as the custodian of the collections for and payments of those debts through the custodial funds. Further clarifications received from the GASB Board subsequent to the issuance of the prior year's financial statements resulted in the removal of the conduit debts from the custodial funds.

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF INDIO, CALIFORNIA

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 53,739,944	\$ 53,739,944	\$ 53,739,944	\$ -
Resources (Inflows):				
Taxes:				
Sales taxes	25,100,000	30,100,000	34,217,817	4,117,817
Property taxes	20,231,957	20,731,957	20,950,829	218,872
Utility users taxes	7,800,000	8,600,000	9,542,953	942,953
Transient occupancy taxes	6,900,000	9,500,000	14,813,210	5,313,210
Franchise taxes	2,650,600	2,650,600	2,839,792	189,192
Business license taxes	600,000	600,000	634,518	34,518
Other taxes	450,000	450,000	979,099	529,099
Total taxes	<u>63,732,557</u>	<u>72,632,557</u>	<u>83,978,218</u>	<u>11,345,661</u>
Licenses and permits:				
Building permits	2,160,000	2,160,000	4,476,951	2,316,951
Other permits	359,000	359,000	1,079,352	720,352
Business licenses and other	200,000	200,000	364,144	164,144
Total licenses and permits	<u>2,719,000</u>	<u>2,719,000</u>	<u>5,920,447</u>	<u>3,201,447</u>
Intergovernmental:				
Grants	279,000	279,000	436,395	157,395
Motor vehicle license fees	40,000	40,000	105,845	65,845
Total intergovernmental	<u>319,000</u>	<u>319,000</u>	<u>542,240</u>	<u>223,240</u>
Charges for services:				
Police	4,658,600	4,658,600	4,263,366	(395,234)
Plan checks and inspections	1,540,000	1,540,000	2,355,911	815,911
Fire and ambulance	2,100,000	2,100,000	2,444,014	344,014
Other	551,000	551,000	468,489	(82,511)
Total charges for services	<u>8,849,600</u>	<u>8,849,600</u>	<u>9,531,780</u>	<u>682,180</u>
Fines and forfeitures:				
Other	365,000	365,000	937,486	572,486
Total fines and forfeitures	<u>365,000</u>	<u>365,000</u>	<u>937,486</u>	<u>572,486</u>
Use of money and property:				
Miscellaneous	810,000	810,000	(889,543)	(1,699,543)
Transfers in	2,610,500	2,610,500	1,957,069	(653,431)
Transfers in	10,889,868	10,964,868	4,418,624	(6,546,244)
Amounts Available for Appropriations	<u>144,035,469</u>	<u>153,010,469</u>	<u>160,136,265</u>	<u>7,125,796</u>

The notes to required supplementary information is an integral part of this schedule.

CITY OF INDIO, CALIFORNIA

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Charges to Appropriations (Outflows):				
General government:				
City council	361,546	361,546	317,504	44,042
City manager	1,136,890	1,136,890	1,126,252	10,638
City clerk	467,814	467,814	448,241	19,573
City attorney	850,000	850,000	1,516,380	(666,380)
Human resources	1,156,992	1,156,992	1,202,686	(45,694)
Finance	2,241,617	2,241,617	2,314,245	(72,628)
Other - Nondepartmental	4,121,512	4,121,512	2,861,630	1,259,882
Total general government	<u>10,336,371</u>	<u>10,336,371</u>	<u>9,786,938</u>	<u>549,433</u>
Public safety:				
Police administration	2,455,750	2,455,750	2,438,430	17,320
Police field services	16,958,548	16,958,548	14,425,137	2,533,411
Police investigations	7,975,976	7,975,976	7,861,151	114,825
Police traffic safety	1,169,112	1,169,112	1,238,623	(69,511)
Police support services	5,045,784	5,045,784	4,896,833	148,951
Animal control	830,000	830,000	807,281	22,719
Code enforcement	2,097,095	2,097,095	1,919,271	177,824
Fire and ambulance	16,811,546	16,811,546	15,467,803	1,343,743
Emergency management	321,969	321,969	215,478	106,491
Total public safety	<u>53,665,780</u>	<u>53,665,780</u>	<u>49,270,007</u>	<u>4,395,773</u>
Community development:				
Building and safety	2,372,192	2,372,192	2,220,641	151,551
Planning	1,267,896	1,211,640	1,264,822	(53,182)
Economic development	747,263	735,009	722,461	12,548
Total community development	<u>4,387,351</u>	<u>4,318,841</u>	<u>4,207,924</u>	<u>110,917</u>
Community services:				
Youth service	886,414	934,414	932,664	1,750
Community services	687,983	918,021	726,190	191,831
Promotions and publicity	895,648	865,648	694,078	171,570
Senior services	935,414	962,414	866,380	96,034
Total community services	<u>3,405,459</u>	<u>3,680,497</u>	<u>3,219,312</u>	<u>461,185</u>
Public works:				
Street maintenance and operations	7,579,759	7,579,759	2,965,696	4,614,063
Engineering and administration	1,737,107	1,737,107	1,525,193	211,914
Parks and parkways	2,447,242	2,447,242	2,692,805	(245,563)
Total public works	<u>11,764,108</u>	<u>11,764,108</u>	<u>7,183,694</u>	<u>4,580,414</u>
Capital outlay	292,500	292,500	53,386	239,114
Transfers out	9,177,073	9,177,073	3,109,272	6,067,801
Total Charges to Appropriations	<u>93,028,642</u>	<u>93,235,170</u>	<u>76,830,533</u>	<u>16,404,637</u>
Budgetary Fund Balance, June 30	<u>\$ 51,006,827</u>	<u>\$ 59,775,299</u>	<u>\$ 83,305,732</u>	<u>\$ 23,530,433</u>

The notes to required supplementary information is an integral part of this schedule.

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CITY OF INDIO, CALIFORNIA

**BUDGETARY COMPARISON SCHEDULE
AMERICAN RESCUE PLAN ACT
FOR THE YEAR ENDED JUNE 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Intergovernmental	10,212,531	10,212,531	7,283,792	(2,928,739)
Amounts Available for Appropriations	10,212,531	10,212,531	7,283,792	(2,928,739)
Charges to Appropriations (Outflows):				
General government	-	-	184,519	(184,519)
Public safety	-	-	1,056,788	(1,056,788)
Community development	-	-	504,412	(504,412)
Parks and recreation	-	-	50,323	(50,323)
Public works	10,212,531	10,212,531	3,129,763	7,082,768
Capital outlay	-	-	542,558	(542,558)
Transfers out	-	-	1,775,086	(1,775,086)
Total Charges to Appropriations	10,212,531	10,212,531	7,243,449	2,969,082
Budgetary Fund Balance, June 30	\$ -	\$ -	\$ 40,343	\$ 40,343

The notes to required supplementary information are an integral part of this schedule.

CITY OF INDIO, CALIFORNIA

**SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
AGENT MULTIPLE-EMPLOYER MISCELLANEOUS PLAN
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS ¹**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Measurement Date	6/30/2021	6/30/2020	6/30/2019	6/30/2018
Total Pension Liability:				
Service Cost	\$ 2,393,138	\$ 2,268,865	\$ 2,315,791	\$ 2,307,248
Interest on total pension liability	7,410,874	7,076,401	6,759,649	6,453,709
Differences between expected and actual experience	203,161	122,887	(90,046)	(754,767)
Changes in assumptions	-	-	-	(595,036)
Benefit payments, including refunds of employee contributions	<u>(5,071,353)</u>	<u>(4,793,895)</u>	<u>(4,695,594)</u>	<u>(4,097,060)</u>
Net change in total pension liability	4,935,820	4,674,258	4,289,800	3,314,094
Total pension liability - beginning	<u>104,784,531</u>	<u>100,110,273</u>	<u>95,820,473</u>	<u>92,506,379</u>
Total pension liability - ending (a)	<u>109,720,351</u>	<u>104,784,531</u>	<u>100,110,273</u>	<u>95,820,473</u>
Plan Fiduciary Net Position:				
Contributions - employer	4,007,469	3,775,732	3,330,987	3,032,168
Contributions - employee	978,865	996,854	911,463	913,515
Net investment income	16,830,524	3,514,437	4,429,595	5,270,086
Benefit payments	(5,071,353)	(4,793,895)	(4,695,594)	(4,097,060)
Plan to plan resource movement	-	-	-	(154)
Administration Expense	(73,710)	(99,239)	(47,431)	(96,029)
Other miscellaneous income/(expense)	-	-	154	(182,361)
Net change in plan fiduciary net position	16,671,795	3,393,889	3,929,174	4,840,165
Plan fiduciary net position - beginning	<u>73,788,567</u>	<u>70,394,678</u>	<u>66,465,504</u>	<u>61,625,339</u>
Plan fiduciary net position - ending (b)	<u>90,460,362</u>	<u>73,788,567</u>	<u>70,394,678</u>	<u>66,465,504</u>
Net pension liability - ending (a)-(b)	<u>\$ 19,259,989</u>	<u>\$ 30,995,964</u>	<u>\$ 29,715,595</u>	<u>\$ 29,354,969</u>
Plan fiduciary net position as a percentage of the total pension liability	82.4%	70.4%	70.3%	69.4%
Covered payroll	\$ 13,262,250	\$ 12,926,402	\$ 12,267,411	\$ 11,882,620
Plan net pension liability as a percentage of covered payroll	145.2%	239.8%	242.2%	247.0%

Notes to Schedule of Changes in Net Pension Liability and Related Ratios:

Benefit Changes: The figures above do not include any liability impact that may have resulted from plan changes which occurred after the June 30, 2017 valuation date. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes of Assumptions: None in 2020, 2021, or 2022. In 2019, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate. In 2018, the discount rate was reduced from 7.65 percent to 7.15 percent. In 2017, there were no changes. In 2016, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense.) In 2014, amounts reported were based on the 7.5 percent discount rate.

¹ Fiscal Year 2015 was the first year of GASB 68 implementation, therefore only eight years are shown.

	2018	2017	2016	2015
	6/30/2017	6/30/2016	6/30/2015	6/30/2014
\$	2,353,967	\$ 2,144,177	\$ 2,054,043	\$ 2,067,477
	6,219,359	6,008,228	5,714,555	5,452,950
	(1,493,433)	(465,558)	(717,418)	-
	5,371,466	-	(1,451,365)	-
	<u>(3,747,998)</u>	<u>(3,632,465)</u>	<u>(3,385,987)</u>	<u>(3,315,765)</u>
	8,703,361	4,054,382	2,213,828	4,204,662
	83,803,018	79,748,636	77,534,808	73,330,146
	92,506,379	83,803,018	79,748,636	77,534,808
	2,858,434	2,619,245	2,446,688	2,331,161
	918,650	927,413	940,052	914,677
	6,336,419	300,012	1,211,466	7,998,811
	(3,747,998)	(3,632,465)	(3,385,987)	(3,315,765)
	-	-	(123)	-
	(81,708)	(33,618)	(69,194)	-
	-	-	-	-
	6,283,797	180,587	1,142,902	7,928,884
	55,341,542	55,160,955	54,018,053	46,089,169
	61,625,339	55,341,542	55,160,955	54,018,053
\$	30,881,040	\$ 28,461,476	\$ 24,587,681	\$ 23,516,755
	66.6%	66.0%	69.2%	69.7%
\$	12,075,341	\$ 12,067,635	\$ 11,307,076	\$ 10,908,447
	255.7%	235.8%	217.5%	215.6%

The notes to required supplementary information is an integral part of this schedule.

CITY OF INDIO, CALIFORNIA

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 COST-SHARING MULTIPLE EMPLOYER SAFETY PLAN
 AS OF JUNE 30 FOR THE LAST TEN FISCAL YEARS ¹

Reporting Date ² as of June 30,	Proportion of the Net Pension Liability	Proportionate Share of Net Pension Liability	Covered Payroll	Proportionate Share of the Net Pension Liability as a % of Covered Payroll	Plan's Fiduciary Net Position as a % of the Total Pension Liability
2022	0.4994%	\$ 26,876,857	\$ 8,252,401	325.7%	86.6%
2021	0.3512%	40,720,531	6,750,274	603.2%	75.1%
2020	0.3469%	37,818,116	7,696,899	491.3%	75.3%
2019	0.3716%	35,470,299	6,666,249	532.1%	75.3%
2018	0.3554%	35,245,774	6,451,760	546.3%	73.3%
2017	0.3611%	31,246,797	6,467,561	483.1%	74.1%
2016	0.3687%	25,303,889	6,624,055	382.0%	78.4%
2015	0.3569%	22,205,148	6,236,527	356.1%	79.8%

Notes to Schedule of Proportionate Share of the Net Pension Liability:

Benefit Changes: None

Changes of Assumptions: None

¹ Historical information is required only for measurement for which GASB 68 is applicable. Fiscal year 2015 was the first year of implementation, therefore only eight years are shown.

² The proportions and proportionate share of the net pension liability are measured as of one year behind the reporting date. Refer to notes to basic financial statements.

The notes to required supplementary information is an integral part of this schedule.

CITY OF INDIO, CALIFORNIA

**SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS¹**

Measurement Date	2022	2021	2020	2019	2018
	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
Total OPEB Liability:					
Service cost	\$ 1,396,868	\$ 1,170,693	\$ 1,059,988	\$ 789,088	\$ 766,105
Interest on the total OPEB liability	1,485,408	1,681,183	2,085,750	2,238,791	2,175,102
Difference between expected and actual experience	1,418,375	-	(1,203,586)	-	-
Changes in assumptions	6,516,788	5,809,571	1,444,873	12,452,155	-
Benefit payments	(1,982,654)	(1,955,604)	(1,899,929)	(1,885,304)	(1,863,797)
Net change in total OPEB liability	8,834,785	6,705,843	1,487,096	13,594,730	1,077,410
Total OPEB liability - beginning	60,217,342	53,511,499	52,024,403	38,429,673	37,352,263
Total OPEB liability - ending (a)	69,052,127	60,217,342	53,511,499	52,024,403	38,429,673
Plan Fiduciary Net Position:					
Contribution - employer ²	2,030,041	1,980,041	1,975,767	1,975,214	1,994,056
Net investment income	365,842	94,472	108,437	86,160	84,532
Benefit payments	(1,982,654)	(1,955,604)	(1,899,929)	(1,885,304)	(1,863,797)
Trustee fees	-	-	-	(519)	(431)
Administrative expense	(678)	(860)	(335)	(711)	(592)
Net change in plan fiduciary net position	412,551	118,049	183,940	174,840	213,768
Plan fiduciary net position - beginning	1,860,602	1,742,553	1,558,613	1,383,773	1,170,005
Plan fiduciary net position - ending (b)	2,273,153	1,860,602	1,742,553	1,558,613	1,383,773
Net OPEB Liability/(Assets) - ending (a) - (b)	\$ 66,778,974	\$ 58,356,740	\$ 51,768,946	\$ 50,465,790	\$ 37,045,900
Plan fiduciary net position as a percentage of the total OPEB liability	3.3%	3.1%	3.3%	3.0%	3.6%
Covered-employee payroll	\$ 28,840,521	\$ 27,980,084	\$ 27,980,084	\$ 26,345,041	\$ 31,815,516
Net OPEB liability as a percentage of covered-employee payroll	231.5%	208.6%	185.0%	191.6%	116.4%

Notes to Schedule of Changes in the Net OPEB Liability and Related Ratios:

¹ Historical information is required only for the measurement periods for which GASB 75 is applicable. Fiscal Year 2018 was the first year of implementation. Future years' information will be displayed up to 10 years as information becomes available.

² Includes cash pay-as-you-go contributions made from sources outside of trust, plus an implicit subsidy amount on benefit payments from sources outside of trust.

CITY OF INDIO, CALIFORNIA

SCHEDULES OF PLAN CONTRIBUTIONS
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS ⁽¹⁾

CalPERS Miscellaneous Employees Agent, Multiple-Employer Pension Plan:

Fiscal Year Ending June 30,	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contribution as a % of Covered Payroll
2022	\$ 3,357,747	\$ 3,357,747	\$ -	\$ 13,437,045	25.0%
2021	3,856,017	3,856,017	-	13,262,250	29.1%
2020	3,527,169	3,527,169	-	12,926,402	27.3%
2019	3,523,191	3,523,191	-	12,267,411	28.7%
2018	3,032,168	3,032,168	-	11,882,620	25.5%
2017	2,858,434	2,858,434	-	12,075,341	23.7%
2016	2,619,245	2,619,245	-	12,067,635	21.7%
2015	2,446,688	2,446,688	-	11,307,076	21.6%
2014	2,331,161	2,331,161	-	10,908,447	21.4%

CalPERS Safety Employees Cost-Sharing, Multiple-Employer Pension Plan:

Fiscal Year Ending June 30,	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contribution as a % of Covered Payroll
2022	\$ 5,570,612	\$ 5,570,612	\$ -	\$ 8,252,401	67.5%
2021	4,675,712	4,675,712	-	8,252,401	56.7%
2020	4,143,360	4,143,360	-	6,750,274	61.4%
2019	3,571,705	3,571,705	-	7,696,899	46.4%
2018	2,977,907	2,977,907	-	6,666,249	44.7%
2017	2,409,717	2,409,717	-	6,451,760	37.4%
2016	2,567,055	2,567,055	-	6,467,561	39.7%
2015	2,286,752	2,286,752	-	6,624,055	34.5%
2014	2,105,331	2,105,331	-	6,236,527	33.8%

PEMHCA Agent, Multiple-Employer Other Post-Employment Benefits Plan:

Fiscal Year Ending June 30,	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Covered-Employee Payroll	Contribution as a % of Covered-Employee Payroll
2022	\$ 3,613,353	\$ 2,117,231	\$ 1,496,122	\$ 28,840,521	7.34%
2021	2,548,493	2,030,041	518,452	27,980,084	7.26%
2020	2,474,265	1,978,822	495,443	27,980,084	7.07%
2019	2,701,432	1,799,999	901,433	26,345,041	6.83%
2018	2,706,641	1,975,214	731,427	31,815,516	6.21%

¹ Historical information is required only for measurement for which GASB 68 and GASB 75 is applicable. Fiscal year 2015 was the first year of implementation for GASB 68, however information for the year prior to implementation was available, therefore only nine years are shown; Fiscal Year 2018 was the first year of implementation for GASB 75, therefore only five years are shown.

