

# CITY OF COACHELLA, CALIFORNIA



COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FISCAL YEAR ENDED JUNE 30, 2020

# **City of Coachella, California**

## **Comprehensive Annual Financial Report**

For the Year Ended June 30, 2020

**Prepared By:**

**The City of Coachella Finance Department**

**City of Coachella**  
**Comprehensive Annual Financial Report**  
**For the Year Ended June 30, 2020**

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March 11, 2021

To the Honorable Mayor, Members of the Governing Council, and Citizens of the City of Coachella, California. We are pleased to present the City of Coachella Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2020. This transmittal letter provides a non-technical summary of the City's finances, services, achievements, and economic prospects.

State law requires that all general-purpose local governments publish each year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report (CAFR) of the City of Coachella for the fiscal year ended June 30, 2020. The City has complied with the financial reporting model developed by the Governmental Accounting Standards Board (GASB) Statement 34. In addition to the customary fund statements included in the CAFR, Statement 34 requires that the City prepare government-wide financial statements, which include a Statement of Net Position, and a Statement of Activities. These statements are prepared using the accrual basis of accounting, which is consistent with private business accounting, in contrast to the modified basis of accounting that is used in accounting for fund financial statements. In the financial section of this report, the reader is provided with reconciliation statements that will take the reader from the Fund Financial Statement to the Statements of Net Position and Activities.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that is has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

## **PROFILE OF THE CITY OF COACHELLA**

The origin of the name Coachella is unclear but in 1901 the citizens of Woodspur, California voted on a new name for their community. During their town hall meeting, the homeowners decided on Coachella as their designation. Coachella began as a 2½ square miles of territory gridded out on the mesquite-covered desert floor of Southern California. In the 1950's Coachella started the process to expand into its present sphere that includes 32 square miles.

In 1946 Coachella incorporated and officially became the "City of Coachella" operating under the general laws of the State of California. At the same time, the first City Council was elected during the incorporation voting process. During the progressive 1950s, the city began its evolution towards the economic heights experienced today.

The City is located at the east end of the Coachella Valley approximately 40 miles east of Palm Springs, California. The surrounding area is largely agricultural land to the south; undeveloped land to the east and north; and, urban growth to the west. The communities of Coachella -- including Thermal and Mecca -- include more than 70,000 acres of land irrigated by the Colorado River via a complex canal system. This is where many of California's largest crops of lemons, avocados, figs, persimmons, and dates are grown.

Significant changes are occurring within the City and in the surrounding area. Coachella is a small, stable community located in the center of the fastest growing region in the area, the eastern Coachella Valley. The City offers a wealth of opportunity and an unmatched lifestyle for which the whole valley is internationally known. Coachella is one of two cities located in the Coachella Valley with the most developable land.

The City of Coachella is largely a young, rural and family-oriented area of the desert. Much of its population is made up of younger Hispanic family groups that enjoy a sense of community and a lifestyle enriched with elements of a proud heritage.

Coachella's population is long established, with a young median age of 34.5, and is growing fast. Coachella's official population was 40,704 at the 2010 census; however, according to the California Department of Finance, the estimated population was 47,189 as of January 2020. In addition, Coachella's stability is evidenced by its unusually high rate of nearly 71.4% home ownership.

The City of Coachella operates under a council-manager format of government which consists of a Mayor, Mayor Pro-Tem, three Councilmembers and the City Manager. The position of Mayor is independently elected every two years, while the position of Mayor Pro-Tem is rotated among the other elected Councilmembers.

Services are also provided to the City and its citizens by contract and by the direct services of other government agencies and organizations. These services include police and fire protection through the County of Riverside, library services through County of Riverside, City promotion through the Coachella Chamber of Commerce, electricity service through the Imperial Irrigation District, refuse collection through Burrtec Waste and Recycling Services, public transit through Sunline Transit Agency, and cable service through Time Warner. The City of Coachella also is financially accountable for all legally separate entities such as; Successor Agency to the Coachella Redevelopment Agency, Coachella Sanitary District, Coachella Water Authority and Coachella Fire Protection District. Additional information on these legally separate entities can be found in the notes to the financial statements.

Pursuant to City ordinance, the City Manager and Finance Director are responsible for the preparation of the annual budget for City Council consideration prior to the start of the fiscal year. The annual budget serves as the foundation for the City of Coachella's financial planning and control.

The City maintains budget controls to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. Activities of the General, Special Revenue, Debt Service and Capital Projects Funds are included in the annual appropriated budget. Budgetary amounts for Debt Service, Capital Projects, and certain Special Revenue Funds are adopted annually, however, budgets are considered to be long-term in nature.

The Comprehensive Annual Financial Statements for fiscal year 2019-20 was prepared in accordance with accounting principles generally accepted in the United States of America. As reflected in the statements and schedules included in the financial section of this report, the City continues to meet its responsibility for sound financial management.

## **LOCAL ECONOMY**

According to the State of California Employment Development Department (EDD), as of December 2020, the total workforce for the City of Coachella was 20,300 of which 17,200 were employed. The unemployment rate was 15.2%.

The local economy was adversely impacted by the COVID 19 global pandemic. City management continues to be cautiously optimistic about continued resiliency for the local economy as stay at home orders have been rescinded and vaccine distributions continue to increase. Efforts are continuing to develop the industrial portion of the economic base and to expand the retail and tourism segment. Of continuing concern is the City's ability to hold down costs while maintaining acceptable levels of service. As an example of this, Riverside County Sherriff's Department has increased the cost of its contract with the City at approximately 6.71% per year since FY 2013-14 while the California Department Forestry and Fire Protection (CALFIRE)/County Fire has increased its cost but to a lesser extent.

## **MAJOR INITIATIVES**

### **Capital Improvement Projects:**

During fiscal year 2019-20, expenditures were incurred and planning strategies implemented or continued on several large capital improvement projects. Projects planned or completed during the 2019-20 fiscal year included: Coachella Civic Center, Senior Center Expansion, Avenu 48 street widening, Improvements to Cesar Chavez Park, Sidewalk extensions along Avenue 49 and traffic signal upgrades.

### **Economic Development:**

In Coachella, with over 75% of the land as developable territory, and agriculture promoted by recent health initiatives, both are vital threads to the community's economic prosperity. A booming 95% of the country's dates are produced in Coachella and its neighboring cities. Other important agricultural crops available include grapes, citrus, corn, artichokes, peppers, and internationally exported alfalfa.



Coachella saw its population double between 2000 and 2010 and increase by 16% between 2011 and 2020 and is one of the fastest growing Cities in California. The City has also seen its profile grow dramatically over the last decade.

On December 11, 2013 City Council approved a proposal to build La Entrada, a 2,200 acre community. This community is expected to become an economic game-changer for the city. Over the next 20 years, the community will add 30,000 residents to Coachella and become the new gateway into the city. The community is planned to include 7,800 homes; retail center with stores, office space and business, and nearly 350 acres of open space for playgrounds, parks and hiking trails with the potential for a new soccer-centric sports venue.

In 2016, the City took steps to redevelop Downtown Coachella. The City implemented a Structural Property Improvement Program (SPIP) to provide grants to property owners to retrofit their seismically inhabitable commercial buildings. Then the City purchased an equivalent of 1.3 acres of land across from City Hall and has completed a new state-of-the-art municipally owned library. This strategic planning will keep the downtown area vibrant, walkable and a hub for the downtown commercial/retail community. Furthermore, Riverside County's Department of Social Services (DPSS) relocated from the City of Indio to Downtown Coachella. The City is now experiencing the foot traffic of 200+ employees and numerous clients, in the downtown area.

In 2020, City Council approved the Pueblo Viejo Villas low income housing apartment projects within the City that will add 110 residential units. The project will connect to the City's downtown and includes a City bus transit hub that will be operated by Sunline Transit Agency and pedestrian walkways.

## **FINANCIAL INFORMATION**

### **Budgetary Controls:**

The City of Coachella requires the City Manager to submit an estimated revenue and proposed expenditure budget for the ensuing year to the City Council on or before the last Council meeting in June. Each department head is responsible for monitoring departmental expenditures incurred compared to appropriations established by the City Council. Oversight functions are provided by the City Manager and the Finance Director through administrative policies and periodic review.

### **Internal Controls:**

The management of the City is responsible for establishing and maintaining an internal control system to ensure that the City's assets are protected from loss, theft, or misuse and to ensure that accurate accounting data is collected to allow for the preparation of financial statements in conformance with generally accepted accounting principles. The City's internal controls provide reasonably, but not absolute assurance that these objectives are met and that the cost of controls does not exceed the benefits derived. Internal controls are continually reviewed by management to ensure compliance with City policies and modified to allow for any changes in the organizational structure. We believe the City's internal control system meets the established

objectives of safe-guarding assets and providing assurance that financial transactions are properly recorded and reported.

**Blended Component Units:**

The City’s legally separate component units include the Coachella Water Authority, Coachella Sanitary District, Coachella Fire Protection District, and the Coachella Financing Authority.

**General Governmental Functions:**

General Governmental functions include the General Fund, Special Revenue funds, Debt Service funds, Capital Project funds, Fiduciary funds, and component unit enterprise funds.

The City's enterprise operations consist of water, and sanitary funds. These funds fall under the management and control of the City Council acting as Board Members.

**AWARDS AND ACKNOWLEDGMENTS**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Coachella for its comprehensive annual financial report for the fiscal year ended June 30, 2019. This was the 8th year that the government has achieved this prestigious award. In order to be awarded a certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This 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. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement program’s requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Respectfully Submitted,



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William B Pattison JR.  
City Manager



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Nathan Statham  
Finance Director



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Coachella  
California**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

June 30, 2019

*Christopher P. Morill*

Executive Director/CEO

# **CITY OF COACHELLA**

List of Principal Officials  
As of June 30, 2020

City Council – Manager Form of Government

## **CITY COUNCIL**

**STEVEN HERNANDEZ**  
Mayor

**EMMANUEL MARTINEZ**  
Mayor Pro Tem

**MEGAN BEAMAN JACINTO**  
Council Member

**PHILIP BAUTISTA**  
Council Member

**JOSIE GONZALEZ**  
Council Member

## **CITY ADMINISTRATION**

William B. Pattison Jr.  
City Manager

City Attorney  
City Treasurer  
City Clerk  
City Engineer  
Development Services Director  
Economic Development Director  
Finance Director  
Fire Chief  
Police Chief  
Public Works Director  
Utilities Director

Carlos Campos  
Arturo Aviles  
Angela Zepeda  
Gabor Pakozdi  
Luis Lopez  
Dr. Gabriel Martin  
Nathan Statham  
Bonifacio De La Cruz  
Misty Reynolds  
Maritza Martinez  
Castulo Estrada





## INDEPENDENT AUDITORS' REPORT

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

### **Report on the Financial Statements**

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 Coachella, California (the "City") as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditors' Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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### ***Opinions***

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, 2020, 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.

### ***Emphasis of Matter***

#### *Implementation of GASB 84*

As discussed in Note 1T to the basic financial statements, the City elected to early implement Governmental Accounting Standards Board (“GASB”) Statement No. 84, *Fiduciary Activities*. The adoption of the standard resulted in the custodial funds reporting beginning fiduciary net position in the amount of \$1,443,610. Our opinion is not modified with respect to this matter.

### ***Other Matters***

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management’s Discussion and Analysis, the Budgetary Comparison Schedules, the Schedule of the City’s Proportionate Share of the Net Pension Liability and Related Ratios, the Schedule of Contributions – Pensions, Schedule of Changes in Net Other Postemployment Benefits Liability and Related Ratios, and the Schedules of Contributions – Other Postemployment Benefits on pages 5 to 12 and 91 to 101, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the Required Supplementary Information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City’s basic financial statements. The Introductory Section, the Combining and Individual Nonmajor Fund Financial Statements, and the Statistical Section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

To the Honorable Mayor and the Members of the City Council  
of the City of Coachella  
Coachella, California  
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The Combining and Individual Nonmajor Fund Financial Statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Combining and Individual Nonmajor Fund Financial Statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Introductory and the Statistical Sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 11, 2021, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "The PwC Group, LLP". The signature is written in a cursive, flowing style.

Santa Ana, California  
March 11, 2021





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**City of Coachella**  
**Management's Discussion and Analysis (Unaudited)**  
**For the Year Ended June 30, 2020**

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The information in this section is not covered by the Independent Auditor's Report but is presented as required supplementary information for the benefit of the readers of the Comprehensive Annual Financial Report (CAFR).

As the management of the City of Coachella (City), we offer readers of these financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2020. Management's Discussion and Analysis provides readers with a basic overview of the financial results and financial position of the City of Coachella. We encourage readers to consider the information presented here in conjunction with additional information we have furnished in our letter of transmittal. All amounts are expressed in millions of dollars unless otherwise stated.

**Financial Highlights**

The assets and deferred outflows of resources of the City of Coachella exceeded its total liabilities and deferred inflows of resources at the close of the fiscal year by \$227.65 million (*net position*). Of this amount, \$205.15 million is the net investment in capital assets and is not available to meet ongoing obligations. Approximately \$(0.27) million (*unrestricted net deficit*) represents net position available to meet the government's ongoing obligations to citizens and creditors.

The City's total net position increased by \$2.35 million between FY 2018-19 and FY 2019-20. During the period total revenues equaled \$52.19 million, an increase of \$2.70 million over fiscal year 2018-19 and expenses totaled \$49.83 million a \$6.69 million increase over the same time period.

The governmental activities total net position increased by \$2.25 million and the business-type total net position increased by \$0.10 million. The governmental activities increase was essentially due to an increase of \$0.82 million in operating grants and contributions, \$0.60 million in capital grant and contributions revenue and \$1.22 million in charges for services. Governmental activities revenues saw increases in property taxes, transient occupancy taxes and investment earnings of \$0.25, \$0.08 and \$0.22 million respectively, but these increases were offset by decreases in sales taxes, franchise taxes, utility user taxes and other revenues of \$0.67, \$0.02, \$0.05 and \$0.07 million respectively. The increase in Business-type activities was essentially due to an increase of \$0.28 million in capital grants income, that was offset by decrease of \$0.13 million in charges for services and increases in expenses.

At the close of the fiscal year 2019-20, the City of Coachella's governmental funds reported combined ending fund balances of \$17.62 million, a decrease of \$0.65 million in comparison with the prior year. The unassigned fund balance is (\$11.82) million. The primary reason for the decrease is the use of development impact fees to fund capital improvement projects and debt repayments in the debt service fund.

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the City of Coachella's basic financial statements which include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements:** The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the City's assets and deferred outflows of resources as well as liabilities, and deferred inflows of resources, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator as to whether the financial position of the City is improving or deteriorating.

**City of Coachella**  
**Management's Discussion and Analysis (Unaudited) (Continued)**  
**For the Year Ended June 30, 2020**

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The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported on this statement for some items that will result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*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*). The governmental activities of the City include general government, highways and streets, economic development, public safety, culture and recreation. The business-type activities of the City include a Water Authority and a Sanitary District.

**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 the finance-related legal requirements. All the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental funds:** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on balances of *spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating the City's near-term financing requirements.

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 may better understand the long-term impact of the City's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City of Coachella maintains sixteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Development Impact Fees Special Revenue Fund, Grants Special Revenue Fund, Capital Projects Fund, and Debt Repayment Debt Service Fund all of which are considered to be major funds. Data from the eleven other funds are combined into a single, aggregate presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

**Proprietary funds:** The City of Coachella maintains one type of proprietary funds. *Enterprise funds* are used to report on the same function as presented in *business-type activities* on the government-wide financial statements. The City uses enterprise funds to account for its Water Authority and Sanitation District. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

**Fiduciary funds:** 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 statement because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

**City of Coachella**  
**Management's Discussion and Analysis (Unaudited) (Continued)**  
**For the Year Ended June 30, 2020**

**Notes to the financial statements:** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Other information:** In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* including individual and combining fund schedules.