The notes to required supplementary information are an integral part of this schedule.

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2022**

Note 1: Budgets and 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 (e.g., City Manager, Finance, Police Administration, Planning, etc.). The City Manager is authorized to make budget transfers within departments.

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

Note 2: Excess of Expenditures over Appropriations

For the fiscal year ended June 30, 2022, the General Fund reflected expenditures in excess of budgeted amounts for the following departments:

Expenditure Function	Department	Appropriations	Expenditures	Excess
General Government	City attorney	\$ 850,000	\$ 1,516,380	\$ 666,380
General Government	Human resources	1,156,992	1,202,686	45,694
General Government	Finance	2,241,617	2,314,245	72,628
Public Safety	Police traffic safety	1,169,112	1,238,623	69,511
Community Development	Planning	1,211,640	1,264,822	53,182
Public works	Parks and parkways	2,447,242	2,692,805	245,563

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)
JUNE 30, 2022

Note 3: Actuarial Assumptions Underlying the Schedule of Plan Contributions

a. CalPERS Pension Plans

The actuarial methods and assumptions used to set the actuarially determined contributions for fiscal year ended June 30, 2022 were derived from the June 30, 2019 funding valuation report.

Actuarial Cost Method:	Entry Age Normal
Amortization Method/Period:	For details, see the June 30, 2019 funding valuation report, available at CalPERS' website
Asset Valuation Method:	Market Value of Assets
Inflation:	2.50 percent
Salary Increases:	Varies by Entry Age and Service
Payroll Growth:	2.75 percent
Investment Rate of Return:	7.00 percent, net of investment and administrative expense
Retirement Age:	The probabilities of retirement are based on the 2017 CalPERS Experience Study for the period of 1997 to 2015.
Mortality:	The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period of 1997 to 2015. Pre-retirement and post-retirement mortality rates include 20 years of projected mortality improvement using Scale BB published by the Society of Actuaries.

b. PEMHCA OPEB Plan

The actuarial methods and assumptions used to set the actuarially determined contributions for fiscal year ended June 30, 2022 were derived from the June 30, 2021 funding valuation report.

Salary Increases:	2.80 percent
Investment Rate of Return:	6.00 percent, net of OPEB plan investment expense

Contributions in relation to the actuarially determined contributions include cash pay-as-you-go contributions from sources outside of the trust plus and implicit subsidy amount on benefit payments from sources outside of the trust.

NONMAJOR 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:

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.

Traffic Safety Fund - To account for the revenue and expenditures relating to the enforcement of, education for, and prosecution of a suspended or revoked driving privilege, unlicensed driver and persons driving under the influence of alcohol and/or drugs.

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.

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

Homeland Security Fund - To account for funds received from the Riverside County Operational Area 2009 Homeland Security Grant Program.

Abandoned Vehicle Fund - To account for cost associated with the removal and disposition of abandoned vehicles from private property and the State of California's partial reimbursement of those costs.

Unclaimed Property Fund - To account for revenues and expenditures associated with property seized during police activities.

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

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.

HBRRP Fund - To account for Highway Bridge Replacement and Rehabilitation (HBRRP) grant funds used to improve the condition of the City's bridges.

Waste Recycling AB939 Fund - To account for revenues and expenditures related to compliance with State of California Assembly Bill 939, which requires cities to divert 50% of their waste away from landfills.

Community Facilities District Fund - To account for the revenues and expenditures restricted to finance a portion of the cost of providing law enforcement, fire and paramedic services.

Certified Access Specialist SB 1186 Fund - To account for revenue and expenditures for funds received related to help bring local businesses into ADA compliance and develop tools to help educate the business community in expanding ADA access.

NONMAJOR SPECIAL REVENUE FUNDS (Continued)

Indio Housing Authority Fund - To account for monies received and expended for housing related activities and housing functions.

Department of Conservation Recycle Grant Fund - To account for revenues and expenditures for grant funds received to promote can, bottle, and multi-family recycling.

Public Education Government Channel Fund - To account for revenues and expenditures for public education government channel.

Neighborhood Stabilization Project Grant 2 Fund - To account for grant funds provided by the Recovery Act to address abandoned and foreclosed properties.

Neighborhood Stabilization Project Grant 3 Fund - To account for grant funds provided by the Recovery Act to address abandoned and foreclosed properties.

Lighting and Landscape Fund - To account for the revenues and expenditures restricted for the lighting and landscape maintenance program for 51 districts. Property owners are assessed their share of the cost for lighting and maintaining parkways and medians.

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

Community Development Block Grant Fund - To account for Federal funds directed toward programs that improve low-income housing, public improvements, neighborhood programs, and community development needs.

Emergency, Abandoned and Recalcitrant Fund - To account for revenue and expenditures to abate emergency situations or to cleanup abandoned or recalcitrant sites that pose a threat to human health, safety, and the environment, as a result of petroleum release from an underground storage tank.

Cal Emergency Management Fund - To account for the funds to be used for the Project Safe Neighborhoods.

Donations Fund - To account for donations to the City of items and funds for a designated purchase.

SB-1 Transportation Fund - To account for the revenues and expenditures of the City's proportionate share of SB-1 monies collected by the State of California which are used for street construction and maintenance

Comm Transitional Housing Fund - To account for transitional housing services throughout the City funded by the California Department of Finance.

Compost Mitigation Dillon Fund - To account for revenue received from the waste collection company for their share of maintenance costs of Dillon Road between I-10 and Landfill Road.

NONMAJOR SPECIAL REVENUE FUNDS (Continued)

Local Government Planning Support Grant Fund – To account for the Grant from the State of California's Local Government Planning Support Grant Program as part of the Local Early Action Planning Grants Program (LEAP). LEAP provides funding to jurisdictions for the preparation and adoption of planning documents and process improvements that accelerate housing production and facilitate compliance in implementing the sixth cycle of the Regional Housing Need Assessment (RHNA).

Planning Prog. Grant SB2 Fund – To account for the grant from the Planning Grant Program (PGP) authorized under the State of California's Senate Bill 2 (SB2). The PGP provides financial and technical assistance to local governments to update planning documents in order to accelerate housing production, streamline the approval of housing development affordable to owner and renter households at income levels, facilitate housing affordability, particularly for all income groups, and ensure geographic equity in the distribution and expenditure of allocated funds.

Public Art In-Lieu Fund – To account for fees collected from developers in lieu of providing public art works within their development.

CAPITAL PROJECTS FUNDS

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

Capital Projects Fund – This fund is used to account for capital projects of the City with resources from bond financing, government grants, and investment income.

NONMAJOR DEBT SERVICE FUNDS

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

General Debt Service - To account for the revenues and debt service expenditures for the City's 2012 and 2016 Series Lease Revenue Bonds.

Judgment Bonds - To account for the revenues and debt service expenditures for the City's 2017 Judgment Obligation Bonds.

CITY OF INDIO, CALIFORNIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022

	Special Revenue Funds			
	Gas Tax	Traffic Safety	Public Safety	Supplemental Law Enforcement
Assets:				
Cash and investments	\$ 949,797	\$ 294,071	\$ 1,016,742	\$ 569,421
Receivables:				
Accounts	6,522	-	-	-
Taxes	-	-	63,069	-
Notes and loans	-	-	-	-
Prepaid costs	-	-	-	-
Due from other governments	-	-	-	-
Advances to Successor Agency	-	-	-	-
Property held for resale	-	-	-	-
Restricted cash and investments with fiscal agents	702,511	-	-	-
Total Assets	\$ 1,658,830	\$ 294,071	\$ 1,079,811	\$ 569,421
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits):				
Liabilities:				
Accounts payable	\$ 321,005	\$ -	\$ -	\$ 4,986
Accrued liabilities	1,968	-	-	-
Unearned revenues	6,522	-	-	-
Deposits payable	-	-	-	-
Due to other funds	-	-	-	-
Total Liabilities	329,495	-	-	4,986
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances (Deficits):				
Nonspendable	-	-	-	-
Restricted	1,329,335	294,071	1,079,811	564,435
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances (Deficits)	1,329,335	294,071	1,079,811	564,435
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	\$ 1,658,830	\$ 294,071	\$ 1,079,811	\$ 569,421

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022

(CONTINUED)

	Special Revenue Funds			
	LLEBG	Homeland Security	Abandoned Vehicle	Unclaimed Property
Assets:				
Cash and investments	\$ 17,438	\$ -	\$ 190,316	\$ 87,164
Receivables:				
Accounts	-	-	-	-
Taxes	-	-	-	-
Notes and loans	-	-	-	-
Prepaid costs	-	-	-	-
Due from other governments	-	-	5,658	-
Advances to Successor Agency	-	-	-	-
Property held for resale	-	-	-	-
Restricted cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ 17,438	\$ -	\$ 195,974	\$ 87,164
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits):				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ 72,727
Accrued liabilities	-	-	-	-
Unearned revenues	-	-	-	-
Deposits payable	-	-	-	-
Due to other funds	-	2,447	-	-
Total Liabilities	-	2,447	-	72,727
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances (Deficits):				
Nonspendable	-	-	-	-
Restricted	17,438	-	195,974	14,437
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	(2,447)	-	-
Total Fund Balances (Deficits)	17,438	(2,447)	195,974	14,437
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	\$ 17,438	\$ -	\$ 195,974	\$ 87,164

CITY OF INDIO, CALIFORNIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022

	Special Revenue Funds			
	Measure A	NPDES	Air Quality	HBRRP
Assets:				
Cash and investments	\$ 3,825,634	\$ 796	\$ 215,645	\$ -
Receivables:				
Accounts	148,021	-	-	-
Taxes	219,256	-	-	-
Notes and loans	-	-	-	-
Prepaid costs	-	-	5,646	2,180
Due from other governments	50,024	-	30,134	665,906
Advances to Successor Agency	-	-	-	-
Property held for resale	-	-	-	-
Restricted cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ 4,242,935	\$ 796	\$ 251,425	\$ 668,086
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits):				
Liabilities:				
Accounts payable	\$ 291,153	\$ -	\$ 45,091	\$ 1,254,773
Accrued liabilities	1,969	-	-	-
Unearned revenues	148,021	-	-	-
Deposits payable	-	-	-	-
Due to other funds	-	-	-	1,056,285
Total Liabilities	441,143	-	45,091	2,311,058
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	18,212
Total Deferred Inflows of Resources	-	-	-	18,212
Fund Balances (Deficits):				
Nonspendable	-	-	5,646	2,180
Restricted	3,801,792	796	200,688	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	(1,663,364)
Total Fund Balances (Deficits)	3,801,792	796	206,334	(1,661,184)
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	\$ 4,242,935	\$ 796	\$ 251,425	\$ 668,086

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022

(CONTINUED)

	Special Revenue Funds			
	Waste Recycling AB939	Communities Facilities District	Certified Access Specialist SB 1186	Indio Housing Authority
Assets:				
Cash and investments	\$ 423,684	\$ 10,836	\$ 108,368	\$ 3,876,613
Receivables:				
Accounts	58,541	-	-	-
Taxes	-	-	-	-
Notes and loans	-	-	-	3,794,945
Prepaid costs	-	-	-	-
Due from other governments	1,162	65,003	-	-
Advances to Successor Agency	-	-	-	392,357
Property held for resale	-	-	-	164,000
Restricted cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ 483,387	\$ 75,839	\$ 108,368	\$ 8,227,915
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits):				
Liabilities:				
Accounts payable	\$ 26,362	\$ -	\$ 631	\$ 111
Accrued liabilities	5,311	-	-	3,303
Unearned revenues	-	-	-	-
Deposits payable	-	-	48	-
Due to other funds	-	-	-	-
Total Liabilities	31,673	-	679	3,414
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	480,682
Total Deferred Inflows of Resources	-	-	-	480,682
Fund Balances (Deficits):				
Nonspendable	-	-	-	-
Restricted	451,714	75,839	107,689	7,743,819
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances (Deficits)	451,714	75,839	107,689	7,743,819
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	\$ 483,387	\$ 75,839	\$ 108,368	\$ 8,227,915

CITY OF INDIO, CALIFORNIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022

	Special Revenue Funds			
	Department of Conservation Recycle Grant	Public Education Government Channel	Neighborhood Stabilization Grant 2	Neighborhood Stabilization Grant 3
Assets:				
Cash and investments	\$ 42,379	\$ 1,103,146	\$ 524,758	\$ 131,480
Receivables:				
Accounts	-	47,595	-	-
Taxes	-	-	-	-
Notes and loans	-	-	1,231,992	180,400
Prepaid costs	-	-	-	-
Due from other governments	-	-	-	-
Advances to Successor Agency	-	-	-	-
Property held for resale	-	-	177,654	-
Restricted cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ 42,379	\$ 1,150,741	\$ 1,934,404	\$ 311,880
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits):				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ 290	\$ -
Accrued liabilities	-	-	1,743	-
Unearned revenues	58,030	-	-	-
Deposits payable	-	-	-	-
Due to other funds	-	-	-	-
Total Liabilities	58,030	-	2,033	-
Deferred Inflows of Resources:				
Unavailable revenues	-	-	1,231,992	180,400
Total Deferred Inflows of Resources	-	-	1,231,992	180,400
Fund Balances (Deficits):				
Nonspendable	-	-	-	-
Restricted	-	1,150,741	700,379	131,480
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	(15,651)	-	-	-
Total Fund Balances (Deficits)	(15,651)	1,150,741	700,379	131,480
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	\$ 42,379	\$ 1,150,741	\$ 1,934,404	\$ 311,880

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022

(CONTINUED)

	Special Revenue Funds			
	Lighting and Landscape	Asset Forfeiture	Community Development Block Grant	Emergency Abandoned and Recalcitrant
Assets:				
Cash and investments	\$ 2,730,689	\$ 374,555	\$ -	\$ 127,689
Receivables:				
Accounts	-	-	-	-
Taxes	-	-	-	-
Notes and loans	-	-	-	-
Prepaid costs	-	-	-	-
Due from other governments	13,714	2,182	419,971	-
Advances to Successor Agency	-	-	-	-
Property held for resale	-	-	-	-
Restricted cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ 2,744,403	\$ 376,737	\$ 419,971	\$ 127,689
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits):				
Liabilities:				
Accounts payable	\$ 125,236	\$ -	\$ 268,258	\$ -
Accrued liabilities	-	-	9,051	-
Unearned revenues	-	-	-	-
Deposits payable	3,570	342,864	-	-
Due to other funds	-	-	105,368	-
Total Liabilities	128,806	342,864	382,677	-
Deferred Inflows of Resources:				
Unavailable revenues	-	-	419,971	-
Total Deferred Inflows of Resources	-	-	419,971	-
Fund Balances (Deficits):				
Nonspendable	-	-	-	-
Restricted	2,615,597	33,873	-	127,689
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	(382,677)	-
Total Fund Balances (Deficits)	2,615,597	33,873	(382,677)	127,689
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	\$ 2,744,403	\$ 376,737	\$ 419,971	\$ 127,689

CITY OF INDIO, CALIFORNIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022

	Special Revenue Funds			
	Cal Emergency Management	Donations	SB-1 Transportation	Comm Transitional Housing
Assets:				
Cash and investments	\$ 123	\$ 76,425	\$ 2,886,168	\$ 219,377
Receivables:				
Accounts	-	-	-	-
Taxes	-	-	-	-
Notes and loans	-	-	-	-
Prepaid costs	-	-	-	-
Due from other governments	-	-	309,241	-
Advances to Successor Agency	-	-	-	-
Property held for resale	-	-	-	-
Restricted cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ 123	\$ 76,425	\$ 3,195,409	\$ 219,377
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits):				
Liabilities:				
Accounts payable	\$ -	\$ 319	\$ 11,326	\$ -
Accrued liabilities	-	-	-	3,712
Unearned revenues	-	-	-	121,743
Deposits payable	-	-	-	-
Due to other funds	-	-	-	-
Total Liabilities	-	319	11,326	125,455
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances (Deficits):				
Nonspendable	-	-	-	-
Restricted	123	76,106	3,184,083	93,922
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances (Deficits)	123	76,106	3,184,083	93,922
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	\$ 123	\$ 76,425	\$ 3,195,409	\$ 219,377