**Government-Wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Coachella, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$227.65 million at the close of the fiscal year. By far the largest *portion* of the City's net position, \$205.15 million reflects its investment in capital assets (e.g. land, buildings, machinery, and equipment); less any related debt used to acquire those assets and is still outstanding net of unspent debt proceeds. The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**City of Coachella's Net Position**

	Governmental Activities		Business-Type Activities		Total	
	FY 2020	FY 2019 As Restated	FY 2020	FY 2019 As Restated	FY 2020	FY 2019 As Restated
Current and restricted assets	\$ 30,570,073	\$ 28,444,204	\$ 23,678,862	\$ 21,626,046	\$ 54,248,934	\$ 50,070,250
Capital assets	195,047,474	192,343,769	59,312,796	62,494,128	254,360,270	254,837,897
Total Assets	<u>225,617,546</u>	<u>220,787,973</u>	<u>82,991,658</u>	<u>84,120,174</u>	<u>308,609,204</u>	<u>304,908,147</u>
Deferred Outflows of Resources	3,396,647	2,990,957	2,025,736	1,839,738	5,422,383	4,830,695
Long-term debt outstanding	32,515,136	32,782,996	\$ 37,192,101	40,871,099	69,707,238	73,654,095
Other liabilities	11,251,148	7,899,409	3,896,413	1,275,484	15,147,560	9,174,893
Total Liabilities	<u>43,766,284</u>	<u>40,682,405</u>	<u>41,088,514</u>	<u>42,146,583</u>	<u>84,854,798</u>	<u>82,828,988</u>
Deferred Inflows of Resources	1,092,858	1,190,080	429,275	417,170	1,522,133	1,607,250
Net position:						
Net Invested in capital assets,	177,654,735	175,356,929	27,498,094	28,549,842	205,152,829	203,906,771
Restricted	10,220,894	11,302,241	12,551,198	12,728,682	22,772,092	24,030,923
Unrestricted	(3,720,578)	(4,752,725)	3,450,313	2,117,635	(270,265)	(2,635,090)
Total Net Position	<u>\$ 184,155,051</u>	<u>\$ 181,906,445</u>	<u>\$ 43,499,605</u>	<u>\$ 43,396,159</u>	<u>\$ 227,654,656</u>	<u>\$ 225,302,604</u>

The City's net position increased by \$2.35 million or 1.04 percent, during the fiscal year; reasons for this increase were given above in the Financial Highlights section.

**City of Coachella**  
**Management's Discussion and Analysis (Unaudited) (Continued)**  
**For the Year Ended June 30, 2020**

City of Coachella's Changes in Net Position						
	Governmental Activities		Business-Type Activities		Total	
	FY 2020	FY 2019 As Restated	FY 2020	FY 2019 As Restated	FY 2020	FY 2019 As Restated
<b>REVENUES:</b>						
Program Revenues:						
Charges for services	\$ 4,050,901	\$ 2,833,149	\$ 11,961,272	\$ 12,088,754	\$ 16,012,173	\$ 14,921,903
Operating grants and contributions	8,759,557	7,937,755	-	-	8,759,557	7,937,755
Capital grants and contributions	5,482,588	4,879,449	1,057,169	776,614	6,539,757	5,656,063
General Revenues:						
Property taxes	6,042,270	5,795,270	178,215	183,787	6,220,485	5,979,057
Sales and Use Tax	9,032,780	9,707,573	-	-	9,032,780	9,707,573
Franchise Taxes	965,943	990,696	-	-	965,943	990,696
Transient Occupancy Tax	227,076	143,216	-	-	227,076	143,216
Utility Users Tax	2,242,714	2,289,439	-	-	2,242,714	2,289,439
Investment Income	427,179	209,045	713,094	560,759	1,140,273	769,804
Other revenues	340,100	409,173	705,991	679,155	1,046,091	1,088,328
<b>Total Revenues</b>	<b>37,571,108</b>	<b>35,194,765</b>	<b>14,615,741</b>	<b>14,289,069</b>	<b>52,186,849</b>	<b>49,483,834</b>
<b>EXPENSES:</b>						
General government	7,540,100	6,553,545	-	-	7,540,100	6,553,545
Public safety	13,095,197	11,774,356	-	-	13,095,197	11,774,356
Community development	1,943,784	1,790,318	-	-	1,943,784	1,790,318
Public works	10,631,562	8,328,169	-	-	10,631,562	8,328,169
Parks & recreation	2,730,838	2,568,131	-	-	2,730,838	2,568,131
Interest on long-term debt	954,884	670,778	1,084,117	1,134,325	2,039,001	1,805,103
Operating expenses	-	-	11,854,315	10,324,047	11,854,315	10,324,047
<b>Total Expenses</b>	<b>36,896,365</b>	<b>31,685,297</b>	<b>12,938,432</b>	<b>11,458,372</b>	<b>49,834,797</b>	<b>43,143,669</b>
Increase (Decrease) in Net Position before transfers	674,743	3,509,468	1,677,309	2,830,697	2,352,052	6,340,165
Net transfers	1,573,863	910,030	(1,573,863)	(910,030)	-	-
Increase (Decrease) in Net Position	2,248,606	4,419,497	103,446	1,920,668	2,352,052	6,340,165
Beginning of Net Position as restated	181,906,445	177,486,948	43,396,159	41,475,491	225,302,604	218,962,439
Ending Net Position	<b>\$ 184,155,051</b>	<b>\$ 181,906,445</b>	<b>\$ 43,499,605</b>	<b>\$ 43,396,159</b>	<b>\$ 227,654,656</b>	<b>\$ 225,302,604</b>

**Governmental activities:** Governmental activities increased the City's net position by \$2.25 million. Key elements of this increase are as follows:

While total revenues increased \$2.38 million, the City saw an increase in property taxes of \$0.25 million, an increase in charges for services of \$1.22 million, and increase in capital and operating grants and contributions of \$1.42 million, an increase of \$0.08 million in transient occupancy taxes and an increase in investment income of \$0.22 million with a decrease of \$0.05 million in utility users tax, an decrease of \$0.07 million in other revenues, a decrease of \$0.67 million in sales and use tax and a decrease of \$0.02 in franchise taxes.

Total expenses from governmental activities increased by \$5.21 million during the fiscal year. One of the major increases was seen by public works of \$2.30 million, and was due to the recognition of expenses for several capital improvement projects. An increase in public safety of \$1.32 million was due increases in contract costs for police, fire and animal control. An increase in general government of \$0.99 million was primarily the result of direct COVID 19 related costs, increased insurance rates and employee retirement benefit costs.

**City of Coachella**  
**Management's Discussion and Analysis (Unaudited) (Continued)**  
**For the Year Ended June 30, 2020**

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**Business-type Activities:** Business-type increased its net position by \$0.10 million. Business-type revenues increased \$0.33 million. The increase was due to an increase in capital grants and contributions of \$0.28 million, an increase in other revenues of \$0.03 million, an increase in interest and rental income of \$0.15 million, offset by a decrease in charges for services of \$0.13 million. Expenses increased \$1.48 million. The increase was essentially due to an increase in operating expenses: general supplies, repairs and maintenance, and professional services. A significant part of the increase directly resulted from a system analysis project to meet state mandated water quality objectives.

**Financial Analysis of the Government's Funds**

As noted earlier, the City of Coachella uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds:** The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the fiscal year, the City's governmental funds reported combined ending fund balances of \$17.62 million, a decrease of \$0.65 million in comparison with the prior year. Of the \$17.62 million total, \$8.32 million constitutes non-spendable fund balances, which means that these reserves are not available to fund operating expenditures of the organization; \$21.1 million are restricted fund balances which are the result of external limitations on spending; the remainder of (\$11.82) million represents unassigned fund balances or the residual net resources after taking into consideration the other classifications.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$8.28 million, while the total General Fund balance was \$16.61 million. As a measure of the General Fund's liquidity, it may be useful to compare the total General Fund balance to budgeted expenditures (including transfers out). The total fund balance represents 67.77 percent of the total budgeted expenditures.

The fiscal year 2019-20 ending fund balance of the City's General Fund is a net total of \$16.61 million which is an increase of \$1.37 million from fiscal 2019-20. General Fund revenues were \$22.77 million with expenses at \$22.49 million which is an excess of \$0.28 million of revenues over expenditures. The other financing sources increased the fund balance by \$1.09 million which brings the net change in fund balance for the year to \$1.37 million.

The Development Impact Fees Fund (DIF), a special revenue fund, is primarily used to collect development impact fees and fund capital improvement projects. The fund ended the year with a fund balance of \$(18.23) million, a decrease of \$1.29 million. The fund balance reflects bonded borrowings for capital improvements to the Coachella Library with \$11.22 million funded through the borrowing and the unpaid principal balance reflected in the negative fund balance along with advances from the City's General Fund for the construction of the City's senior and civic centers. The Development Impact Fund decrease was a direct result of funding for capital improvement projects. DIF funds were primarily used to fund improvement to the Senior Center and street additions, expansions and upgrades.

The Grants Fund, a special revenue fund, is primarily used to account for grant revenues received from federal, state and local funding sources. The fund ended the year with a fund balance of \$(0.66) million an increase of \$1.30 million. The increase in fund balance is largely due to the recognition of unavailable revenues from fiscal year 2018-19 that were not received in time to be considered current economic resources of fiscal year 2018-19 and were recognized as revenues in fiscal year 2019-20.

The City's Capital Projects Fund is primarily used to account for capital improvement projects including street, storm drain, City facility and other significant capital improvements. The fund ended the year with a fund balance of \$0.18 representing no net change in fund balance for the fiscal year. It is customary for the City to match project funding with project expenditures in a given fiscal year resulting in no net change in fund balance for most projects.

**City of Coachella**  
**Management's Discussion and Analysis (Unaudited) (Continued)**  
**For the Year Ended June 30, 2020**

The Debt Repayment Fund, a debt service fund, is primarily used to account for debt service on long term borrowing by the City. Governmental bonded debt for the City's 2019 Gas Tax Revenue Refunding and 2016 Lease Revenue Bonds are accounted for in this fund. The fund ended the year with a fund balance of \$11.60 million a decrease of \$1.08 million. The decrease in fund balance was the result of debt service retirements on the City's long term debt.

**Proprietary funds:** The City's proprietary funds provide the same type of information found in the government-wide financial statements but in more detail. The proprietary funds include the Coachella Water Authority and the Coachella Sanitary District.

Total net position for proprietary funds finished the year at \$43.50 million. The Water Authority accounted for \$26.99 million of this total with the Sanitary District accounting for the remaining \$16.51 million.

The *Coachella Water Authority's* net position decreased \$0.41 million over the fiscal year 2019-20. During the year, the Authority had total revenues of \$7.50 million and expenses and transfers out of \$7.91 million. The Authority's total revenues/transfers-in decreased \$0.21 million or 2.72 percent over the previous fiscal year, while expenses/transfers-out increased \$1.42 million or 21.88 percent. A large portion of this increase in expenses/transfers-out was due to a system analysis project to meet state mandated water quality objectives.

The *Coachella Sanitary District's* net position increased \$0.51 million over the fiscal year 2019-20. The District had revenues of \$7.11 million and expenses and transfers-out of \$6.60 million. Revenues/transfers-in increased \$0.25 million or 3.64 percent while expenses/transfers out increased \$0.44 million or 7.14 percent.

**Capital Asset and Debt Administration**

**Capital assets:** The City's investment in capital assets for its governmental and business-type activities at June 30, 2020, amounts to \$254.36 million (net of accumulated depreciation). The City invests in a broad range of capital assets including land, streets, bridges, drainage systems, traffic lights, parks, buildings, art work, vehicles, and equipment. This amount represents a net decrease which includes additions and deletions of \$0.48 million.

**City of Coachella's Capital Assets Net of Depreciation**

	Governmental Activities		Business-Type Activities		Total	
	FY 2020	FY 2019	FY 2020	FY 2019	FY 2020	FY 2019
Land	\$ 17,364,048	\$ 17,364,048	\$ 887,772	\$ 887,772	\$ 18,251,820	\$ 18,251,820
Construction In Progress	9,863,236	12,552,344	717,677	1,396,117	10,580,913	13,948,461
Buildings & Improvements	21,849,547	19,613,066	530,403	557,829	22,379,950	20,170,895
Machinery & Equipment	553,112	604,558	1,063,820	1,377,330	1,616,932	1,981,888
Infrastructure	145,417,531	142,209,753	56,113,124	58,275,080	201,530,655	200,484,833
Totals	\$ 195,047,474	\$ 192,343,769	\$ 59,312,796	\$ 62,494,128	\$ 254,360,270	\$ 254,837,897

Governmental activities had the following projects complete and assets placed in service during fiscal year 2019-20:

- Machinery and Equipment \$134,175
- Buildings \$2,971,875
- Sidewalks, SRTS, Bike Lanes \$3,410,434
- Street improvements/rehab \$4,395,155
- Traffic signal \$265,954
- Parks \$209,603

Additional information on the City of Coachella's capital assets can be found in Note 6 to the financial statements.

**City of Coachella**  
**Management's Discussion and Analysis (Unaudited) (Continued)**  
**For the Year Ended June 30, 2020**

**Long-term debt:** At the end of the current fiscal year, the City's governmental activities had \$33.54 million in bonds, loans payable, compensated absences, claims payable and net pension/OPEB liabilities compared to \$32.78 million the previous year, a decrease of \$0.76 million or 2.31 percent. Business type activities had \$39.56 million in bonds, loans payable, compensated absences, and net pension/OPEB liabilities compared to \$40.87 million last year, a decrease of \$1.31 million or 3.20 percent. See Note 7 Long-Term Liabilities.

**City of Coachella's Long-term Debt**

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	<b>FY 2020</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2019</b>
Loans Payable	\$ 974,951	\$ 1,041,028	\$ 12,151,239	\$ 13,461,128	\$ 13,126,190	\$ 14,502,156
Revenue Bonds	16,417,953	11,489,154	20,006,609	20,822,855	36,424,562	32,312,009
Certificates of Participacion	-	5,560,000	-	-	-	5,560,000
Compensated Absences	605,736	653,953	323,288	331,807	929,024	985,760
Claims Payable	380,618	361,579	-	-	380,618	361,579
Net Pension Liability	11,987,625	11,113,488	4,906,468	4,599,378	16,894,093	15,712,866
Net OPEB Liability	3,172,741	2,563,794	2,176,931	1,655,931	5,349,672	4,219,725
<b>Totals</b>	<b>\$ 33,539,624</b>	<b>\$ 32,782,996</b>	<b>\$ 39,564,535</b>	<b>\$ 40,871,099</b>	<b>\$ 73,104,159</b>	<b>\$ 73,654,095</b>

**General Fund Budgetary Highlights**

The City Council revised the budget throughout the fiscal year with midyear revenue and appropriation adjustments, changes made to appropriations for specific identified projects and approved other revenue and appropriation adjustments after the original budget was adopted.

After accounting for these budget adjustment, the General Fund revenues were \$0.22 million higher than final budgeted amounts. Collections of sales taxes was under budget but this was offset by higher than expected investment income and additional unexpected other revenues.

General fund budgeted expenditures were \$0.55 higher than final budgeted amounts. General government exceeded budgeted amounts by \$0.59 million due to higher than anticipated legal costs, personnel turnover in the finance department and related personnel accrual payments, the write off of certain receivables that were deemed uncollectible during the year and COVID 19 related costs for PPE and public noticing. The engineering division expenditures exceeded the budget by \$0.23 million. This was largely due to staff turnover in the division that required additional use of engineering consultants.