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022

(CONTINUED)

	Special Revenue Fund			
	Compost Mitigation Dillon	Local Gov Planning Support Grant	Planning Prog Grant SB2	Public Art In- Lieu
Assets:				
Cash and investments	\$ 44,165	\$ -	\$ -	\$ 1,150,720
Receivables:				
Accounts	2,960	-	-	-
Taxes	-	-	-	-
Notes and loans	-	-	-	-
Prepaid costs	-	-	-	-
Due from other governments	-	62,603	186,804	-
Advances to Successor Agency	-	-	-	-
Property held for resale	-	-	-	-
Restricted cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ 47,125	\$ 62,603	\$ 186,804	\$ 1,150,720
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits):				
Liabilities:				
Accounts payable	\$ -	\$ 4,060	\$ 16,125	\$ 79,261
Accrued liabilities	-	-	-	1,015
Unearned revenues	-	-	-	-
Deposits payable	-	-	-	-
Due to other funds	-	219,315	170,679	-
Total Liabilities	-	223,375	186,804	80,276
Deferred Inflows of Resources:				
Unavailable revenues	-	-	186,804	-
Total Deferred Inflows of Resources	-	-	186,804	-
Fund Balances (Deficits):				
Nonspendable	-	-	-	-
Restricted	47,125	-	-	1,070,444
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	(160,772)	(186,804)	-
Total Fund Balances (Deficits)	47,125	(160,772)	(186,804)	1,070,444
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	\$ 47,125	\$ 62,603	\$ 186,804	\$ 1,150,720

CITY OF INDIO, CALIFORNIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022

	<u>Debt Service Funds</u>		
	<u>General Debt Service</u>	<u>Judgment Bonds</u>	<u>Total Governmental Funds</u>
Assets:			
Cash and investments	\$ -	\$ -	\$ 20,998,199
Receivables:			
Accounts	-	-	263,639
Taxes	-	-	282,325
Notes and loans	-	-	5,207,337
Prepaid costs	-	-	7,826
Due from other governments	-	-	1,812,402
Advances to Successor Agency	-	-	392,357
Property held for resale	-	-	341,654
Restricted cash and investments with fiscal agents	1,592,520	101	2,295,132
Total Assets	\$ 1,592,520	\$ 101	\$ 31,600,871
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits):			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ 2,521,714
Accrued liabilities	-	-	28,072
Unearned revenues	-	-	334,316
Deposits payable	-	-	346,482
Due to other funds	-	-	1,554,094
Total Liabilities	-	-	4,784,678
Deferred Inflows of Resources:			
Unavailable revenues	-	-	2,518,061
Total Deferred Inflows of Resources	-	-	2,518,061
Fund Balances (Deficits):			
Nonspendable	-	-	7,826
Restricted	1,592,520	101	26,702,021
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	(2,411,715)
Total Fund Balances (Deficits)	1,592,520	101	24,298,132
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	\$ 1,592,520	\$ 101	\$ 31,600,871

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CITY OF INDIO, CALIFORNIA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Special Revenue Funds			
	Gas Tax	Traffic Safety	Public Safety	Supplemental Law Enforcement
Revenues:				
Taxes	\$ 2,161,449	\$ -	\$ -	\$ -
Intergovernmental	2,637	-	728,097	224,846
Use of money and property	11,981	-	(18,346)	(12,323)
Fines and forfeitures	-	75,817	-	-
Contributions	-	-	-	-
Developer participation	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	2,176,067	75,817	709,751	212,523
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	3,818	259,438	94,050
Community development	-	-	-	-
Community services	-	-	-	-
Public works	1,112,684	-	-	-
Capital outlay	16,759	-	-	20,130
Debt service:				
Principal retirement	624,998	-	-	-
Interest and fiscal charges	56,968	-	-	-
Total Expenditures	1,811,409	3,818	259,438	114,180
Excess (Deficiency) of Revenues Over (Under) Expenditures	364,658	71,999	450,313	98,343
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	(1,274)	-	-	-
Total Other Financing Sources (Uses)	(1,274)	-	-	-
Net Change in Fund Balance	363,384	71,999	450,313	98,343
Fund Balance (Deficit) - Beginning	965,951	222,072	629,498	466,092
Fund Balance (Deficit) - Ending	\$ 1,329,335	\$ 294,071	\$ 1,079,811	\$ 564,435

CITY OF INDIO, CALIFORNIA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

(CONTINUED)

	Special Revenue Funds			
	LLEBG	Homeland Security	Abandoned Vehicle	Unclaimed Property
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	11,037	12,754	19,188	-
Use of money and property	329	-	-	-
Fines and forfeitures	-	-	-	611
Contributions	-	-	-	-
Developer participation	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	11,366	12,754	19,188	611
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	8,261	10,390	-	-
Community development	-	-	-	-
Community services	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	8,261	10,390	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,105	2,364	19,188	611
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balance	3,105	2,364	19,188	611
Fund Balance (Deficit) - Beginning	14,333	(4,811)	176,786	13,826
Fund Balance (Deficit) - Ending	\$ 17,438	\$ (2,447)	\$ 195,974	\$ 14,437

CITY OF INDIO, CALIFORNIA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Special Revenue Funds			
	Measure A	NPDES	Air Quality	HBRRP
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	2,822,475	-	117,954	1,195,150
Use of money and property	(57,863)	164	(4,769)	2,594
Fines and forfeitures	-	-	-	-
Contributions	-	-	-	-
Developer participation	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	2,764,612	164	113,185	1,197,744
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Community development	-	-	-	-
Community services	-	-	-	-
Public works	581,404	99,857	90,655	-
Capital outlay	430,657	-	1,882	2,488,887
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	1,012,061	99,857	92,537	2,488,887
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,752,551	(99,693)	20,648	(1,291,143)
Other Financing Sources (Uses):				
Transfers in	-	205,296	-	2,915
Transfers out	(2,266)	-	-	-
Total Other Financing Sources (Uses)	(2,266)	205,296	-	2,915
Net Change in Fund Balance	1,750,285	105,603	20,648	(1,288,228)
Fund Balance (Deficit) - Beginning	2,051,507	(104,807)	185,686	(372,956)
Fund Balance (Deficit) - Ending	\$ 3,801,792	\$ 796	\$ 206,334	\$ (1,661,184)

CITY OF INDIO, CALIFORNIA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

(CONTINUED)

	Special Revenue Funds			
	Waste Recycling AB939	Communities Facilities District	Certified Access Specialist SB 1186	Indio Housing Authority
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	2,849	-	-	-
Use of money and property	(14,161)	(13,849)	-	(48,568)
Fines and forfeitures	-	-	-	-
Contributions	-	4,257,941	-	-
Developer participation	-	-	-	-
Miscellaneous	259,506	-	27,657	14,348
Total Revenues	248,194	4,244,092	27,657	(34,220)
Expenditures:				
Current:				
General government	346,591	-	2,000	-
Public safety	-	-	-	-
Community development	-	66,260	-	217,909
Community services	-	-	-	-
Public works	-	-	-	-
Capital outlay	4,025	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	350,616	66,260	2,000	217,909
Excess (Deficiency) of Revenues Over (Under) Expenditures	(102,422)	4,177,832	25,657	(252,129)
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	(622)	(4,207,544)	-	(571)
Total Other Financing Sources (Uses)	(622)	(4,207,544)	-	(571)
Net Change in Fund Balance	(103,044)	(29,712)	25,657	(252,700)
Fund Balance (Deficit) - Beginning	554,758	105,551	82,032	7,996,519
Fund Balance (Deficit) - Ending	\$ 451,714	\$ 75,839	\$ 107,689	\$ 7,743,819

CITY OF INDIO, CALIFORNIA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Special Revenue Funds			
	Department of Conservation Recycle Grant	Public		Neighborhood Stabilization Grant 3
		Education Government Channel	Neighborhood Stabilization Grant 2	
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	10,423	-	-	-
Use of money and property	(889)	-	27,177	(3,215)
Fines and forfeitures	-	-	-	-
Contributions	-	-	-	-
Developer participation	-	-	-	-
Miscellaneous	-	190,607	-	-
Total Revenues	9,534	190,607	27,177	(3,215)
Expenditures:				
Current:				
General government	15,063	-	-	-
Public safety	-	-	-	-
Community development	-	-	28,827	-
Community services	-	-	-	-
Public works	-	-	-	-
Capital outlay	12,904	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	27,967	-	28,827	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(18,433)	190,607	(1,650)	(3,215)
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	(293)	-
Total Other Financing Sources (Uses)	-	-	(293)	-
Net Change in Fund Balance	(18,433)	190,607	(1,943)	(3,215)
Fund Balance (Deficit) - Beginning	2,782	960,134	702,322	134,695
Fund Balance (Deficit) - Ending	\$ (15,651)	\$ 1,150,741	\$ 700,379	\$ 131,480

CITY OF INDIO, CALIFORNIA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

(CONTINUED)

	Special Revenue Funds			
	Lighting and Landscape	Asset Forfeiture	Community Development Block Grant	Emergency Abandoned and Recalcitrant
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	1,739,120	-
Use of money and property	(66,105)	(8,610)	4,611	(3,124)
Fines and forfeitures	-	-	-	-
Contributions	1,313,092	-	-	-
Developer participation	-	-	-	-
Miscellaneous	-	16,529	-	-
Total Revenues	1,246,987	7,919	1,743,731	(3,124)
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	71	-	-
Community development	-	-	331,673	-
Community services	-	-	-	-
Public works	1,445,843	-	-	-
Capital outlay	54,021	-	346,275	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	1,499,864	71	677,948	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(252,877)	7,848	1,065,783	(3,124)
Other Financing Sources (Uses):				
Transfers in	19,464	-	-	-
Transfers out	-	-	(114,899)	-
Total Other Financing Sources (Uses)	19,464	-	(114,899)	-
Net Change in Fund Balance	(233,413)	7,848	950,884	(3,124)
Fund Balance (Deficit) - Beginning	2,849,010	26,025	(1,333,561)	130,813
Fund Balance (Deficit) - Ending	\$ 2,615,597	\$ 33,873	\$ (382,677)	\$ 127,689

CITY OF INDIO, CALIFORNIA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Special Revenue Funds			
	Cal Emergency Management	Donations	SB-1 Transportation	Comm Transitional Housing
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	20,978	-	1,838,086	274,156
Use of money and property	-	-	(52,032)	(8,279)
Fines and forfeitures	-	-	-	-
Contributions	-	-	-	-
Developer participation	-	-	-	-
Miscellaneous	-	4,599	-	-
Total Revenues	20,978	4,599	1,786,054	265,877
Expenditures:				
Current:				
General government	-	3,419	-	-
Public safety	20,978	-	-	-
Community development	-	-	-	274,155
Community services	-	-	-	-
Public works	-	-	104,594	-
Capital outlay	-	-	23,974	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	20,978	3,419	128,568	274,155
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	1,180	1,657,486	(8,278)
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	(2,139)	-
Total Other Financing Sources (Uses)	-	-	(2,139)	-
Net Change in Fund Balance	-	1,180	1,655,347	(8,278)
Fund Balance (Deficit) - Beginning	123	74,926	1,528,736	102,200
Fund Balance (Deficit) - Ending	\$ 123	\$ 76,106	\$ 3,184,083	\$ 93,922

CITY OF INDIO, CALIFORNIA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

(CONTINUED)

	Special Revenue Fund			
	Compost Mitigation Dillon	Local Gov Planning Support Grant	Planning Prog Grant SB2	Public Art In- Lieu
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	62,603	75,293	-
Use of money and property	(952)	-	-	(28,236)
Fines and forfeitures	-	-	-	-
Contributions	-	-	-	-
Developer participation	-	-	-	273,724
Miscellaneous	13,442	-	-	-
Total Revenues	12,490	62,603	75,293	245,488
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Community development	-	-	-	-
Community services	-	-	-	192,361
Public works	-	107,539	162,739	-
Capital outlay	-	-	-	132,726
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	-	107,539	162,739	325,087
Excess (Deficiency) of Revenues Over (Under) Expenditures	12,490	(44,936)	(87,446)	(79,599)
Other Financing Sources (Uses):				
Transfers in	-	-	1,463	-
Transfers out	-	-	-	(159)
Total Other Financing Sources (Uses)	-	-	1,463	(159)
Net Change in Fund Balance	12,490	(44,936)	(85,983)	(79,758)
Fund Balance (Deficit) - Beginning	34,635	(115,836)	(100,821)	1,150,202
Fund Balance (Deficit) - Ending	\$ 47,125	\$ (160,772)	\$ (186,804)	\$ 1,070,444

CITY OF INDIO, CALIFORNIA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Debt Service Funds</u>		<u>Total Governmental Funds</u>
	<u>General Debt Service</u>	<u>Judgment Bonds</u>	
Revenues:			
Taxes	\$ -	\$ -	\$ 2,161,449
Intergovernmental	-	-	9,157,646
Use of money and property	1,413	101	(292,951)
Fines and forfeitures	-	-	76,428
Contributions	-	-	5,571,033
Developer participation	-	-	273,724
Miscellaneous	-	-	526,688
Total Revenues	1,413	101	17,474,017
Expenditures:			
Current:			
General government	-	4,840	371,913
Public safety	-	-	397,006
Community development	-	-	918,824
Community services	-	-	192,361
Public works	-	-	3,705,315
Capital outlay	-	-	3,532,240
Debt service:			
Principal retirement	1,745,000	655,000	3,024,998
Interest and fiscal charges	1,430,394	509,594	1,996,956
Total Expenditures	3,175,394	1,169,434	14,139,613
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,173,981)	(1,169,333)	3,334,404
Other Financing Sources (Uses):			
Transfers in	3,175,894	1,169,258	4,574,290
Transfers out	-	-	(4,329,767)
Total Other Financing Sources (Uses)	3,175,894	1,169,258	244,523
Net Change in Fund Balance	1,913	(75)	3,578,927
Fund Balance (Deficit) - Beginning	1,590,607	176	20,719,205
Fund Balance (Deficit) - Ending	\$ 1,592,520	\$ 101	\$ 24,298,132

CITY OF INDIO, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
 GAS TAX
 FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 965,951	\$ 965,951	\$ 965,951	\$ -
Resources (Inflows):				
Taxes	2,282,599	2,282,599	2,161,449	(121,150)
Intergovernmental	-	-	2,637	2,637
Use of money and property	20,000	20,000	11,981	(8,019)
Amounts Available for Appropriations	3,268,550	3,268,550	3,142,018	(126,532)
Charges to Appropriations (Outflows):				
Public works	1,374,796	1,374,796	1,112,684	262,112
Capital outlay	20,757	20,757	16,759	3,998
Debt service:				
Principal retirement	625,000	625,000	624,998	2
Interest and fiscal charges	57,813	57,813	56,968	845
Transfers out	542,629	542,629	1,274	541,355
Total Charges to Appropriations	2,620,995	2,620,995	1,812,683	808,312
Budgetary Fund Balance, June 30	\$ 647,555	\$ 647,555	\$ 1,329,335	\$ 681,780

CITY OF INDIO, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
 TRAFFIC SAFETY
 FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 222,072	\$ 222,072	\$ 222,072	\$ -
Resources (Inflows):				
Fines and forfeitures	50,000	50,000	75,817	25,817
Amounts Available for Appropriations	272,072	272,072	297,889	25,817
Charges to Appropriations (Outflows):				
Public safety	65,000	65,000	3,818	61,182
Total Charges to Appropriations	65,000	65,000	3,818	61,182
Budgetary Fund Balance, June 30	\$ 207,072	\$ 207,072	\$ 294,071	\$ 86,999

CITY OF INDIO, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
 PUBLIC SAFETY
 FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 629,498	\$ 629,498	\$ 629,498	\$ -
Resources (Inflows):				
Intergovernmental	620,000	620,000	728,097	108,097
Use of money and property	-	-	(18,346)	(18,346)
Amounts Available for Appropriations	1,249,498	1,249,498	1,339,249	89,751
Charges to Appropriations (Outflows):				
Public safety	257,710	257,710	259,438	(1,728)
Total Charges to Appropriations	257,710	257,710	259,438	(1,728)
Budgetary Fund Balance, June 30	\$ 991,788	\$ 991,788	\$ 1,079,811	\$ 88,023

CITY OF INDIO, CALIFORNIA

**BUDGETARY COMPARISON SCHEDULE
SUPPLEMENTAL LAW ENFORCEMENT
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ 466,092	\$ 466,092	\$ 466,092	\$ -
Resources (Inflows):				
Intergovernmental	213,000	213,000	224,846	11,846
Use of money and property	-	-	(12,323)	(12,323)
Amounts Available for Appropriations	679,092	679,092	678,615	(477)
Charges to Appropriations (Outflows):				
Public safety	143,000	143,000	94,050	48,950
Capital outlay	200,000	200,000	20,130	179,870
Total Charges to Appropriations	343,000	343,000	114,180	228,820
Budgetary Fund Balance, June 30	\$ 336,092	\$ 336,092	\$ 564,435	\$ 228,343