**Economic Factors and Next Year's Budget**

California's diverse economy continues to recover and reopen as the effects of COVID 19 emergency orders diminish and vaccines are administered. Unemployment has decreased from the lows seen in the first part of the pandemic in mid-2020. California's unemployment rate was 9% in December 2020 compared to 3.9% in December 2019. Economic forecasts project that unemployment will continue to decrease in California and Riverside County over the next three years.

The primary effect of the COVID 19 pandemic on City finances has been reduced sales tax revenues as local businesses have adhered to stay at home orders and observed COVID 19 related capacity reductions primarily in the food products, transportation and business to business sectors. The City budgeted for these revenue reductions and had sufficient reserves to avoid workforce or significant service reductions. Sales tax revenues are projected to fully recover in fiscal year 2022-23. The City does not anticipate workforce or service reductions as a result of the pandemic provided that no significant new COVID 19 strains require new public safety measures be implemented and vaccine availability continues to increase as projected.



**City of Coachella**  
**Management's Discussion and Analysis (Unaudited) (Continued)**  
**For the Year Ended June 30, 2020**

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In 2020-21 the City of Coachella plans to spend \$18.13 million on capital improvements, many of them with a focus of building up the city infrastructure. The funding comes from federal, state, and regional grants, local Measure A, and gas taxes. Some of the projects that the City of Coachella will be working on in fiscal year 2020-21 are as follows:

- Widening of Avenue 50 from Calhoun to Harrison. This includes roadway widening, traffic engineering, traffic signal modifications, sidewalk improvements, bicycle lanes and landscaping.
- Construction of the Dillon Road Bridge which connects the Interstate I-10 and the Highway 86 interchange. The Dillon Road bridge and road widening is unique in that it involves many jurisdictions with the City of Coachella taking the lead. The four primary parties who will form an agreement regarding improvements and maintenance for the project include: City of Coachella, City of Indio, the Cabazon Band of Mission Indians, and the Twenty-Nine Palms Band of Mission Indians.
- Fire station expansion and upgrades will incorporate current building standards, apparatus bay improvements and generator and electrical system upgrades for the City's fire station.
- The Urban Greening and Connectivity Project will include street improvements, sidewalk connectivity, bicycle lanes, shaded benches, bike racks and other amenities for pedestrians.
- Sewer system infrastructure improvements at 48<sup>th</sup> and Harrison. These improvements will expand sewer availability into a new area of the City currently without system access.

**Sales Tax:** The City's sales taxes have decreased and are projected to decrease in fiscal year 2020-21 due to the COVID 19 global pandemic. Sales tax revenues decreased by \$0.67 million compared to fiscal year 2018-19. During fiscal year 2019-20, Sales Tax Revenue was \$9.03 million.

**Revenue Outlook:** The City of Coachella approved a 1% sales tax increase in November 2014. These additional, voter approved funds, provide the revenues needed to maintain essential public services, including police and fire. The fiscal year 2020-21 budget was approved with General Fund revenue projections of \$24.26 million. Taxes of \$17.23 million, charges for services of \$0.99 million, fines and forfeitures of \$0.45 million, intergovernmental of \$0.87 million, and other revenue of \$0.22 million are expected to result in a deficit of \$0.67 from lower projected sales tax revenues due to the COVID 19 pandemic.

**Expenditure Outlook:** The fiscal year 2020-21 will see General Fund expenditures budgeted at \$24.93 million. The Public Safety budget continues to dominate with a budget of \$12.08 million, which represents 48.46 percent of the General Fund budget. Assessments from the public safety community facilities district (CFD) offset some of the burdens of providing police and fire services to a growing population as well as the Utility User Tax that is expected to provide \$2.4 million in revenue to the General Fund.

### **Requests for information**

This financial report is designed to provide our citizens, taxpayers, customers, and 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 or need additional financial information, contact the City's Finance Department, at the City of Coachella, 53990 Enterprise Way, Coachella California 92236.

## **BASIC FINANCIAL STATEMENTS**



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**GOVERNMENT-WIDE FINANCIAL STATEMENTS**



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**City of Coachella**  
**Statement of Net Position**  
**June 30, 2020**

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and investments	\$ 18,078,339	\$ 8,561,747	\$ 26,640,086
Restricted cash	-	12,551,152	12,551,152
Accounts receivable	1,780,587	2,189,424	3,970,011
Interest receivable	46,537	66,246	112,783
Due from other governments	4,263,483	175,340	4,438,823
Prepaid items	1,766,172	109,630	1,875,802
Deferred special assessment	186,168	-	186,168
Loans receivable	4,448,621	-	4,448,621
Investments with fiscal agent	165	25,323	25,488
Capital assets not being depreciated	27,227,284	1,605,449	28,832,733
Capital assets, net of depreciation	167,820,190	57,707,347	225,527,537
<b>Total Assets</b>	<b>225,617,546</b>	<b>82,991,658</b>	<b>308,609,204</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred loss on refunding	-	317,869	317,869
Pension related items	2,789,205	1,291,079	4,080,284
Other postemployments benefits related items	607,442	416,788	1,024,230
<b>Total Deferred Outflows of Resources</b>	<b>3,396,647</b>	<b>2,025,736</b>	<b>5,422,383</b>
<b>LIABILITIES</b>			
Accounts payable and accrued liabilities	7,858,065	804,118	8,662,183
Deposits payable	847,960	348,309	1,196,269
Due to other governments	111,700	-	111,700
Unearned revenue	1,366,724	-	1,366,724
Interest payable	42,211	371,552	413,763
Long-term liabilities:			
Due within one year	1,024,488	2,372,434	3,396,922
Due in more than one year	32,515,136	37,192,101	69,707,237
<b>Total Liabilities</b>	<b>43,766,284</b>	<b>41,088,514</b>	<b>84,854,798</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pension related items	959,395	337,701	1,297,096
Other postemployment benefits related items	133,463	91,574	225,037
<b>Total Deferred Inflows of Resources</b>	<b>1,092,858</b>	<b>429,275</b>	<b>1,522,133</b>
<b>NET POSITION</b>			
Net investment in capital assets	177,654,735	27,498,094	205,152,829
Restricted for:			
Low income housing	5,903,937	-	5,903,937
Highways and streets	3,339,969	-	3,339,969
Community development	137,902	-	137,902
Capital projects	488,459	12,551,198	13,039,657
Public safety	64,534	-	64,534
Other	286,093	-	286,093
Total restricted	10,220,894	12,551,198	22,772,092
Unrestricted	(3,720,578)	3,450,313	(270,265)
<b>Total Net Position</b>	<b>\$ 184,155,051</b>	<b>\$ 43,499,605</b>	<b>\$ 227,654,656</b>

See accompanying Notes to the Financial Statements.

**City of Coachella**  
**Statement of Activities**  
**For the Year Ended June 30, 2020**

<b>Functions/Programs</b>	Expenses	Program Revenues			Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Governmental Activities:</b>					
General government	\$ 7,540,100	\$ 601,681	\$ 11,580	\$ -	\$ 613,261
Public safety	13,095,197	434,478	3,245,179	-	3,679,657
Community development	1,943,784	686,961	726,939	-	1,413,900
Public works	10,631,562	2,298,215	4,775,859	5,482,588	12,556,662
Parks and recreation	2,730,838	29,566	-	-	29,566
Interest on long-term debt	954,884	-	-	-	-
Total governmental activities	<u>36,896,365</u>	<u>4,050,901</u>	<u>8,759,557</u>	<u>5,482,588</u>	<u>18,293,046</u>
<b>Business-type Activities:</b>					
Water utility	7,121,639	5,991,611	-	508,758	6,500,369
Sewer utility	5,816,793	5,969,661	-	548,411	6,518,072
Total business-type activities	<u>12,938,432</u>	<u>11,961,272</u>	<u>-</u>	<u>1,057,169</u>	<u>13,018,441</u>
Total primary government	<u>\$ 49,834,797</u>	<u>\$ 16,012,173</u>	<u>\$ 8,759,557</u>	<u>\$ 6,539,757</u>	<u>\$ 31,311,487</u>

(Continued)

**City of Coachella**  
**Statement of Activities (Continued)**  
**For the Year Ended June 30, 2020**

<b>Functions/Programs</b>	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-type Activities	Total
<b>Governmental Activities:</b>			
General government	\$ (6,926,839)	\$ -	\$ (6,926,839)
Public safety	(9,415,540)	-	(9,415,540)
Community development	(529,884)	-	(529,884)
Public works	1,925,100	-	1,925,100
Parks and recreation	(2,701,272)	-	(2,701,272)
Interest on long-term debt	(954,884)	-	(954,884)
Total governmental activities	(18,603,319)	-	(18,603,319)
<b>Business-type Activities:</b>			
Water utility	-	(621,270)	(621,270)
Sewer utility	-	701,279	701,279
Total business-type activities	-	80,009	80,009
Total primary government	(18,603,319)	80,009	(18,523,310)
<b>General Revenues:</b>			
Property taxes	6,042,270	178,215	6,220,485
Sales and use tax	9,032,780	-	9,032,780
Franchise taxes	965,943	-	965,943
Transient occupancy tax	227,076	-	227,076
Utility users tax	2,242,714	-	2,242,714
Investment income	427,179	713,094	1,140,273
Other revenue	340,100	705,991	1,046,091
<b>Transfers</b>	1,573,863	(1,573,863)	-
Total general revenues and transfers	20,851,925	23,437	20,875,362
Change in Net Position	2,248,606	103,446	2,352,052
<b>Net Position</b>			
Beginning of year, as restated (Note 15)	181,906,445	43,396,159	225,302,604
End of year	\$ 184,155,051	\$ 43,499,605	\$ 227,654,656

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**FUND FINANCIAL STATEMENTS**



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**GOVERNMENTAL FUND FINANCIAL STATEMENTS**

**City of Coachella**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2020**

	Special Revenue Funds			
	General Fund	Development Impact Fees	Grants Fund	Capital Projects Fund
<b>ASSETS</b>				
Cash and investments	\$ 10,057,146	\$ -	\$ 629,215	\$ 420,199
Receivables:				
Accounts receivable	1,442,817	311,232	-	6,234
Interest	13,500	14,947	-	-
Due from other governments	1,393,787	-	1,022,158	-
Deferred special assessment	115,424	-	-	-
Loans receivables	-	-	-	-
Due from other funds	535,832	-	-	2,835,704
Prepaid items	1,702,740	-	-	-
Restricted assets:				
Cash and investments with fiscal agent	-	-	-	-
Advance to other funds	6,552,355	-	-	-
<b>Total assets</b>	<b>\$ 21,813,601</b>	<b>\$ 326,179</b>	<b>\$ 1,651,373</b>	<b>\$ 3,262,137</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable and accrued liabilities	\$ 3,757,022	\$ -	\$ 11,505	\$ 2,857,676
Accrued wages payable	181,385	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	346,354	1,022,428	-
Unearned revenue	36,400	126,897	500,000	223,672
Deposits payable	847,960	-	-	-
Advance from other funds	-	18,086,903	-	-
<b>Total liabilities</b>	<b>4,822,767</b>	<b>18,560,154</b>	<b>1,533,933</b>	<b>3,081,348</b>
<b>Deferred Inflows of Resources:</b>				
Unavailable revenue	375,954	-	776,243	-
<b>Fund Balances:</b>				
Nonspendable	8,255,095	-	-	-
Restricted	74,850	-	-	180,789
Unassigned	8,284,935	(18,233,975)	(658,803)	-
<b>Total fund balances</b>	<b>16,614,880</b>	<b>(18,233,975)</b>	<b>(658,803)</b>	<b>180,789</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 21,813,601</b>	<b>\$ 326,179</b>	<b>\$ 1,651,373</b>	<b>\$ 3,262,137</b>

(Continued)

**City of Coachella**  
**Balance Sheet (Continued)**  
**Governmental Funds**  
**June 30, 2020**

	Debt Repayment Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>			
Cash and investments	\$ -	\$ 6,971,779	\$ 18,078,339
Receivables:			
Accounts receivable	-	20,304	1,780,587
Interest	-	18,090	46,537
Due from other governments	-	1,847,538	4,263,483
Deferred special assessment	-	70,744	186,168
Loans receivables	-	4,448,621	4,448,621
Due from other funds	-	-	3,371,536
Prepaid items	63,432	-	1,766,172
Restricted assets:			
Cash and investments with fiscal agent	165	-	165
Advance to other funds	11,534,548	-	18,086,903
<b>Total assets</b>	<b>\$ 11,598,145</b>	<b>\$ 13,377,076</b>	<b>\$ 52,028,511</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts payable and accrued liabilities	\$ -	\$ 1,044,403	\$ 7,670,606
Accrued wages payable	-	6,074	187,459
Due to other governments	-	111,700	111,700
Due to other funds	-	2,002,754	3,371,536
Unearned revenue	-	479,755	1,366,724
Deposits payable	-	-	847,960
Advance from other funds	-	-	18,086,903
<b>Total liabilities</b>	<b>-</b>	<b>3,644,686</b>	<b>31,642,888</b>
<b>Deferred Inflows of Resources:</b>			
Unavailable revenue	-	1,613,294	2,765,491
<b>Fund Balances:</b>			
Nonspendable	63,432	-	8,318,527
Restricted	11,534,713	9,329,360	21,119,712
Unassigned	-	(1,210,264)	(11,818,107)
<b>Total fund balances</b>	<b>11,598,145</b>	<b>8,119,096</b>	<b>17,620,132</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 11,598,145</b>	<b>\$ 13,377,076</b>	<b>\$ 52,028,511</b>

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**City of Coachella**  
**Reconciliation of the Governmental Funds Balance Sheet**  
**to the Government-Wide Statement of Net Position**  
**June 30, 2020**

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Fund Balances of Governmental Funds	\$ 17,620,132
Amounts reported for Governmental Activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the government funds.	195,047,474
Revenue reported as unavailable revenue in the governmental funds when it is not received soon enough after year-end to be considered available. The availability criteria does not apply to the government-wide financial statements and, therefore, the revenue is recognized when eligibility requirements are met and earned.	2,765,491
Long-term liabilities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the Statement of Net Position:	
Compensated absences	(605,736)
Long-term debt	(17,392,904)
Claims payable	(380,618)
Interest payable on long-term debt does not require current financial resources. Therefore, interest payable is not reported as a liability in the governmental funds.	(42,211)
Net pension liabilities and the related deferred outflows of resources and deferred inflows of resources are not due and payable in the current period or not available for current expenditures and are not reported in the governmental fund financial statements:	
Deferred outflows of resources related to pensions	2,789,205
Net pension liability	(11,987,625)
Deferred inflows of resources related to pensions	(959,395)
Net other postemployment benefits liabilities and the related deferred outflows of resources and deferred inflows of resources are not due and payable in the current period or not available for current expenditures and are not reported in the governmental fund financial statements:	
Deferred outflows of resources related to other postemployment benefits	607,442
Net other postemployment benefits liability	(3,172,741)
Deferred inflows of resources related to other postemployment benefits	(133,463)
Net Position of Governmental Activities	\$ 184,155,051