CITY OF INDIO, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
 LLEBG
 FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 14,333	\$ 14,333	\$ 14,333	\$ -
Resources (Inflows):				
Intergovernmental	43,899	43,899	11,037	(32,862)
Use of money and property	-	-	329	329
Amounts Available for Appropriations	58,232	58,232	25,699	(32,533)
Charges to Appropriations (Outflows):				
Public safety	177,340	177,340	8,261	169,079
Total Charges to Appropriations	177,340	177,340	8,261	169,079
Budgetary Fund Balance (Deficit), June 30	\$ (119,108)	\$ (119,108)	\$ 17,438	\$ 136,546

CITY OF INDIO, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
 HOMELAND SECURITY
 FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (4,811)	\$ (4,811)	\$ (4,811)	\$ -
Resources (Inflows):				
Intergovernmental	12,766	12,766	12,754	(12)
Amounts Available for Appropriations	7,955	7,955	7,943	(12)
Charges to Appropriations (Outflows):				
Public safety	-	-	10,390	(10,390)
Capital outlay	12,766	12,766	-	12,766
Total Charges to Appropriations	12,766	12,766	10,390	2,376
Budgetary Fund Balance (Deficit), June 30	\$ (4,811)	\$ (4,811)	\$ (2,447)	\$ 2,364

CITY OF INDIO, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
 ABANDONED VEHICLE
 FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 176,786	\$ 176,786	\$ 176,786	\$ -
Resources (Inflows):				
Intergovernmental	23,000	23,000	19,188	(3,812)
Amounts Available for Appropriations	199,786	199,786	195,974	(3,812)
Charges to Appropriations (Outflows):				
Public safety	23,000	23,000	-	23,000
Total Charges to Appropriations	23,000	23,000	-	23,000
Budgetary Fund Balance, June 30	\$ 176,786	\$ 176,786	\$ 195,974	\$ 19,188

CITY OF INDIO, CALIFORNIA

**BUDGETARY COMPARISON SCHEDULE
MEASURE A
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ 2,051,507	\$ 2,051,507	\$ 2,051,507	\$ -
Resources (Inflows):				
Intergovernmental	2,033,200	2,033,200	2,822,475	789,275
Use of money and property	7,500	7,500	(57,863)	(65,363)
Amounts Available for Appropriations	4,092,207	4,092,207	4,816,119	723,912
Charges to Appropriations (Outflows):				
Public works	1,275,440	1,275,440	581,404	694,036
Capital outlay	8,381	8,381	430,657	(422,276)
Transfers out	2,540,354	2,540,354	2,266	2,538,088
Total Charges to Appropriations	3,824,175	3,824,175	1,014,327	2,809,848
Budgetary Fund Balance, June 30	\$ 268,032	\$ 268,032	\$ 3,801,792	\$ 3,533,760

CITY OF INDIO, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
 NPDES
 FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (104,807)	\$ (104,807)	\$ (104,807)	\$ -
Resources (Inflows):				
Use of money and property	-	-	164	164
Transfers in	98,000	98,000	205,296	107,296
Amounts Available for Appropriations	(6,807)	(6,807)	100,653	107,460
Charges to Appropriations (Outflows):				
Public works	98,000	98,000	99,857	(1,857)
Total Charges to Appropriations	98,000	98,000	99,857	(1,857)
Budgetary Fund Balance (Deficit), June 30	\$ (104,807)	\$ (104,807)	\$ 796	\$ 105,603

CITY OF INDIO, CALIFORNIA

**BUDGETARY COMPARISON SCHEDULE
AIR QUALITY (AB2766/AQMD)
FOR THE YEAR ENDED JUNE 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 185,686	\$ 185,686	\$ 185,686	\$ -
Resources (Inflows):				
Intergovernmental	114,000	114,000	117,954	3,954
Use of money and property	-	-	(4,769)	(4,769)
Amounts Available for Appropriations	299,686	299,686	298,871	(815)
Charges to Appropriations (Outflows):				
Public works	87,400	87,400	90,655	(3,255)
Capital outlay	60,000	60,000	1,882	58,118
Total Charges to Appropriations	147,400	147,400	92,537	54,863
Budgetary Fund Balance, June 30	\$ 152,286	\$ 152,286	\$ 206,334	\$ 54,048

CITY OF INDIO, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
 HBRRP
 FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund (Deficit), July 1	\$ (372,956)	\$ (372,956)	\$ (372,956)	\$ -
Resources (Inflows):				
Intergovernmental	9,307,618	9,307,618	1,195,150	(8,112,468)
Use of money and property	-	-	2,594	2,594
Transfers in	1,659,152	1,659,152	2,915	(1,656,237)
Amounts Available for Appropriations	10,593,814	10,593,814	827,703	(9,766,111)
Charges to Appropriations (Outflows):				
Capital outlay	10,966,770	10,966,770	2,488,887	8,477,883
Total Charges to Appropriations	10,966,770	10,966,770	2,488,887	8,477,883
Budgetary Fund (Deficit), June 30	\$ (372,956)	\$ (372,956)	\$ (1,661,184)	\$ (1,288,228)

CITY OF INDIO, CALIFORNIA

**BUDGETARY COMPARISON SCHEDULE
WASTE RECYCLING AB939
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ 554,758	\$ 554,758	\$ 554,758	\$ -
Resources (Inflows):				
Intergovernmental	-	-	2,849	2,849
Use of money and property	-	-	(14,161)	(14,161)
Miscellaneous	260,000	260,000	259,506	(494)
Amounts Available for Appropriations	814,758	814,758	802,952	(11,806)
Charges to Appropriations (Outflows):				
General government	365,349	365,349	346,591	18,758
Capital outlay	10,000	10,000	4,025	5,975
Transfers out	-	-	622	(622)
Total Charges to Appropriations	375,349	375,349	351,238	24,111
Budgetary Fund Balance, June 30	\$ 439,409	\$ 439,409	\$ 451,714	\$ 12,305

CITY OF INDIO, CALIFORNIA

**BUDGETARY COMPARISON SCHEDULE
COMMUNITIES FACILITIES DISTRICT
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ 105,551	\$ 105,551	\$ 105,551	\$ -
Resources (Inflows):				
Use of money and property	-	-	(13,849)	(13,849)
Contributions	4,242,148	4,242,148	4,257,941	15,793
Amounts Available for Appropriations	4,347,699	4,347,699	4,349,643	1,944
Charges to Appropriations (Outflows):				
Community development	69,898	69,898	66,260	3,638
Transfers out	4,215,702	4,215,702	4,207,544	8,158
Total Charges to Appropriations	4,285,600	4,285,600	4,273,804	11,796
Budgetary Fund Balance, June 30	\$ 62,099	\$ 62,099	\$ 75,839	\$ 13,740

CITY OF INDIO, CALIFORNIA

**BUDGETARY COMPARISON SCHEDULE
 CERTIFIED ACCESS SPECIALIST SB 1186
 FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ 82,032	\$ 82,032	\$ 82,032	\$ -
Resources (Inflows):				
Miscellaneous	25,000	25,000	27,657	2,657
Amounts Available for Appropriations	107,032	107,032	109,689	2,657
Charges to Appropriations (Outflows):				
General government	26,500	26,500	2,000	24,500
Total Charges to Appropriations	26,500	26,500	2,000	24,500
Budgetary Fund Balance, June 30	\$ 80,532	\$ 80,532	\$ 107,689	\$ 27,157

CITY OF INDIO, CALIFORNIA

**BUDGETARY COMPARISON SCHEDULE
INDIO HOUSING AUTHORITY
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ 7,996,519	\$ 7,996,519	\$ 7,996,519	\$ -
Resources (Inflows):				
Use of money and property	10,000	10,000	(48,568)	(58,568)
Miscellaneous	-	-	14,348	14,348
Transfers in	2,012,668	2,012,668	-	(2,012,668)
Amounts Available for Appropriations	10,019,187	10,019,187	7,962,299	(2,056,888)
Charges to Appropriations (Outflows):				
Community development	218,628	218,628	217,909	719
Transfers out	-	-	571	(571)
Total Charges to Appropriations	218,628	218,628	218,480	148
Budgetary Fund Balance, June 30	\$ 9,800,559	\$ 9,800,559	\$ 7,743,819	\$ (2,056,740)

CITY OF INDIO, CALIFORNIA

**BUDGETARY COMPARISON SCHEDULE
DEPARTMENT OF CONSERVATION RECYCLE GRANT
FOR THE YEAR ENDED JUNE 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 2,782	\$ 2,782	\$ 2,782	\$ -
Resources (Inflows):				
Intergovernmental	32,960	32,960	10,423	(22,537)
Use of money and property	-	-	(889)	(889)
Amounts Available for Appropriations	35,742	35,742	12,316	(23,426)
Charges to Appropriations (Outflows):				
General government	12,946	12,946	15,063	(2,117)
Capital outlay	20,000	20,000	12,904	7,096
Total Charges to Appropriations	32,946	32,946	27,967	4,979
Budgetary Fund Balance, June 30	\$ 2,796	\$ 2,796	\$ (15,651)	\$ (18,447)

CITY OF INDIO, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
 PUBLIC EDUCATION GOVERNMENT CHANNEL
 FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 960,134	\$ 960,134	\$ 960,134	\$ -
Resources (Inflows):				
Miscellaneous	199,000	199,000	190,607	(8,393)
Amounts Available for Appropriations	1,159,134	1,159,134	1,150,741	(8,393)
Charges to Appropriations (Outflows):				
Capital outlay	400,000	400,000	-	400,000
Total Charges to Appropriations	400,000	400,000	-	400,000
Budgetary Fund Balance, June 30	\$ 759,134	\$ 759,134	\$ 1,150,741	\$ 391,607

CITY OF INDIO, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
 NEIGHBORHOOD STABILIZATION GRANT 2
 FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 702,322	\$ 702,322	\$ 702,322	\$ -
Resources (Inflows):				
Use of money and property	250,000	250,000	27,177	(222,823)
Amounts Available for Appropriations	952,322	952,322	729,499	(222,823)
Charges to Appropriations (Outflows):				
Community development	94,258	94,258	28,827	65,431
Transfers out	-	-	293	(293)
Total Charges to Appropriations	94,258	94,258	29,120	65,138
Budgetary Fund Balance, June 30	\$ 858,064	\$ 858,064	\$ 700,379	\$ (157,685)

CITY OF INDIO, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
 LIGHTING AND LANDSCAPE
 FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 2,849,010	\$ 2,849,010	\$ 2,849,010	\$ -
Resources (Inflows):				
Use of money and property	-	-	(66,105)	(66,105)
Contributions	1,292,192	1,292,192	1,313,092	20,900
Transfers in	50,000	50,000	19,464	(30,536)
Amounts Available for Appropriations	4,191,202	4,191,202	4,115,461	(75,741)
Charges to Appropriations (Outflows):				
Public works	1,852,949	1,852,949	1,445,843	407,106
Capital outlay	72,500	72,500	54,021	18,479
Total Charges to Appropriations	1,925,449	1,925,449	1,499,864	425,585
Budgetary Fund Balance, June 30	\$ 2,265,753	\$ 2,265,753	\$ 2,615,597	\$ 349,844

CITY OF INDIO, CALIFORNIA

**BUDGETARY COMPARISON SCHEDULE
COMMUNITY DEVELOPMENT BLOCK GRANT
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ (1,333,561)	\$ (1,333,561)	\$ (1,333,561)	\$ -
Resources (Inflows):				
Intergovernmental	2,278,251	2,278,251	1,739,120	(539,131)
Use of money and property	-	-	4,611	4,611
Amounts Available for Appropriations	944,690	944,690	410,170	(534,520)
Charges to Appropriations (Outflows):				
Community development	442,853	662,186	331,673	330,513
Capital outlay	1,383,383	1,311,383	346,275	965,108
Transfers out	442,000	517,000	114,899	402,101
Total Charges to Appropriations	2,268,236	2,490,569	792,847	1,697,722
Budgetary Fund Balance, June 30	\$ (1,323,546)	\$ (1,545,879)	\$ (382,677)	\$ 1,163,202

CITY OF INDIO, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
 CAL EMERGENCY MANAGEMENT
 FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 123	\$ 123	\$ 123	\$ -
Resources (Inflows):				
Intergovernmental	21,128	21,128	20,978	(150)
Amounts Available for Appropriations	21,251	21,251	21,101	(150)
Charges to Appropriations (Outflows):				
Public safety	21,128	21,128	20,978	150
Total Charges to Appropriations	21,128	21,128	20,978	150
Budgetary Fund Balance, June 30	\$ 123	\$ 123	\$ 123	\$ -

CITY OF INDIO, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
 DONATIONS
 FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 74,926	\$ 74,926	\$ 74,926	\$ -
Resources (Inflows):				
Miscellaneous	-	-	4,599	4,599
Amounts Available for Appropriations	74,926	74,926	79,525	4,599
Charges to Appropriations (Outflows):				
General government	11,000	11,000	3,419	7,581
Total Charges to Appropriations	11,000	11,000	3,419	7,581
Budgetary Fund Balance, June 30	\$ 63,926	\$ 63,926	\$ 76,106	\$ 12,180

CITY OF INDIO, CALIFORNIA

**BUDGETARY COMPARISON SCHEDULE
SB-1 TRANSPORTATION
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ 1,528,736	\$ 1,528,736	\$ 1,528,736	\$ -
Resources (Inflows):				
Intergovernmental	1,747,413	1,747,413	1,838,086	90,673
Use of money and property	20,000	20,000	(52,032)	(72,032)
Amounts Available for Appropriations	3,296,149	3,296,149	3,314,790	18,641
Charges to Appropriations (Outflows):				
Public works	1,696,449	1,696,449	104,594	1,591,855
Capital outlay	20,000	20,000	23,974	(3,974)
Transfers out	1,271,832	1,271,832	2,139	1,269,693
Total Charges to Appropriations	2,988,281	2,988,281	130,707	2,857,574
Budgetary Fund Balance, June 30	\$ 307,868	\$ 307,868	\$ 3,184,083	\$ 2,876,215

CITY OF INDIO, CALIFORNIA

**BUDGETARY COMPARISON SCHEDULE
COMMUNITY TRANSITIONAL HOUSING
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ 102,200	\$ 102,200	\$ 102,200	\$ -
Resources (Inflows):				
Intergovernmental	624,092	624,092	274,156	(349,936)
Use of money and property	-	-	(8,279)	(8,279)
Amounts Available for Appropriations	726,292	726,292	368,077	(358,215)
Charges to Appropriations (Outflows):				
Community development	344,080	344,080	274,155	69,925
Total Charges to Appropriations	344,080	344,080	274,155	69,925
Budgetary Fund Balance (Deficit), June 30	\$ 382,212	\$ 382,212	\$ 93,922	\$ (288,290)

CITY OF INDIO, CALIFORNIA

**BUDGETARY COMPARISON SCHEDULE
COMPOST MITIGATION DILLON
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ 34,635	\$ 34,635	\$ 34,635	\$ -
Resources (Inflows):				
Use of money and property	-	-	(952)	(952)
Miscellaneous	13,700	13,700	13,442	(258)
Amounts Available for Appropriations	48,335	48,335	47,125	(1,210)
Budgetary Fund Balance, June 30	\$ 48,335	\$ 48,335	\$ 47,125	\$ (1,210)

CITY OF INDIO, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
 LOCAL GOV PLANNING SUPPORT GRANT
 FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (115,836)	\$ (115,836)	\$ (115,836)	\$ -
Resources (Inflows):				
Intergovernmental	275,000	275,000	62,603	(212,397)
Amounts Available for Appropriations	159,164	159,164	(53,233)	(212,397)
Charges to Appropriations (Outflows):				
Public works	275,000	275,000	107,539	167,461
Total Charges to Appropriations	275,000	275,000	107,539	167,461
Budgetary Fund Balance (Deficit), June 30	\$ (115,836)	\$ (115,836)	\$ (160,772)	\$ (44,936)

CITY OF INDIO, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
 PLANNING PROG GRANT SB2
 FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (100,821)	\$ (100,821)	\$ (100,821)	\$ -
Resources (Inflows):				
Intergovernmental	310,000	310,000	75,293	(234,707)
Transfers in	-	-	1,463	1,463
Amounts Available for Appropriations	209,179	209,179	(24,065)	(233,244)
Charges to Appropriations (Outflows):				
Public works	310,000	310,000	162,739	147,261
Total Charges to Appropriations	310,000	310,000	162,739	147,261
Budgetary Fund Balance (Deficit), June 30	\$ (100,821)	\$ (100,821)	\$ (186,804)	\$ (85,983)