**City of Coachella**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended June 30, 2020**

	Special Revenue Funds			
	General Fund	Development Impact Fees	Grants Fund	Capital Projects Fund
<b>REVENUES:</b>				
Taxes	\$ 18,383,778	\$ -	\$ -	\$ -
Licenses, permits and fees	460,245	-	-	-
Charges for services	598,707	-	-	-
Fines, forfeitures and penalties	395,433	-	-	-
Intergovernmental	851,511	-	4,096,667	-
Developer fees	-	1,850,336	-	-
Special assessments	1,056,064	-	-	-
Investment income	323,693	143,186	-	-
Other revenue	698,420	-	-	421,229
<b>Total revenues</b>	<b>22,767,851</b>	<b>1,993,522</b>	<b>4,096,667</b>	<b>421,229</b>
<b>EXPENDITURES:</b>				
Current:				
General government	6,387,536	-	-	-
Public safety - police	9,564,388	-	-	-
Public safety - fire	-	-	-	-
Public safety - animal control	256,100	-	-	-
Community development	1,355,809	-	-	-
Community development - building	308,991	-	-	-
Public works - engineering	1,082,265	-	-	-
Public works	1,556,324	29,806	40,750	-
Public works - Parks and recreation	1,852,412	-	-	-
Capital outlay	128,514	-	-	10,525,963
Debt service:				
Principal retirement	-	66,077	-	-
Interest and fiscal charges	-	151,891	-	-
<b>Total expenditures</b>	<b>22,492,339</b>	<b>247,774</b>	<b>40,750</b>	<b>10,525,963</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>275,512</b>	<b>1,745,748</b>	<b>4,055,917</b>	<b>(10,104,734)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Proceeds from issuance of debt	-	-	-	-
Issuance premium	-	-	-	-
Transfers in	2,799,860	-	-	10,104,734
Transfers out	(1,702,947)	(3,040,786)	(2,757,841)	-
<b>Total other financing sources (uses)</b>	<b>1,096,913</b>	<b>(3,040,786)</b>	<b>(2,757,841)</b>	<b>10,104,734</b>
<b>Net change in fund balances</b>	<b>1,372,425</b>	<b>(1,295,038)</b>	<b>1,298,076</b>	<b>-</b>
<b>FUND BALANCES:</b>				
Beginning of year, as restated (Note 15)	15,242,455	(16,938,937)	(1,956,879)	180,789
End of year	<u>\$ 16,614,880</u>	<u>\$ (18,233,975)</u>	<u>\$ (658,803)</u>	<u>\$ 180,789</u>

(Continued)

**City of Coachella**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)**  
**Governmental Funds**  
**For the Year Ended June 30, 2020**

	Debt Repayment Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>			
Taxes	\$ -	\$ 896,102	\$ 19,279,880
Licenses, permits and fees	-	-	460,245
Charges for services	-	40,930	639,637
Fines, forfeitures and penalties	-	-	395,433
Intergovernmental	-	4,077,451	9,025,629
Developer fees	-	-	1,850,336
Special assessments	-	2,635,747	3,691,811
Investment income	11,965	183,417	662,261
Other revenue	-	1,079	1,120,728
<b>Total revenues</b>	<b>11,965</b>	<b>7,834,726</b>	<b>37,125,960</b>
<b>EXPENDITURES:</b>			
Current:			
General government	-	11,579	6,399,115
Public safety - police	-	-	9,564,388
Public safety - fire	-	3,099,518	3,099,518
Public safety - animal control	-	-	256,100
Community development	-	91,501	1,447,310
Community development - building	-	-	308,991
Public works - engineering	-	-	1,082,265
Public works	-	1,402,736	3,029,616
Public works - Parks and recreation	-	-	1,852,412
Capital outlay	-	-	10,654,477
Debt service:			
Principal retirement	6,065,000	-	6,131,077
Interest and fiscal charges	822,108	-	973,999
<b>Total expenditures</b>	<b>6,887,108</b>	<b>4,605,334</b>	<b>44,799,268</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(6,875,143)</b>	<b>3,229,392</b>	<b>(7,673,308)</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Proceeds from issuance of debt	4,775,000	-	4,775,000
Issuance premium	670,169	-	670,169
Transfers in	347,239	2,344,160	15,595,993
Transfers out	-	(6,520,556)	(14,022,130)
<b>Total other financing sources (uses)</b>	<b>5,792,408</b>	<b>(4,176,396)</b>	<b>7,019,032</b>
<b>Net change in fund balances</b>	<b>(1,082,735)</b>	<b>(947,004)</b>	<b>(654,276)</b>
<b>FUND BALANCES:</b>			
Beginning of year, as restated (Note 15)	12,680,880	9,066,100	18,274,408
End of year	\$ 11,598,145	\$ 8,119,096	\$ 17,620,132

(Concluded)

**City of Coachella**  
**Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and**  
**Changes in Fund Balances to the Governmental-Wide Statement of Activities**  
**For the Year Ended June 30, 2020**

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Net Change in Fund Balances - Governmental Funds	\$ (654,276)
Amounts reported for Governmental Activities in the Statement of Activities are different because:	
Governmental funds report capital outlay as an expenditure in the full amount as current financial resources are used. However, in the Statement of Activities the cost of these assets is allocated over the estimated useful life as depreciation expense.	
Capital outlay	10,653,904
Net effect of disposal of capital assets	(1,955,816)
Depreciation	(5,994,383)
Revenues in the Statement of Activities that do not provide current financial resources are not reported in the governmental funds.	
	445,148
Issuance of long-term debt provided current financial resources to governmental funds, but issuing debt increased long-term liabilities in the Government-Wide Statement of Net Position:	
Proceed from issuance	(670,169)
Issuance premium	(4,775,000)
Governmental funds report activity of long-term liabilities as revenues and expenditures, but they are included as increases and reductions on the long-term liabilities in the Statement of Net Position.	
Long-term debt principal payments	6,131,077
Claims payable	(19,039)
In the Statement of Activities, compensated absences are measured by the amounts earned during the fiscal year. In governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially the amounts paid). This represents the change in compensated absences during the year.	
	48,217
Debt service expenditures, as well as interest, are reported only when payment is due in the governmental funds. In the Statement of Activities, interest and amortization expenses are recognized in the period in which the liability is incurred.	
	19,115
Certain pension 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, net of contribution made after the measurement period in the amount of \$1,090,626.	
	(801,251)
Certain other postemployment benefits 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, net of contribution made during the measurement period in the amount of \$102,056.	
	(178,921)
Change in Net Position of Governmental Activities	\$ 2,248,606

**PROPRIETARY FUND FINANCIAL STATEMENTS**

**City of Coachella**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2020**

ASSETS	Business-type Activities		
	Enterprise Funds		
	Water Authority	Sanitary District	Total
<b>Current Assets:</b>			
Cash and investments	6,461,191	\$ 2,100,556	\$ 8,561,747
Restricted cash	7,418,413	5,132,739	12,551,152
Accounts receivable, net	1,534,746	654,678	2,189,424
Interest receivable	45,142	21,104	66,246
Due from other government	-	175,340	175,340
Prepaid items	85,607	24,023	109,630
Total current assets	15,545,099	8,108,440	23,653,539
<b>Noncurrent Assets:</b>			
Investments with fiscal agent	46	25,277	25,323
Capital assets not being depreciated	891,319	714,130	1,605,449
Capital assets being depreciated	60,706,705	61,976,757	122,683,462
Less: accumulated depreciation	(33,910,097)	(31,066,018)	(64,976,115)
Total capital assets	27,687,927	31,624,869	59,312,796
Total noncurrent assets	27,687,973	31,650,146	59,338,119
<b>Total assets</b>	43,233,072	39,758,586	82,991,658
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred charges from debt refunding	135,980	181,889	317,869
Deferred amount related to pensions	610,992	680,087	1,291,079
Deferred amount related to other postemployment benefits	204,339	212,449	416,788
<b>Total deferred outflows of resources</b>	951,311	1,074,425	2,025,736

(Continued)

**City of Coachella**  
**Statement of Net Position (Continued)**  
**Proprietary Funds**  
**June 30, 2020**

	Business-type Activities		
	Enterprise Funds		
	Water Authority	Sanitary District	Total
<b>LIABILITIES</b>			
<b>Current Liabilities:</b>			
Accounts payable and accrued liabilities	566,196	137,197	703,393
Accrued wages payable	47,109	53,616	100,725
Deposits payable	348,309	-	348,309
Interest payable	222,260	149,292	371,552
Compensated absences, due within one year	106,154	135,862	242,016
Bonds payable, due within one year	532,095	259,572	791,667
Loans payable, due within one year	-	1,338,751	1,338,751
Total current liabilities	<u>1,822,123</u>	<u>2,074,290</u>	<u>3,896,413</u>
<b>Noncurrent Liabilities:</b>			
Compensated absences, due in more than one year	33,960	47,312	81,272
Bonds payable, due in more than one year	11,740,222	7,474,720	19,214,942
Loans payable, due in more than one year	-	10,812,488	10,812,488
Net other postemployment benefits liability	1,067,287	1,109,644	2,176,931
Net pension liability	2,321,945	2,584,523	4,906,468
Total noncurrent liabilities	<u>15,163,414</u>	<u>22,028,687</u>	<u>37,192,101</u>
<b>Total liabilities</b>	<u>16,985,537</u>	<u>24,102,977</u>	<u>41,088,514</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred amount related to pensions	159,814	177,887	337,701
Deferred amount related to other postemployment benefits	44,896	46,678	91,574
<b>Total deferred inflows of resources</b>	<u>204,710</u>	<u>224,565</u>	<u>429,275</u>
<b>NET POSITION</b>			
Net investment in capital assets	15,551,590	11,946,504	27,498,094
Restricted for capital projects	7,418,459	5,132,739	12,551,198
Unrestricted (deficit)	4,024,087	(573,774)	3,450,313
<b>Total Net Position</b>	<u>\$ 26,994,136</u>	<u>\$ 16,505,469</u>	<u>\$ 43,499,605</u>

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**City of Coachella**  
**Statement of Revenues, Expenses, and Changes in Net Position**  
**Proprietary Funds**  
**For the Year Ended June 30, 2020**

	Business-type Activities		
	Enterprise Funds		
	Water Authority	Sanitary District	Total
<b>OPERATING REVENUES</b>			
Charges for services	\$ 5,991,611	\$ 5,969,661	\$ 11,961,272
Other revenue	534,781	171,210	705,991
Total operating revenue	<u>6,526,392</u>	<u>6,140,871</u>	<u>12,667,263</u>
<b>OPERATING EXPENSES</b>			
Salaries and benefits	2,190,055	2,374,048	4,564,103
Administrative and general	293,420	314,156	607,576
Professional services	1,327,643	411,282	1,738,925
Materials and supplies	539,657	178,533	718,190
Repairs and maintenance	109,706	146,524	256,230
Utilities	911,288	390,159	1,301,447
Depreciation and amortization	1,278,343	1,389,501	2,667,844
Total operating expenses	<u>6,650,112</u>	<u>5,204,203</u>	<u>11,854,315</u>
Operating income	<u>(123,720)</u>	<u>936,668</u>	<u>812,948</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Property taxes	-	178,215	178,215
Investment income	465,751	247,343	713,094
Interest expense and fiscal charges	(471,527)	(612,590)	(1,084,117)
Total nonoperating revenues (expenses)	<u>(5,776)</u>	<u>(187,032)</u>	<u>(192,808)</u>
Income (loss) before contributions and transfers	<u>(129,496)</u>	<u>749,636</u>	<u>620,140</u>
<b>CONTRIBUTIONS AND TRANSFERS</b>			
Connection charges	443,534	529,922	973,456
Intergovernmental revenue	65,224	18,489	83,713
Transfers out	(794,162)	(779,701)	(1,573,863)
Total contributions and transfers	<u>(285,404)</u>	<u>(231,290)</u>	<u>(516,694)</u>
Change in net position	<u>(414,900)</u>	<u>518,346</u>	<u>103,446</u>
<b>NET POSITION</b>			
Beginning of year, as restated (Note 15)	<u>27,409,036</u>	<u>15,987,123</u>	<u>43,396,159</u>
End of year	<u>\$ 26,994,136</u>	<u>\$ 16,505,469</u>	<u>\$ 43,499,605</u>



**City of Coachella**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended June 30, 2020**

	<b>Business-type Activities</b>		
	<b>Enterprise Funds</b>		
	<b>Water Authority</b>	<b>Sanitary District</b>	<b>Total</b>
<b>Cash Flows From Operating Activities:</b>			
Cash received from customers	\$ 6,613,216	\$ 6,049,246	\$ 12,662,462
Cash payments to vendors and suppliers	(2,078,040)	(1,209,148)	(3,287,188)
Cash payments to employees for services	(1,818,353)	(2,084,727)	(3,903,080)
Net cash provided by operating activities	<u>2,716,823</u>	<u>2,755,371</u>	<u>5,472,194</u>
<b>Cash Flows From Noncapital Financing Activities:</b>			
Property taxes received	-	152,171	152,171
Cash transferred/paid to other funds	(654,102)	(640,321)	(1,294,423)
Net cash (used in) noncapital financing activities	<u>(654,102)</u>	<u>(488,150)</u>	<u>(1,142,252)</u>
<b>Cash Flows From Capital and Related Financing Activities:</b>			
Acquisition and construction of capital assets	(312,221)	(257,616)	(569,837)
Connection fee received	443,534	529,922	973,456
Intergovernmental revenue received	70,921	18,489	89,410
Principal paid on long-term debt	(518,862)	(1,560,878)	(2,079,740)
Interest paid on long-term debt	(501,531)	(622,232)	(1,123,763)
Net cash used in capital and related financing activities	<u>(818,159)</u>	<u>(1,892,315)</u>	<u>(2,710,474)</u>
<b>Cash Flows From Investing Activities</b>			
Interest on investments	420,609	226,239	646,848
Net cash provided by investing activities	<u>420,609</u>	<u>226,239</u>	<u>646,848</u>
Net change in cash and cash equivalents	1,665,171	601,145	2,266,316
<b>Cash and Cash Equivalents:</b>			
Beginning of year	12,214,479	6,657,427	18,871,906
End of year	<u>\$ 13,879,650</u>	<u>\$ 7,258,572</u>	<u>\$ 21,138,222</u>
<b>Cash and Cash Equivalents:</b>			
Cash and investments	\$ 6,461,191	\$ 2,100,556	\$ 8,561,747
Restricted cash	7,418,413	5,132,739	12,551,152
Investment with fiscal agent	46	25,277	25,323
Total cash and cash equivalents	<u>\$ 13,879,650</u>	<u>\$ 7,258,572</u>	<u>\$ 21,138,222</u>

(Continued)

**City of Coachella**  
**Statement of Cash Flows (Continued)**  
**Proprietary Funds**  
**For the Year Ended June 30, 2020**

	Business-type Activities		
	Enterprise Funds		
	Water Authority	Sanitary District	Totals
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</b>			
Operating income	\$ (123,720)	\$ 936,668	\$ 812,948
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	1,278,343	1,389,501	2,667,844
Changes in assets and liabilities:			
Decrease (increase) in accounts receivable	103,823	(91,625)	12,198
Decrease (increase) in prepaid items	6,760	1,695	8,455
Decrease (increase) in deferred outflows of resources - pensions	63,364	66,841	130,205
Decrease (increase) in deferred outflows of resources - OPEB	(167,196)	(170,835)	(338,031)
Increase (decrease) in accounts payable	1,096,914	229,811	1,326,725
Increase (decrease) in accrued wages payable	15,971	21,202	37,173
Increase (decrease) in deposits payable	(16,999)	-	(16,999)
Increase (decrease) in compensated absences	26,493	(35,012)	(8,519)
Increase (decrease) in net pension liability	139,814	167,276	307,090
Increase (decrease) in net OPEB liability	286,326	234,674	521,000
Increase (decrease) in deferred inflows of resources - pensions	(14,211)	(14,888)	(29,099)
Increase (decrease) in deferred inflows of resources - OPEB	21,141	20,063	41,204
Total adjustments	<u>2,840,543</u>	<u>1,818,703</u>	<u>4,659,246</u>
<b>Net cash provided by operating activities</b>	<u>\$ 2,716,823</u>	<u>\$ 2,755,371</u>	<u>\$ 5,472,194</u>
<b>Noncash Capital and Related Financing Activities</b>			
Amortization of premium on bonds and deferred charges	<u>\$ (24,680)</u>	<u>\$