CITY OF INDIO, CALIFORNIA

**BUDGETARY COMPARISON SCHEDULE
PUBLIC ART IN-LIEU
FOR THE YEAR ENDED JUNE 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,150,202	\$ 1,150,202	\$ 1,150,202	\$ -
Resources (Inflows):				
Use of money and property	10,000	10,000	(28,236)	(38,236)
Developer participation	130,000	130,000	273,724	143,724
Amounts Available for Appropriations	1,290,202	1,290,202	1,395,690	105,488
Charges to Appropriations (Outflows):				
Parks and recreation	552,086	552,086	192,361	359,725
Capital outlay	-	-	132,726	(132,726)
Transfers out	-	-	159	(159)
Total Charges to Appropriations	552,086	552,086	325,246	226,840
Budgetary Fund Balance (Deficit), June 30	\$ 738,116	\$ 738,116	\$ 1,070,444	\$ 332,328

CITY OF INDIO, CALIFORNIA

**BUDGETARY COMPARISON SCHEDULE
CAPITAL PROJECTS
FOR THE YEAR ENDED JUNE 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 6,034,734	\$ 6,034,734	\$ 6,034,734	\$ -
Resources (Inflows):				
Intergovernmental	7,237,870	7,237,870	928,002	(6,309,868)
Use of money and property	121,000	121,000	(250,017)	(371,017)
Developer participation	2,365,000	2,365,000	5,244,770	2,879,770
Miscellaneous	-	-	168,122	168,122
Transfers in	11,504,133	11,504,133	1,692,832	(9,811,301)
Amounts Available for Appropriations	27,262,737	27,262,737	13,818,443	(13,444,294)
Charges to Appropriations (Outflows):				
Capital outlay	19,817,982	19,817,982	4,411,626	15,406,356
Transfers out	3,346,370	3,346,370	1,550,000	1,796,370
Total Charges to Appropriations	23,164,352	23,164,352	5,961,626	17,202,726
Budgetary Fund Balance, June 30	\$ 4,098,385	\$ 4,098,385	\$ 7,856,817	\$ 3,758,432

CITY OF INDIO, CALIFORNIA

**BUDGETARY COMPARISON SCHEDULE
GENERAL DEBT SERVICE
FOR THE YEAR ENDED JUNE 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,590,607	\$ 1,590,607	\$ 1,590,607	\$ -
Resources (Inflows):				
Use of money and property	-	-	1,413	1,413
Transfers in	3,185,587	3,185,587	3,175,894	(9,693)
Amounts Available for Appropriations	4,776,194	4,776,194	4,767,914	(8,280)
Charges to Appropriations (Outflows):				
Debt service:				
Principal retirement	1,745,000	1,745,000	1,745,000	-
Interest and fiscal charges	1,440,587	1,440,587	1,430,394	10,193
Total Charges to Appropriations	3,185,587	3,185,587	3,175,394	10,193
Budgetary Fund Balance, June 30	\$ 1,590,607	\$ 1,590,607	\$ 1,592,520	\$ 1,913

CITY OF INDIO, CALIFORNIA

**BUDGETARY COMPARISON SCHEDULE
 JUDGMENT BONDS
 FOR THE YEAR ENDED JUNE 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 176	\$ 176	\$ 176	\$ -
Resources (Inflows):				
Use of money and property	-	-	101	101
Transfers in	1,170,882	1,170,882	1,169,258	(1,624)
Amounts Available for Appropriations	1,171,058	1,171,058	1,169,535	(1,523)
Charges to Appropriations (Outflows):				
General government	6,288	6,288	4,840	1,448
Debt service:				
Principal retirement	655,000	655,000	655,000	-
Interest and fiscal charges	509,594	509,594	509,594	-
Total Charges to Appropriations	1,170,882	1,170,882	1,169,434	1,448
Budgetary Fund Balance, June 30	\$ 176	\$ 176	\$ 101	\$ (75)

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NON-MAJOR ENTERPRISE FUNDS

The proprietary funds are used to account for services for which the City charges customers. Funds included are:

Golf – To account for the operations and maintenance of the City's municipal golf course.

Solid Waste – To account for the solid waste services managed by Burrtec Waste and Recycling.

CITY OF INDIO, CALIFORNIA

**COMBINING STATEMENT OF NET POSITION
 NON-MAJOR ENTERPRISE FUNDS
 JUNE 30, 2022**

	Business-Type Activities - Enterprise Funds		
	Golf	Solid Waste	Totals
Assets:			
Current Assets:			
Cash and investments	\$ 539,515	\$ 3,304,321	\$ 3,843,836
Accounts receivable	96,030	-	96,030
Inventories	30,813	-	30,813
Prepaid costs	75,000	-	75,000
Total Current Assets	<u>741,358</u>	<u>3,304,321</u>	<u>4,045,679</u>
Noncurrent Assets:			
Capital assets - not being depreciated	465,959	-	465,959
Capital assets - net of accumulated depreciation	300,433	-	300,433
Total Noncurrent Assets	<u>766,392</u>	<u>-</u>	<u>766,392</u>
Total Assets	<u>1,507,750</u>	<u>3,304,321</u>	<u>4,812,071</u>
Deferred Outflows of Resources:			
Pension deferrals	3,264	-	3,264
OPEB deferrals	6,472	-	6,472
Total Deferred Outflows of Resources	<u>9,736</u>	<u>-</u>	<u>9,736</u>
Liabilities:			
Current Liabilities:			
Accounts payable	128,778	-	128,778
Accrued liabilities	627	-	627
Accrued interest	4	-	4
Deposits payable	-	2,395,343	2,395,343
Lease payable	56,145	-	56,145
Total Current Liabilities	<u>185,554</u>	<u>2,395,343</u>	<u>2,580,897</u>
Noncurrent Liabilities:			
Net pension liability	22,336	-	22,336
Net OPEB liability	39,829	-	39,829
Lease payable	9,370	-	9,370
Total Noncurrent Liabilities	<u>71,535</u>	<u>-</u>	<u>71,535</u>
Total Liabilities	<u>257,089</u>	<u>2,395,343</u>	<u>2,652,432</u>
Deferred Inflows of Resources:			
Pension deferrals	10,407	-	10,407
OPEB deferrals	313	-	313
Total Deferred Inflows of Resources	<u>10,720</u>	<u>-</u>	<u>10,720</u>
Net Position:			
Net investment in capital assets	700,877	-	700,877
Unrestricted	548,800	908,978	1,457,778
Total Net Position	<u>\$ 1,249,677</u>	<u>\$ 908,978</u>	<u>\$ 2,158,655</u>

CITY OF INDIO, CALIFORNIA

COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
NON-MAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Business-Type Activities - Enterprise Funds</u>		
	<u>Golf</u>	<u>Solid Waste</u>	<u>Totals</u>
Operating Revenues:			
Sales and service charges	\$ 1,765,919	\$ -	\$ 1,765,919
Total Operating Revenues	1,765,919	-	1,765,919
Operating Expenses:			
Personnel services	45,075	-	45,075
Contractual services	598,074	-	598,074
Repairs and maintenance	400,300	-	400,300
Depreciation expense	18,252	-	18,252
Materials and supplies	478,146	-	478,146
Total Operating Expenses	1,539,847	-	1,539,847
Operating Income	226,072	-	226,072
Nonoperating Revenues:			
Interest revenue	(8,046)	(55,027)	(63,073)
Interest expense	(55,037)	-	(55,037)
Total Nonoperating Revenues	(63,083)	(55,027)	(118,110)
Income (Loss) Before Transfers	162,989	(55,027)	107,962
Transfers in	87,898	-	87,898
Transfers out	(75)	-	(75)
Change in Net Position	250,812	(55,027)	195,785
Net Position - Beginning	998,865	964,005	1,962,870
Net Position - Ending	\$ 1,249,677	\$ 908,978	\$ 2,158,655

CITY OF INDIO, CALIFORNIA

COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Business-Type Activities - Enterprise Funds</u>		
	<u>Golf</u>	<u>Solid Waste</u>	<u>Totals</u>
Cash Flows from Operating Activities:			
Receipts from customers and users	\$ 1,676,280	\$ 278,347	\$ 1,954,627
Payments to suppliers and service providers	(1,452,271)	-	(1,452,271)
Payments to employees for salaries and benefits	(22,744)	-	(22,744)
Net Cash Provided by Operating Activities	201,265	278,347	479,612
Cash Flows from Non-Capital Financing Activities:			
Transfers out to other funds	(75)	-	(75)
Transfers in from other funds	87,898	-	87,898
Net Cash Provided by Non-Capital Financing Activities	87,823	-	87,823
Cash Flows from Investing Activities:			
Interest on investments	(64,191)	(54,145)	(118,336)
Net Cash Provided by (Used for) Investing Activities	(64,191)	(54,145)	(118,336)
Net Increase in Cash and Cash Equivalents	224,897	224,202	449,099
Cash and Cash Equivalents, July 1	314,618	3,080,119	3,394,737
Cash and Cash Equivalents, June 30	\$ 539,515	\$ 3,304,321	\$ 3,843,836
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:			
Operating income	\$ 226,072	\$ -	\$ 226,072
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation expense	18,252	-	18,252
(Increase) decrease in accounts receivable	(96,030)	-	(96,030)
(Increase) decrease in due from other governments	6,391	-	6,391
Increase (decrease) in inventories	(21,090)	-	(21,090)
Increase (decrease) in accounts payable	45,339	-	45,339
Increase (decrease) in accrued liabilities	71	-	71
Increase (decrease) in deposits payable	-	278,347	278,347
Increase (decrease) in pension obligations	3,537	-	3,537
Increase (decrease) in OPEB obligations	18,723	-	18,723
Total Adjustments	(24,807)	278,347	253,540
Net Cash Provided by Operating Activities	\$ 201,265	\$ 278,347	\$ 479,612

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:

Risk Management – This fund is used to account for activities involved in providing general liability and worker's compensation programs, property insurance, and retiree health benefits.

Information Technology – This fund encompasses the City's computer technology and telecommunications systems. It provides for future technology needs and assistance and provides technical training to employees to ensure equipment and software are used in the most efficient manner.

Vehicle Replacement – This fund accounts for activities involved in providing replacement of fully depreciated, damaged, or non-operational rolling stock.

Building and Grounds – This fund accounts for maintenance costs associated with City buildings and their grounds.

Fleet Maintenance – This fund accounts for the maintenance and repair of the City's vehicles, motorcycles, and heavy equipment rolling stock.

CITY OF INDIO, CALIFORNIA

**COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2022**

	Governmental Activities - Internal Service Funds		
	Risk Management	Information Technology	Vehicle Replacement
Assets:			
Current Assets:			
Cash and investments	\$ 4,071,334	\$ 2,063,170	\$ 683,881
Accounts receivable	-	15,268	-
Restricted cash with fiscal agent	25,113	-	-
Total Current Assets	<u>4,096,447</u>	<u>2,078,438</u>	<u>683,881</u>
Noncurrent Assets:			
Capital assets - net of accumulated depreciation	-	1,089,680	1,726,168
Total Noncurrent Assets	-	1,089,680	1,726,168
Total Assets	<u>4,096,447</u>	<u>3,168,118</u>	<u>2,410,049</u>
Deferred Outflows of Resources:			
Pension deferrals	22,789	160,913	-
OPEB deferrals	38,265	297,589	-
Total Deferred Outflows of Resources	<u>61,054</u>	<u>458,502</u>	<u>-</u>
Liabilities:			
Current Liabilities:			
Accounts payable	7,345	229,494	-
Accrued liabilities	4,734	32,107	-
Accrued interest	-	218	-
Unearned revenues	-	-	-
Due to other funds	-	-	-
Lease payable	-	17,323	-
Financing agreements, due within one year	-	-	-
Total Current Liabilities	<u>12,079</u>	<u>279,142</u>	<u>-</u>
Noncurrent Liabilities:			
Accrued claims and judgments	13,720	-	-
Financing agreements	-	-	-
Lease payable	-	33,982	-
Net pension liability	153,773	1,056,076	-
Net OPEB liability	235,495	1,831,482	-
Total Noncurrent Liabilities	<u>402,988</u>	<u>2,921,540</u>	<u>-</u>
Total Liabilities	<u>415,067</u>	<u>3,200,682</u>	<u>-</u>
Deferred Inflows of Resources:			
Pension deferrals	67,898	547,176	-
OPEB deferrals	1,848	14,368	-
Total Deferred Inflows of Resources	<u>69,746</u>	<u>561,544</u>	<u>-</u>
Net Position:			
Net investment in capital assets	-	1,038,375	1,726,168
Unrestricted	3,672,688	(1,173,981)	683,881
Total Net Position	<u>\$ 3,672,688</u>	<u>\$ (135,606)</u>	<u>\$ 2,410,049</u>

CITY OF INDIO, CALIFORNIA

**COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2022**

	Governmental Activities - Internal Service Funds		
	Buildings and Grounds	Fleet Maintenance	Totals
Assets:			
Current Assets:			
Cash and investments	\$ 1,282,668	\$ 471	\$ 8,101,524
Accounts receivable	2,859	-	18,127
Restricted cash with fiscal agent	71,027	-	96,140
Total Current Assets	<u>1,356,554</u>	<u>471</u>	<u>8,215,791</u>
Noncurrent Assets:			
Capital assets - net of accumulated depreciation	679,958	-	3,495,806
Total Noncurrent Assets	<u>679,958</u>	<u>-</u>	<u>3,495,806</u>
Total Assets	<u>2,036,512</u>	<u>471</u>	<u>11,711,597</u>
Deferred Outflows of Resources:			
Pension deferrals	68,770	104,647	357,119
OPEB deferrals	127,073	172,939	635,866
Total Deferred Outflows of Resources	<u>195,843</u>	<u>277,586</u>	<u>992,985</u>
Liabilities:			
Current Liabilities:			
Accounts payable	256,546	127,249	620,634
Accrued liabilities	11,907	18,444	67,192
Accrued interest	-	-	218
Unearned revenues	241,260	-	241,260
Due to other funds	-	72,680	72,680
Lease payable	-	-	17,323
Financing agreements, due within one year	100,700	-	100,700
Total Current Liabilities	<u>610,413</u>	<u>218,373</u>	<u>1,120,007</u>
Noncurrent Liabilities:			
Accrued claims and judgments	-	-	13,720
Financing agreements	51,842	-	51,842
Lease payable	-	-	33,982
Net pension liability	441,984	710,607	2,362,440
Net OPEB liability	782,060	1,064,337	3,913,374
Total Noncurrent Liabilities	<u>1,275,886</u>	<u>1,774,944</u>	<u>6,375,358</u>
Total Liabilities	<u>1,886,299</u>	<u>1,993,317</u>	<u>7,495,365</u>
Deferred Inflows of Resources:			
Pension deferrals	242,477	343,211	1,200,762
OPEB deferrals	6,136	8,350	30,702
Total Deferred Inflows of Resources	<u>248,613</u>	<u>351,561</u>	<u>1,231,464</u>
Net Position:			
Net investment in capital assets	527,416	-	3,291,959
Unrestricted	(429,973)	(2,066,821)	685,794
Total Net Position	<u>\$ 97,443</u>	<u>\$ (2,066,821)</u>	<u>\$ 3,977,753</u>

CITY OF INDIO, CALIFORNIA

COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2022

	Governmental Activities - Internal Service Funds		
	Risk Management	Information Technology	Vehicle Replacment
Operating Revenues:			
Interdepartmental charges	\$ 6,645,624	\$ 2,866,992	\$ 500,003
Other income	119,372	82,806	-
Total Operating Revenues	6,764,996	2,949,798	500,003
Operating Expenses:			
Personnel services	6,530,336	1,803,172	-
Contractual services	-	444,713	-
Repairs and maintenance	-	27,737	-
Claims expense	38,301	-	-
Depreciation expense	-	330,758	799,792
Materials and supplies	7,872	1,039,324	(283,646)
Total Operating Expenses	6,576,509	3,645,704	516,146
Operating Income (Loss)	188,487	(695,906)	(16,143)
Nonoperating Revenues (Expenses):			
Interest revenue	-	-	-
Interest expense	-	(20,427)	-
Total Nonoperating Revenues (Expenses)	-	(20,427)	-
Income (Loss) Before Capital Contributions and Transfers	188,487	(716,333)	(16,143)
Capital Contributions	-	45,740	-
Transfers out	(495)	(4,211)	-
Change in Net Position	187,992	(674,804)	(16,143)
Net Position - Beginning	3,484,696	539,198	2,426,192
Net Position - Ending	\$ 3,672,688	\$ (135,606)	\$ 2,410,049

CITY OF INDIO, CALIFORNIA

COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2022

	Governmental Activities - Internal Service Funds		
	Buildings and Grounds	Fleet Maintenance	Totals
Operating Revenues:			
Interdepartmental charges	\$ 3,034,140	\$ 2,972,004	\$ 16,018,763
Other income	18,642	857	221,677
Total Operating Revenues	3,052,782	2,972,861	16,240,440
Operating Expenses:			
Personnel services	440,828	650,785	9,425,121
Contractual services	328,305	215,543	988,561
Repairs and maintenance	683,740	255,901	967,378
Claims expense	-	-	38,301
Depreciation expense	21,586	-	1,152,136
Materials and supplies	1,271,073	1,883,420	3,918,043
Total Operating Expenses	2,745,532	3,005,649	16,489,540
Operating Income (Loss)	307,250	(32,788)	(249,100)
Nonoperating Revenues (Expenses):			
Interest revenue	28	-	28
Interest expense	(8,364)	-	(28,791)
Total Nonoperating Revenues (Expenses)	(8,336)	-	(28,763)
Income (Loss) Before Capital Contributions and Transfers	298,914	(32,788)	(277,863)
Capital Contributions	-	-	45,740
Transfers out	(1,990)	(2,748)	(9,444)
Change in Net Position	296,924	(35,536)	(241,567)
Net Position - Beginning	(199,481)	(2,031,285)	4,219,320
Net Position - Ending	\$ 97,443	\$ (2,066,821)	\$ 3,977,753

CITY OF INDIO, CALIFORNIA

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Governmental Activities - Internal Service Funds		
	Risk Management	Information Technology	Vehicle Replacement
Cash Flows from Operating Activities:			
Receipts from interfund services and charges	\$ 6,645,624	\$ 2,851,985	\$ 500,003
Receipts from insurance settlements	68,192	-	-
Other receipts	-	82,806	-
Payments to suppliers and service providers	(527)	(1,344,688)	280,795
Payments to employees for salaries and benefits	(6,468,422)	(1,333,806)	-
Net Cash Provided by (Used for) Operating Activities	244,867	256,297	780,798
Cash Flows from Non-Capital Financing Activities:			
Transfers to other funds	(495)	(4,211)	-
Repayment made on short-term interfund borrowing	-	-	-
Net Cash (Used for) Non-Capital Financing Activities	(495)	(4,211)	-
Cash Flows from Capital and Related Financing Activities:			
Acquisition and construction of capital assets	-	(175,107)	(305,035)
Principal paid on capital debt	-	-	-
Interest paid on capital debt	-	-	-
Proceeds from sales of capital assets	-	-	21,389
Net Cash (Used for) Capital and Related Financing Activities	-	(175,107)	(283,646)
Cash Flows from Investing Activities:			
Interest on investments	-	(27,853)	-
Net Cash Provided (Used) by Net Cash Provided by Investing Activities	-	(27,853)	-
Net Increase (Decrease) in Cash			
Net Increase (Decrease) in Cash and Cash Equivalents	244,372	49,126	497,152
Cash and Cash Equivalents, July 1	3,852,075	2,014,044	186,729
Cash and Cash Equivalents, June 30	\$ 4,096,447	\$ 2,063,170	\$ 683,881
Reconciliation of Cash and Cash Equivalents to Amounts Reported on the Combining Statement of Net Position:			
Cash and cash equivalents	\$ 4,071,334	\$ 2,063,170	\$ 683,881
Restricted cash and cash equivalents	25,113	-	-
Total Cash and Cash Equivalents	\$ 4,096,447	\$ 2,063,170	\$ 683,881

CITY OF INDIO, CALIFORNIA

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Governmental Activities - Internal Service Funds		
	Buildings and Grounds	Fleet Maintenance	Totals
Cash Flows from Operating Activities:			
Receipts from interfund services and charges	\$ 3,025,582	\$ 2,972,475	\$ 15,995,669
Receipts from insurance settlements	18,642	-	86,834
Other receipts	-	857	83,663
Payments to suppliers and service providers	(2,180,222)	(2,449,891)	(5,694,533)
Payments to employees for salaries and benefits	(493,734)	(698,651)	(8,994,613)
Net Cash Provided by (Used for) Operating Activities	370,268	(175,210)	1,477,020
Cash Flows from Non-Capital Financing Activities:			
Transfers to other funds	(1,990)	(2,748)	(9,444)
Repayment made on short-term interfund borrowing	-	72,680	72,680
Net Cash (Used for) Non-Capital Financing Activities	(1,990)	69,932	63,236
Cash Flows from Capital and Related Financing Activities:			
Acquisition and construction of capital assets	-	-	(480,142)
Principal paid on capital debt	(96,848)	-	(96,848)
Interest paid on capital debt	(8,365)	-	(8,365)
Proceeds from sales of capital assets	-	-	21,389
Net Cash (Used for) Capital and Related Financing Activities	(105,213)	-	(563,966)
Cash Flows from Investing Activities:			
Interest on investments	28	-	(27,825)
Net Cash Provided (Used) by Net Cash Provided by Investing Activities	28	-	(27,825)
Net Increase (Decrease) in Cash			
Net Increase (Decrease) in Cash and Cash Equivalents	263,093	(105,278)	948,465
Cash and Cash Equivalents, July 1	1,090,602	105,749	7,249,199
Cash and Cash Equivalents, June 30	\$ 1,353,695	\$ 471	\$ 8,197,664
Reconciliation of Cash and Cash Equivalents to Amounts Reported on the Combining Statement of Net Position:			
Cash and cash equivalents	\$ 1,282,668	\$ 471	\$ 8,101,524
Restricted cash and cash equivalents	71,027	-	96,140
Total Cash and Cash Equivalents	\$ 1,353,695	\$ 471	\$ 8,197,664

CITY OF INDIO, CALIFORNIA

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Governmental Activities - Internal Service Funds		
	Risk Management	Information Technology	Vehicle Replacement
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:			
Operating income (loss)	\$ 188,487	\$ (695,906)	\$ (16,143)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation expense	-	330,758	799,792
(Increase) decrease in accounts receivable	-	(15,007)	-
(Increase) decrease in prepaid costs	-	-	-
Increase (decrease) in accounts payable	7,345	167,086	(2,851)
Increase (decrease) in accrued liabilities	834	3,782	-
Increase (decrease) in unearned revenue	-	-	-
Increase (decrease) in accrued claims and judgments	(12,879)	-	-
Increase (decrease) in pension obligations	18,940	120,491	-
Increase (decrease) in OPEB obligations	42,140	345,093	-
Total Adjustments	56,380	952,203	796,941
Net Cash Provided by (Used for) Operating Activities	\$ 244,867	\$ 256,297	\$ 780,798
Schedule of Non-Cash Capital and Related Financing Activities:			
Capital contributions	\$ -	\$ 45,740	\$ -

CITY OF INDIO, CALIFORNIA

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Governmental Activities - Internal Service Funds		
	Buildings and Grounds	Fleet Maintenance	Totals
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:			
Operating income (loss)	\$ 307,250	\$ (32,788)	\$ (249,100)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation expense	21,586	-	1,152,136
(Increase) decrease in accounts receivable	(1,618)	471	(16,154)
(Increase) decrease in prepaid costs	-	-	-
Increase (decrease) in accounts payable	102,896	(95,027)	179,449
Increase (decrease) in accrued liabilities	(922)	(1,162)	2,532
Increase (decrease) in unearned revenue	(6,940)	-	(6,940)
Increase (decrease) in accrued claims and judgments	-	-	(12,879)
Increase (decrease) in pension obligations	41,641	69,900	250,972
Increase (decrease) in OPEB obligations	(93,625)	(116,604)	177,004
Total Adjustments	63,018	(142,422)	1,726,120
Net Cash Provided by (Used for) Operating Activities	\$ 370,268	\$ (175,210)	\$ 1,477,020
Schedule of Non-Cash Capital and Related Financing Activities:			
Capital contributions	\$ -	\$ -	\$ 45,740

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CUSTODIAL FUNDS

The custodial funds are used to account for assets held by the City as a custodian for other governmental units.

Eastern Riverside County Interoperable Communications Authority (“ERICA”) Fund – To account for the development, implementation, and operations of the regional communications system joint powers authority known as ERICA.

Assessment District Funds – To account for the City’s fiduciary capacity as custodian of the monies held on behalf of the various Assessment District Bonds for debt service.

East Valley Reclamation Authority (“EVRA”) Fund – To account for the planning, implementation, and operations of the recycled water program including the tertiary or enhanced treatment of water.

CITY OF INDIO, CALIFORNIA

COMBINING STATEMENT OF FIDUCIARY NET POSITION
 CUSTODIAL FUNDS
 JUNE 30, 2022

	ERICA	Assessment Districts	East Valley Reclamation Authority	Total
Assets:				
Cash and cash equivalents	\$ 985,824	\$ 8,985,257	\$ 628,325	\$ 10,599,406
Accrued interest receivable	-	-	260	260
Restricted cash and investments held by bond trustee	-	4,599,507	-	4,599,507
Due from other governments	-	81,373	-	81,373
Capital assets - not being depreciated	-	-	132,336	132,336
Capital assets - net of accumulated depreciation	967,515	-	-	967,515
Total Assets	1,953,339	13,666,137	760,921	16,380,397
Liabilities:				
Accounts payable	106,321	66	200	106,587
Accrued interest	16,464	-	-	16,464
Deposits payable	-	198,305	-	198,305
Long-term liabilities:				
Due within one year	368,276	-	-	368,276
Due in more than one year	380,423	-	-	380,423
Total Liabilities	871,484	198,371	200	1,070,055
Net Position:				
Restricted for:				
Individuals, organizations, and other governments	1,081,855	13,467,766	760,721	15,310,342
Total Net Position	\$ 1,081,855	\$ 13,467,766	\$ 760,721	\$ 15,310,342

CITY OF INDIO, CALIFORNIA

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 CUSTODIAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2022

	ERICA	Assessment Districts	East Valley Reclamation Authority	Custodial Total
Additions:				
Investment Earnings:				
Interest and net (decrease) in fair value of investments	\$ (18,944)	\$ (170,344)	\$ (3,664)	\$ (192,952)
Charges for services	1,198,182	-	-	1,198,182
Taxes and assessments	-	5,789,642	-	5,789,642
Intergovernmental	392,970	-	450,000	842,970
Miscellaneous	-	460,971	-	460,971
Total Additions	1,572,208	6,080,269	446,336	8,098,813
Deductions:				
Administrative expense	1,007,122	-	800	1,007,922
Contractual services	120,820	376,610	3,250	500,680
Interest expense	28,615	2,021,447	-	2,050,062
Depreciation expense	398,985	-	-	398,985
Total Deductions	1,555,542	6,020,179	4,050	7,579,771
Changes in Net Position	16,666	60,090	442,286	519,042
Net Position - Beginning, as Originally Reported	1,065,189	1,119,779	318,435	2,503,403
Restatements	-	12,287,897	-	12,287,897
Net Position - Beginning, as Restated	1,065,189	13,407,676	318,435	14,791,300
Net Position - Ending	\$ 1,081,855	\$ 13,467,766	\$ 760,721	\$ 15,310,342

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STATISTICAL SECTION

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CITY OF INDIO

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<p>These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.</p>	
Revenue Capacity	178-181
<p>These schedules contain information to help the reader assess the City's ability to generate revenues. Property taxes, sales tax, state motor vehicle in lieu tax, intergovernmental revenue and charges for services are the City's most significant revenue sources.</p>	
Debt Capacity	182-186
<p>These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.</p>	
Demographic and Economic Information	187-189
<p>These schedules offer demographic and economic indicators to help the reader understand the environment with which the City's financial activities take place.</p>	
Operating Information	190-194
<p>These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.</p>	

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CITY OF INDIO

Net Position by Component

Last Ten Fiscal Years

(accrual basis of accounting)

(amounts expressed in thousands)

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities:										
Net investment in capital assets	\$432,106	\$ 425,528	\$419,607	\$414,227	\$ 413,312	\$ 424,760	\$435,892	\$432,662	\$425,271	\$420,008
Restricted	25,716	26,842	26,095	22,180	20,260	19,546	26,344	27,132	23,954	27,983
Unrestricted	(5,199)	(4,019)	(34,270)	(28,253)	(45,879)	(46,940)	(49,563)	(54,459)	(41,295)	(13,431)
Total governmental activities net position	\$452,623	\$ 448,351	\$411,432	\$408,154	\$ 387,693	\$ 397,366	\$412,673	\$405,335	\$407,930	\$434,560
Business-type activities:										
Net investment in capital assets	\$143,311	\$ 136,334	\$133,627	\$128,429	\$ 122,807	\$ 117,916	\$115,539	\$111,170	\$106,981	\$103,062
Restricted	-	-	-	-	605	312	319	321	321	322
Unrestricted	9,225	18,628	4,700	8,660	14,804	13,161	20,645	27,539	35,586	39,658
Total business-type activities net position	\$152,536	\$ 154,962	\$138,327	\$137,089	\$ 138,216	\$ 131,389	\$136,503	\$139,030	\$142,888	\$143,042
Primary government:										
Net investment in capital assets	\$575,417	\$ 561,862	\$553,234	\$542,656	\$ 536,119	\$ 542,676	\$551,431	\$543,832	\$532,252	\$523,070
Restricted	25,716	26,842	26,095	22,180	20,865	19,858	26,663	27,453	24,275	28,305
Unrestricted	4,026	14,609	(29,570)	(19,593)	(31,075)	(33,779)	(28,918)	(26,920)	(5,709)	26,227
Total primary government net position	\$605,159	\$ 603,313	\$549,759	\$545,243	\$ 525,909	\$ 528,755	\$549,176	\$544,365	\$550,818	\$577,602

Source: City of Indio

CITY OF INDIO
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses:										
Governmental activities:										
General government	\$ 7,005	\$ 6,535	\$ 10,395	\$ 11,968	\$ 26,255	\$ 10,658	\$ 12,651	\$ 13,163	\$ 15,563	\$ 16,693
Public safety	32,930	47,339	43,688	36,041	42,467	46,193	50,101	52,487	47,695	54,115
Public works	22,946	16,019	21,289	16,619	17,873	18,281	26,531	22,210	22,893	22,166
Community development	8,653	8,710	11,099	9,275	8,164	7,377	8,053	7,649	9,960	8,542
Community services	2,693	2,665	1,789	2,314	2,608	3,005	2,854	2,878	3,002	3,785
Interest expense and other charges	6,235	3,013	6,484	2,463	5,505	2,333	2,239	2,105	1,985	1,853
Total governmental activities expenses	80,462	84,281	94,744	78,680	102,872	87,847	102,429	100,492	101,098	107,154
Business-type activities:										
Water	22,562	23,563	30,145	26,424	24,018	25,302	25,738	24,451	23,570	26,518
Golf	851	942	1,120	1,086	1,073	1,196	1,223	1,254	1,435	1,595
Solid Waste	-	-	-	-	-	-	-	-	-	-
Total business-type activities expenses	23,413	24,505	31,265	27,510	25,091	26,498	26,961	25,705	25,005	28,113
Total primary government expenses	103,875	108,786	126,009	106,190	127,963	114,345	129,390	126,197	126,103	135,267
Program revenues:										
Governmental activities:										
Charges for services:										
General government	11,086	10,520	12,113	1,459	1,633	3,764	371	987	1,159	1,760
Public safety	2,489	2,316	2,578	7,185	7,057	5,017	8,352	4,010	3,757	8,510
Public works	1,115	1,828	1,738	5,559	7,464	9,105	8,898	9,042	10,773	15,083
Community development	1,312	2,560	2,248	262	296	302	210	244	180	932
Community services	3,056	3,869	3,095	107	139	113	105	87	235	356
Operating contributions and grants	21,959	14,847	14,809	7,637	7,677	11,648	29,579	14,779	13,592	19,764
Capital contributions and grants	9,689	8,841	5,767	1,290	1,266	2,845	506	510	1,125	518
Total governmental activities program revenues	50,706	44,781	42,348	23,499	25,532	32,794	48,021	29,659	30,821	46,923
Business-type activities:										
Charges for services:										
Water	15,971	18,198	18,767	17,832	22,313	22,439	23,098	23,107	24,789	25,392
Golf	687	689	1,113	935	995	1,069	1,158	1,067	1,638	1,766
Solid Waste	-	-	-	-	-	-	-	-	300	-
Operating contributions and grants	1,768	2,480	1,266	4,735	2,643	2,061	5,878	2,491	-	-
Capital contributions and grants	-	-	-	-	-	-	-	-	2,057	1,981
Total business-type activities program revenues	18,426	21,367	21,146	23,502	25,951	25,569	30,134	26,665	28,784	29,139
Total primary government activities program revenues	69,132	66,148	63,494	47,001	51,483	58,363	78,155	56,324	59,605	76,062
Net revenues (expenses):										
Governmental activities	(29,756)	(39,500)	(52,396)	(55,181)	(77,340)	(55,053)	(54,408)	(70,833)	(70,277)	(60,231)
Business-type activities	(4,987)	(3,138)	(10,119)	(4,008)	860	(929)	3,173	960	3,779	1,026
Total primary government net expense	(34,743)	(42,638)	(62,515)	(59,189)	(76,480)	(55,982)	(51,235)	(69,873)	(66,498)	(59,205)

CITY OF INDIO
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General revenues and other changes										
in net position:										
Governmental activities:										
Taxes:										
Property taxes	13,373	13,000	13,887	15,055	16,007	16,765	17,834	18,540	19,691	20,951
Sales tax	8,377	9,349	10,040	11,692	13,579	22,545	24,503	22,622	28,150	34,218
Transient occupancy taxes	2,820	3,078	3,907	4,520	6,298	6,760	7,768	5,012	8,699	14,813
Other taxes	11,521	11,747	12,186	13,840	13,649	14,035	13,381	13,407	14,366	16,157
Investment income	73	64	4,025	1,757	1,436	1,876	2,167	3,012	1,277	(1,432)
Motor vehicle in lieu, unrestricted	43	36	34	34	39	47	42	71	67	106
Other general revenues	3,468	5,076	11,095	5,219	7,121	10,094	4,933	885	621	2,135
Transfers	(15)	(6,245)	(75)	(151)	(89)	(70)	(913)	(53)	-	(88)
Total governmental activities	<u>39,660</u>	<u>36,105</u>	<u>55,099</u>	<u>51,966</u>	<u>58,040</u>	<u>72,052</u>	<u>69,715</u>	<u>63,496</u>	<u>72,871</u>	<u>86,860</u>
Business-type activities:										
Investment income	91	70	139	72	127	113	865	1,342	5	(998)
Transfers	15	6,245	75	152	89	70	913	53	-	88
Other general revenues	403	-	-	2,545	51	430	163	172	74	38
Total business-type activities	<u>509</u>	<u>6,315</u>	<u>214</u>	<u>2,769</u>	<u>267</u>	<u>613</u>	<u>1,941</u>	<u>1,567</u>	<u>79</u>	<u>(872)</u>
Total primary government	<u>40,169</u>	<u>42,420</u>	<u>55,313</u>	<u>54,735</u>	<u>58,307</u>	<u>72,665</u>	<u>71,656</u>	<u>65,063</u>	<u>72,950</u>	<u>85,988</u>
Changes in net position										
Governmental activities	9,904	(3,395)	2,703	(3,215)	(19,300)	16,999	15,307	(7,337)	2,594	26,629
Business-type activities	(4,478)	3,177	(9,905)	(1,239)	1,127	(316)	5,114	2,527	3,858	154
Total primary government	<u>\$ 5,426</u>	<u>\$ (218)</u>	<u>\$ (7,202)</u>	<u>\$ (4,454)</u>	<u>\$ (18,173)</u>	<u>\$ 16,683</u>	<u>\$ 20,421</u>	<u>\$ (4,810)</u>	<u>\$ 6,452</u>	<u>\$ 26,783</u>

Source: City of Indio

CITY OF INDIO
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General fund:										
Nonspendable	\$ 3,989	\$ 3,536	\$ 7,641	\$ 8,978	\$10,141	\$10,509	\$11,513	\$12,857	\$ 8,651	\$ 8,616
Restricted	-	-	-	-	-	-	-	981	1,210	1,241
Committed	730	1,140	5,619	11,197	11,285	11,285	12,000	12,000	12,000	15,000
Assigned	784	6,922	3,242	3,459	8,452	12,653	11,603	9,283	12,082	44,181
Unassigned	4,266	4,490	7,087	1,820	-	2,148	4,628	3,197	19,797	14,268
Total general fund	<u>\$ 9,769</u>	<u>\$ 16,088</u>	<u>\$23,589</u>	<u>\$25,454</u>	<u>\$29,878</u>	<u>\$36,595</u>	<u>\$39,744</u>	<u>\$38,318</u>	<u>\$53,740</u>	<u>\$83,306</u>
All other governmental funds:										
Nonspendable	\$ -	\$ 5,496	\$ 5,926	\$ -	\$ -	\$ 2	\$ 120	\$ -	\$ 19	\$ 8
Restricted	26,334	19,182	18,761	22,179	20,260	19,533	20,231	22,232	22,745	26,742
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	1,296	985	985	-	-	-	2,597	4,918	6,035	7,857
Unassigned:	665	(424)	(135)	(6)	(614)	(4,125)	(2,146)	(233)	(2,045)	(2,412)
Special revenue funds	-	-	-	-	-	-	-	-	-	-
Capital projects funds	-	-	-	-	(905)	-	-	-	-	-
Total all other governmental funds	<u>\$ 28,295</u>	<u>\$ 25,239</u>	<u>\$25,537</u>	<u>\$22,173</u>	<u>\$18,741</u>	<u>\$15,410</u>	<u>\$20,802</u>	<u>\$26,917</u>	<u>\$26,754</u>	<u>\$32,195</u>

Source: City of Indio

CITY OF INDIO
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues:										
Taxes	\$ 32,562	\$ 34,073	\$ 36,320	\$ 45,265	\$ 49,533	\$ 59,950	\$ 63,486	\$ 59,581	\$ 70,906	\$ 86,140
Special assessments	3,866	3,792	4,015	-	-	-	-	-	-	-
Licenses and permits	2,027	3,384	2,916	2,438	2,737	2,338	2,289	2,525	3,153	5,920
Intergovernmental	18,740	14,818	11,754	5,706	5,722	10,036	28,795	14,461	12,498	17,912
Charges for services	8,335	9,482	15,110	7,176	8,719	6,382	9,742	4,972	4,789	9,532
Fines and forfeitures	1,215	887	938	860	676	543	545	744	651	1,014
Investment earnings	4,089	2,794	5,333	1,758	1,436	1,980	2,166	3,011	1,277	(1,433)
Developer fees	5,559	4,901	4,491	1,640	1,899	3,372	2,834	2,482	3,617	5,518
Contributions from property owners	-	-	-	4,112	4,291	4,553	4,884	5,145	5,338	5,571
Miscellaneous	2,471	2,401	4,598	5,592	7,624	10,232	5,446	1,059	742	2,652
Total revenues	78,864	76,532	85,475	74,547	82,637	99,386	120,187	93,980	102,971	132,826
Expenditures										
Current:										
General government	4,204	4,166	5,046	5,112	20,271	5,043	5,815	7,273	9,054	10,343
Public safety	32,603	35,080	37,766	38,118	40,477	42,089	44,339	43,895	43,928	50,724
Public works	21,300	14,174	15,050	10,650	13,035	10,635	18,247	14,438	13,921	14,019
Community development	7,731	7,382	8,733	7,903	6,129	5,192	5,761	5,113	7,017	5,631
Community services	1,545	1,461	1,559	2,384	2,524	2,850	2,674	2,670	2,657	3,462
Other	323	407	3,884	102	-	-	-	-	-	-
Capital outlay	-	-	-	5,036	8,231	23,242	25,157	9,519	6,181	8,540
Debt service:										
Principal retirement	1,815	1,849	2,827	24,023	3,161	3,895	4,092	3,206	3,194	3,025
Interest and fiscal charges	2,690	2,700	2,631	2,627	5,576	2,441	2,364	2,229	2,115	1,997
Other charges	381	-	-	486	-	-	-	-	-	-
Total expenditures	72,592	67,219	77,496	96,441	99,404	95,387	108,449	88,343	88,067	97,741
Excess (deficiency) of revenues over (under) expenditures	6,272	9,313	7,979	(21,894)	(16,767)	3,999	11,738	5,637	14,904	35,085
Other financing sources (uses):										
Transfers in	5,787	6,862	7,031	7,216	9,990	11,150	11,224	12,226	12,686	10,686
Transfers out	(6,782)	(12,912)	(7,211)	(7,406)	(8,269)	(11,649)	(14,421)	(13,501)	(12,686)	(10,764)
Lease purchase and loan proceeds	-	-	-	-	-	-	-	-	-	-
Issuance of bonds	24,500	-	-	19,730	16,300	-	-	-	-	-
Sale of real property	-	-	-	-	-	-	-	-	355	-
Original discount on bonds	-	-	-	919	(262)	-	-	-	-	-
Special items	-	-	-	-	-	-	-	327	-	-
Payment to bond escrow agent	(21,335)	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	2,170	(6,050)	(180)	20,459	17,759	(499)	(3,197)	(948)	355	(78)
Extraordinary gain (loss) on dissolution of redevelopment agency	-	-	-	-	-	-	-	-	-	-
Net change in fund balances	\$ 8,442	\$ 3,263	\$ 7,799	\$ (1,435)	\$ 992	\$ 3,500	\$ 8,541	\$ 4,689	\$ 15,259	\$ 35,007
Debt service as a percentage of noncapital expenditures	7.2%	7.8%	7.6%	29.6%	9.8%	8.8%	7.7%	6.9%	6.6%	5.6%

Source: City of Indio

CITY OF INDIO
 Assessed Value and Estimated Actual Value of Taxable Property
 (amounts expressed in thousands)
 Last Ten Fiscal Years

Fiscal Year					Less:	Total Taxable	Total
Ended	Residential	Commercial	Industrial	Other	Tax-Exempt	Assessed	Direct Tax
June 30	Property	Property	Property	Property	Property	Value	Rate
2022	\$ 7,776,969	\$ 999,232	\$ 258,724	\$ 706,085	\$ -	\$ 9,741,010	0.1075
2021	7,324,840	954,038	264,707	713,119	-	9,256,704	0.1053
2020	6,974,129	900,025	253,666	696,518	1,930	8,822,408	0.1027
2019	6,499,481	957,306	270,856	786,077	94,058	8,419,662	0.1003
2018	6,162,303	919,705	259,047	769,151	89,925	8,020,281	0.1001
2017	5,892,675	868,261	249,636	746,057	88,682	7,667,947	0.1003
2016	5,562,654	849,716	236,337	733,842	87,548	7,295,001	0.1000
2015	5,083,136	799,883	229,871	704,982	81,457	6,736,415	0.0998
2014	4,596,084	778,639	232,313	709,675	87,181	6,229,530	0.0998
2013	4,265,362	762,283	239,808	714,989	90,074	5,892,368	0.2513

NOTE:

In 1978 the voters of the State of California passed Proposition 13 which limited property taxes to a total maximum rate of 1% based upon the assessed value of the property being taxed. Each year, the assessed value of property may be increased by an "inflation factor" (limited to a maximum increase of 2%). With few exceptions, property is only re-assessed at the time that it is sold to a new owner. At that point, the new assessed value is reassessed at the purchase price of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

Source: HdL, Coren & Cone

CITY OF INDIO
Direct and Overlapping Property Tax Rates
(rate per \$100 of assessed value)
Last Ten Fiscal Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
City of Indio	0.08476	0.08493	0.08495	0.08495	0.08495	0.08495	0.08495	0.08495	0.08499	0.08499
Total Direct Rate	0.25133	0.09979	0.09986	0.10002	0.10031	0.10012	0.10031	0.10274	0.10528	0.10753
Direct & Overlapping Tax Rates										
Basic Levy	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
Coachella Valley Unified School	0.07968	0.14919	0.14919	0.13218	0.16601	0.17609	0.14954	0.14876	0.14549	0.13665
Coachella Valley Water District	0.08000	0.10000	0.10000	0.10000	0.10000	0.10000	0.10000	0.10000	0.10000	0.11000
Desert Community College	0.01995	0.01995	0.02325	0.02087	0.02036	0.04030	0.03978	0.03983	0.03947	0.03950
Desert Sands Unified School District	0.11156	0.10954	0.10984	0.10915	0.08599	0.07251	0.07418	0.07381	0.07390	0.07500
Total Direct & Overlapping Tax Rates	1.29119	1.37868	1.38228	1.36220	1.37236	1.38890	1.36350	1.36240	1.35886	1.36115

NOTE:

In 1978, California voters passed Proposition 13 which sets the property tax rate at 1.00% fixed amount. The 1.00% is shared by all taxing agencies which the subject property resides within. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of certain other bonds.

Source: HdL, Coren & Cone

CITY OF INDIO
Principal Property Tax Payers
Current Year and Nine Years Ago

Taxpayer	2022		2013	
	Taxable Assessed Value	Percent of Total City Taxable Assessed Value	Taxable Assessed Value	Percent of Total City Taxable Assessed Value
Worldmark The Club	\$ 67,627,398	0.69%	\$ 58,513,067	0.98%
Desert Polo Land Company, LLC.	58,542,382	0.60%		
Indio Towne Center, LLC.	54,610,000	0.56%		
Spectrum Pacific West, LLC.	44,224,880	0.45%		
Wal-Mart Real Estate Business Trust	41,380,566	0.42%		
Trendwest Resorts Inc	40,875,579	0.42%	35,225,376	0.59%
ALJACKS	32,178,543	0.33%	26,122,159	0.44%
JDG Properties	31,490,232	0.32%	26,318,252	0.44%
JFK Memorial Hospital Inc	30,799,910	0.32%	42,024,591	0.70%
Andorra Apartments, LLC.	26,417,487	0.27%		
Jackson 42			46,116,710	0.77%
Polo Square Partners			34,095,136	0.57%
Smoketree Apartments			18,685,905	0.31%
Target Corporation			23,390,729	0.39%
Time Warner Entertainment			33,869,225	0.57%
	<u>\$428,146,977</u>	<u>4.40%</u>	<u>\$ 344,361,150</u>	<u>5.75%</u>

Note: The amounts shown above include assessed value data for both the City and the Successor Agency.

Source: HdL, Coren & Cone

CITY OF INDIO
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percent of Levy		Amount	Percent of Levy
2022	\$ 8,883,501	\$ 9,215,098	103.73%	\$ 102,890 *	\$ 9,317,988	104.89%
2021	8,291,384	8,386,828	101.15%	121,809 *	8,508,637	102.62%
2020	7,554,590	9,093,289	120.37%	169,441 *	9,262,730	122.61%
2019	7,142,930	7,080,158	99.12%	128,359 *	7,208,517	100.92%
2018	6,821,440	6,789,921	99.54%	112,775 *	6,902,696	101.19%
2017	6,533,653	6,378,548	97.63%	115,544 *	6,494,092	6.00%
2016	6,215,647	6,091,830	98.01%	123,194 *	6,215,024	99.99%
2015	5,617,060	6,367,892	113.37%	112,922 *	6,480,814	115.38%
2014	5,251,198	6,043,843	115.09%	118,271 *	6,162,114	117.35%
2013	4,949,402	6,712,961 ^A	135.63%	131,576 *	6,844,537	138.29%

*The City participates in the County's "Teeter Plan" whereby the county pays current year delinquencies in November of the subsequent year but keeps subsequent collections and penalties.

NOTE:

Amounts presented include City property taxes and residual revenue for former Redevelopment Agency. Effective February 1, 2012, ABx1 26 dissolved the Redevelopment Agencies throughout the State of California which resulted in the reduction of amounts collected for the Fiscal Year ended June 2012 and subsequent years.

^A Includes proceeds from redistribution of former Redevelopment and Low/Mod Housing funds relinquished to the State in 2012.

Sources: County of Riverside Auditor Controller's Office
City of Indio

CITY OF INDIO
Ratios of Outstanding Debt by Type
(amounts expressed in thousands)
Last Ten Fiscal Years

Fiscal Year Ended June 30	Governmental Activities				Business-type Activities		Total Primary Government (1)	Population (2)	Personal Income (3)	Percentage of Personal Income	Debt Per Capita
	Certificates of Participation (1)	Lease Revenue Bonds (1)	Judgment Obligation Bonds (1)	Loans (1)	Total Governmental Activities	Water Revenue Bonds (1)					
	\$	\$	\$	\$	\$	\$					
2022	650	33,278	12,918	153	46,999	47,919	89,137	\$ 2,555,400	3.71%	\$ 1.06	
2021	1,275	35,065	13,560	249	50,149	50,074	91,621	2,434,498	4.12%	1.09	
2020	1,875	36,782	14,188	622	53,467	52,185	90,751	2,228,050	4.74%	1.16	
2019	2,450	38,438	14,799	1,102	56,789	54,221	89,406	2,094,653	5.30%	1.24	
2018	3,005	39,832	15,650	2,510	60,997	56,207	87,883	1,900,128	6.17%	1.33	
2017	3,535	41,662	16,038	3,767	65,002	58,153	88,718	1,814,845	6.79%	1.39	
2016	4,045	42,260	-	5,060	51,365	58,725	88,058	1,706,419	6.45%	1.25	
2015	4,535	39,190	-	11,973	55,698	60,215	84,201	1,651,948	7.02%	1.38	
2014	5,005	40,165	-	13,461	58,631	55,205	82,398	1,560,289	7.30%	1.38	
2013	5,460	40,165	-	12,132	57,757	56,605	81,393	1,584,233	7.22%	1.41	

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

Sources: (1) City of Indio
(2) State Department of Finance
(3) HdL, Core & Cone

CITY OF INDIO
Ratio of General Bonded Debt Outstanding
(amounts expressed in thousands)
Last Ten Fiscal Years

Fiscal Year Ended June 30	Outstanding General Bonded Debt					Population (1)	Personal Income (2)	Percent of Assessed Value	Debt Per Capita
	Water Revenue Bond	Lease Revenue Bonds	Judgment Obligation Bonds	Certificates of Participation	Total				
2022	\$ 47,919	\$ 33,278	\$ 12,918	\$ 650	\$ 94,765	89,137	\$ 2,555,400	1.18%	\$ 1.06
2021	50,074	35,065	13,560	1,275	\$99,974	91,621	2,434,498	1.25%	1.09
2020	52,185	36,782	14,188	1,875	\$105,030	90,751	2,228,050	1.31%	1.16
2019	54,221	38,438	14,799	2,450	\$109,908	89,406	2,094,653	1.37%	1.23
2018	56,207	39,832	15,650	3,005	\$114,694	87,883	1,900,128	1.43%	1.31
2017	58,153	41,662	16,038	3,535	\$119,388	88,718	1,814,845	1.56%	1.35
2016	58,725	42,260	-	4,045	\$105,030	88,058	1,706,419	1.44%	1.19
2015	60,215	39,190	-	4,535	\$103,940	86,683	1,651,948	1.54%	1.20
2014	55,205	40,165	-	5,005	\$100,375	84,655	1,560,289	1.61%	1.19
2013	56,605	40,165	-	5,460	\$102,230	83,450	1,584,233	1.68%	1.23

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

NOTE:

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

Sources: City of Indio

CITY OF INDIO
Direct and Overlapping
June 30, 2022

2021-22 Assessed Valuation: \$9,740,238,046

<u>OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	Total Debt 6/30/22	% Applicable (1)	City's Share of Debt 6/30/22
Desert Community College District	\$510,745,000	10.486%	\$ 53,556,721
Coachella Valley Unified School District	226,567,400	11.995	27,176,760
Desert Sands Unified School District	389,440,000	18.349	71,458,346
City of Indio Community Facilities District No. 2004-3	11,430,000	100.	11,430,000
City of Indio Community Facilities District No. 2005-1, I.A. No. 1 and 2	12,288,000	100.	12,288,000
City of Indio Community Facilities District No. 2006-1	6,569,000	100.	6,569,000
City of Indio 1915 Act Bonds	17,406,545	100.	17,406,545
Valley Sanitary District Assessment District No. 2004-VSD	4,285,000	100.	<u>4,285,000</u>
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT			\$204,170,372
 <u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u>			
Riverside County General Fund Obligations	\$720,218,351	2.943%	\$21,196,026
Riverside County Pension Obligation Bonds	820,060,000	2.943	24,134,366
Coachella Valley Unified School District Certificates of Participation	32,665,000	11.995	3,918,167
Desert Sands Unified School District Certificates of Participation	19,505,000	18.349	3,578,972
City of Indio General Fund Obligations	33,928,000	100.	33,928,000
City of Indio Judgment Obligations	12,918,000	100.	<u>12,918,000</u>
TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT			\$99,673,531
 <u>OVERLAPPING TAX INCREMENT DEBT (Successor Agency):</u>	 \$45,830,000	 100. %	 \$45,830,000
 TOTAL DIRECT DEBT			 \$46,846,000
TOTAL OVERLAPPING DEBT			\$303,948,903
 COMBINED TOTAL DEBT			 \$349,673,903

- (1) The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value.
- (2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations. Qualified Zone Academy Bonds are included based on principal due at maturity.

Ratios to 2021-22 Assessed Valuation:

Total Overlapping Tax and Assessment Debt	2.10%
Combined Direct Debt (\$46,846,000)	0.48%
Combined Total Debt	3.59%

Ratios to Redevelopment Incremental Valuation (\$1,661,838,093):

Total Overlapping Tax Increment Debt	2.76%
--------------------------------------------	-------

Source: California Municipal Statistics, Inc.
City of Indio

CITY OF INDIO
 Legal Debt Margin Information
 (amounts expressed in thousands)
 Last Ten Fiscal Years

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Assessed valuation (1)	\$ 6,097,869	\$ 6,229,530	\$ 6,736,088	\$ 7,295,001	\$ 7,667,948	\$ 8,020,281	\$ 8,419,662	\$ 8,822,409	\$ 9,256,704	\$ 9,741,010
Debt limit percentage	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
Debt limit	914,680	934,430	1,010,413	1,094,250	1,150,192	1,203,042	1,262,949	1,323,361	1,388,506	1,461,152
Total net debt applicable to limit: General obligation bonds	-	-	-	-	-	-	-	-	-	-
Legal debt margin	\$ 914,680	\$ 934,430	\$ 1,010,413	\$ 1,094,250	\$ 1,150,192	\$ 1,203,042	\$ 1,262,949	\$ 1,323,361	\$ 1,388,506	\$ 1,461,152
Total debt applicable to the limit as a percentage of debt limit	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Section 43605 of the Government Code of the State of California limits the amount of indebtedness for public improvements to 15% of assessed valuation of all real and personal property of 1

Sources: City of Indio
 (1) HdL, Coren & Cone

CITY OF INDIO
Pledged-Revenue Coverage
(amounts expressed in thousands)
Last Ten Fiscal Years

Water Revenue Bonds						
Fiscal Year Ended June 30	Water Revenue	Less Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2022	\$ 4,192	1	\$ 4,191	\$ 2,155	\$ 2,036	1.00
2021	4,198	1	4,197	2,055	2,142	1.00
2020	4,144	6	4,138	1,980	2,158	1.00
2019	4,191	4	4,187	1,930	2,261	1.00
2018	4,142	4	4,138	1,890	2,248	1.00
2017	4,080	-	4,080	1,860	2,220	1.00
2016	4,136	69	4,067	1,490	2,276	1.08
2015	3,393	65	3,458	1,490	1,903	1.02
2014	4,194	62	4,132	1,400	2,732	1.00
2013	4,208	59	4,229	1,365	2,843	1.00

Gas Tax Certificate of Participation						
Fiscal Year Ended June 30	Revenue	Less Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2022	\$ 682	\$ 2	\$ 680	\$ 625	\$ 55	1.00
2021	681	3	678	600	79	1.00
2020	679	2	677	575	102	1.00
2019	685	5	680	555	125	1.00
2018	678	2	676	530	146	1.00
2017	663	2	661	510	151	1.00
2016	676	-	676	490	186	1.00
2015	675	-	675	470	205	1.00
2014	689	11	678	455	223	1.00
2013	676	4	676	435	241	1.00

Lease Revenue Bonds						
Fiscal Year Ended June 30	Revenue	Less Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2022	\$ 3,182	\$ 11	\$ 3,171	\$ 1,745	\$ 1,426	1.00
2021	3,184	12	3,172	1,675	1,497	1.00
2020	3,184	10	3,174	1,615	1,559	1.00
2019	3,230	10	3,220	1,600	1,620	1.00
2018	3,239	15	3,224	1,540	1,684	1.00
2017	3,253	12	3,241	1,475	1,766	1.00
2016	3,681	-	3,681	995	2,686	1.00
2015	2,761	-	1,790	975	1,786	0.65
2014	1,796	6	1,790	-	1,796	1.00
2013	23,024	-	23,024	21,335	1,689	1.00
2012	2,309	1	2,308	805	1,503	1.00

Details regarding the City's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest or depreciation expenses.

Source: City of Indio

CITY OF INDIO
Demographic and Economic Statistics
Last Ten Calendar Years

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Median Age (2)</u>	<u>Average Household Size (2)</u>	<u>Median Household Income (2)</u>	<u>Per Capita Personal Income (2)</u>	<u>Unemployment Rate (3)</u>
2022	89,137	42.9	2.58	\$ 66,841	\$ 34,212	5.8%
2021*	91,621	42.5	2.86	74,774	33,704	8.7%
2020	90,751	42.5	2.86	74,774	33,704	13.8%
2019	89,406	44.7	2.22	45,272	28,926	5.8%
2018	87,883	43.5	2.50	45,278	26,930	6.7%
2017	88,718	40.5	2.83	40,449	23,103	6.1%
2016	88,058	35.9	3.08	52,343	23,584	7.0%
2015	86,683	34.0	3.12	47,280	20,354	6.8%
2014	84,655	32.7	3.13	51,202	21,702	9.3%
2013	83,450	34.1	3.48	46,822	18,772	12.1%

Sources: (1) State Department of Finance
(2) U.S. Census Bureau
(3) Employment Development Department

*Information obtained from U.S. Census Bureau remains the same as 2020 due to COVID-19

CITY OF INDIO
Principal Employers
Current Year and Nine Years Ago

Employer (1)	2022		2013	
	Number of Employees	Percent of Total Employment	Number of Employees	Percent of Total Employment
Desert Sands Unified School District	2,765	38.32%	1,062	4.33%
County of Riverside	1,211	2.95%	1,283	5.24%
Fantasy Springs Resort Casino	1,148	2.80%		
John F. Kennedy Memorial Hospital	728	1.78%	614	2.51%
Walmart Supercenter	404	0.99%		
City of Indio	245	0.60%	235	0.96%
Riverside Superior Court	156	0.38%	191	0.78%
Ralphs	146	0.36%		0.00%
Indio Nursing and Rehabilitation Center	146	0.36%		
Fiesta Ford	140	0.34%		
Winco Foods	127	0.31%		
Granite Construction Co			200	0.82%
Target			150	0.61%
Home Depot			148	0.60%
Jackalope Ranch			116	0.47%
Mathis Brothers			124	0.51%
Total Employment Listed	7,216	17.60%	4,123	16.83%
Total City Employment (2)	41,000		24,500	

"Total Employment" as used above represents the total employment of all employers located within City limits.

Sources: (1) Avenue Insights & Analytics
City of Indio

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

(2) State of California Employment Development Department website

CITY OF INDIO
 Full-time and Part-time City Employees
 by Function
 Last Ten Fiscal Years

<u>Function</u>	Fiscal Year									
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
General government	45	39	36	34	36	36	36	38	38	44
Police	107	99	100	103	99	104	107	115	115	106
Public works	24	26	33	33	31	34	36	33	34	34
Community developmen	15	16	17	19	19	26	23	21	22	19
Water	<u>44</u>	<u>44</u>	<u>46</u>	<u>48</u>	<u>48</u>	<u>41</u>	<u>44</u>	<u>45</u>	<u>41</u>	<u>42</u>
	<u>235</u>	<u>224</u>	<u>232</u>	<u>237</u>	<u>233</u>	<u>241</u>	<u>246</u>	<u>252</u>	<u>250</u>	<u>245</u>

The City of Indio contracts with Riverside County for fire protection services.

Source: City of Indio

CITY OF INDIO
Operating Indicators
by Function
Last Ten Fiscal Years

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Police:										
Arrests	2,062	2,119	2,178	2,026	2,331	1,853	1,651	1,548	1,777	1,611
Traffic citations issued	2,632	2,476	1,478	1,452	2,102	1,777	858	1,064	1,137	755
Parking citations issued	1,554	3,231	5,312	4,191	1,173	4,766	6,803	6,344	564	9,927
Fire:										
Emergency calls	8,442	8,564	9,319	8,317	8,611	7,796	9,467	8,934	9,411	10,113
Inspections	2,535	2,254	2,629	2,473	2,553	2,586	3,326	3,084	3,177	4,290
Public works:										
Street resurfacing (miles)	0.0	3.3	1.0	10.0	1.0	6.0	48.0	27.0	10.5	20.0
Water:										
New connections	258	488	397	223	320	302	316	245	517	554
Average daily consumption (millions of gallons)	18	20	18	15	15	15	15	16	18	18
Golf Course:										
Golf rounds played	19,753	18,908	26,464	26,481	24,003	24,491	26,107	23,716	33,394	30,140

Source: City of Indio

CITY OF INDIO
 Capital Asset Statistics
 by Function
 Last Ten Fiscal Years

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Sub-stations	1	1	1	1	1	1	1	1	1	1
Animal care centers	1	1	0	0	0	0	0	0	0	0
Fire:										
Fire stations	4	4	4	4	4	4	4	4	4	4
Public works:										
Paved streets (miles)	244	251	253	254	254	254	255	255	255	255
Streetlights	2,869	2,858	2,886	2,893	2,858	2,858	2,868	2,868	2,901	2,901
Traffic signals	89	92	95	97	98	100	104	104	104	104
Recreation:										
Parks	15	17	17	17	18	18	18	18	18	18
Senior centers	1	1	1	1	1	1	1	1	1	1
Teen centers	1	1	1	1	1	1	1	1	1	1
Water:										
Water mains (miles)	327	329	332	342	343	343	344	344	346	347
Maximum daily capacity (millions of gallons)	66	66	66	66	66	66	66	66	66	66
Golf Course:										
Municipal golf courses	1	1	1	1	1	1	1	1	1	1

Source: City of Indio

INDIO WATER AUTHORITY
Water Sold by Type of Customer
Last Ten Fiscal Years
(in hundred cubic feet)

Type of Customer:	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Single-Family Residential	\$ 5,392,718	\$ 5,392,822	\$ 4,982,247	\$ 4,236,748	\$ 4,459,372	\$ 4,891,183	\$ 4,734,130	\$ 4,905,070	\$ 5,363,606	\$ 5,275,788
Multi-Family Residential	1,066,970	978,114	838,995	639,273	661,020	755,878	785,314	782,526	805,082	812,616
Commercial/Institutional	1,138,652	1,228,943	1,158,582	1,091,004	1,097,366	1,194,031	1,188,760	1,063,772	1,137,018	1,269,842
Industrial	61,707	72,389	66,423	54,401	58,018	60,552	64,585	66,865	66,052	71,350
Landscape Irrigation	1,067,837	1,205,557	1,023,955	743,594	924,444	1,049,375	976,302	938,291	1,051,466	997,910
Total	\$ 8,727,884	\$ 8,877,825	\$ 8,070,202	\$ 6,765,020	\$ 7,200,220	\$ 7,951,019	\$ 7,749,091	\$ 7,756,524	\$ 8,423,224	\$ 8,427,506

Total commodity rate
per 100 cubic feet

\$ 1.16	Tiered Rates	Tiered Rates	Tiered Rates	Tiered Rates	Tiered Rates	Tiered Rates	Tiered Rates	Tiered Rates	Tiered Rates	Tiered Rates
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Note:
During FY 2013-2014, IWA changed its rate structure to a customized water budget with a five tiered rate structure.

Source: Indio Water Authority

INDIO WATER AUTHORITY
Water Rates
Last Ten Fiscal Years

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Monthly Base Rate	9.24	15.55	16.79	18.14	19.59	21.16	21.16	21.16	21.16	21.16
Rate Per 100 Cubic Feet										
Tier 1	1.16	0.77	0.83	0.90	0.97	1.05	1.05	1.05	1.05	1.05
Tier 2	n/a	1.16	1.25	1.35	1.31	1.41	1.41	1.41	1.41	1.41
Tier 3	n/a	1.55	1.67	1.81	1.95	2.11	2.11	2.11	2.11	2.11
Tier 4	n/a	2.32	2.51	2.71	2.92	3.16	3.16	3.16	3.16	3.16
Tier 5	n/a	3.09	3.34	3.60	3.89	4.20	4.20	4.20	4.20	4.20

(1) Rates are based on a 3/4" x 1" meter size, which is the standard household meter size.

Note:

During FY 2013-2014, IWA changed its rate structure to a customized water budget with a five tiered water rate structure.

Source: Indio Water Authority

INDIO WATER AUTHORITY
Ten Largest Water Customers
Last Five Fiscal Years

Water Customer	Account Class	Fiscal Year									
		2018		2019		2020		2021		2022	
		Water Charges	Percent of Total Water Revenues	Water Charges	Percent of Total Water Revenues	Water Charges	Percent of Total Water Revenues	Water Charges	Percent of Total Water Revenues	Water Charges	Percent of Total Water Revenues
Capital Foresight Comm., LP	Apartments	\$ -		\$ -	0.52%	\$ 107,086	0.52%	\$ 133,758	0.60%	\$ 135,842	0.57%
Casa Monroe Apartments	Apartments		88,665	88,665	0.43%						
DSUSD - Indio High School	School		98,604	98,604	0.48%	92,242	0.45%				
Fantasy Springs Casino	Commercial	123,672	0.63%	140,371	0.68%	149,644	0.73%	172,599	0.78%	207,062	0.87%
Indian Palms Country Club	Residential	87,411	0.44%					106,638	0.48%	172,428	0.73%
Motorcoach CC POA, Inc	RV Park	110,141	0.56%	119,108	0.58%	118,361	0.57%	119,735	0.54%	125,301	0.53%
Monte Azul Housing	Apartments	93,703	0.47%								
Philip S Moreau	RV Park										
Polo Estates Ventures	Commercial	214,724	1.09%	195,465	0.95%	150,299	0.73%	220,507	1.00%	251,796	1.14%
Riverside County	Government	230,789	1.17%	303,855	1.47%	248,708	1.21%	133,970	0.61%	160,941	0.68%
Smoketree Apartments	Apartments	87,874	0.44%	90,651	0.44%	96,975	0.47%	102,554	0.46%	112,739	0.47%
Summerbreeze Homeowner's Assox	Apartments			90,263	0.44%	89,414	0.43%	103,868	0.47%	98,870	0.42%
Summerfield Apartments	Apartments	101,150	0.51%	104,292	0.51%	107,790	0.52%	115,682	0.52%	109,530	0.46%
Terra Lago	Commercial	102,310	0.52%								
The Club Worldmark	Time Share	143,387	0.73%	136,515	0.66%	119,226	0.58%	116,155	0.52%	133,032	0.56%
Waller Tract Water - HAML	Residential										
		<u>\$ 1,295,161</u>	6.56%	<u>\$ 1,367,789</u>	6.64%	<u>\$ 1,279,745</u>	6.21%	<u>\$ 1,325,466</u>	5.98%	<u>\$ 1,507,541</u>	6.43%

Source: Indio Water Authority

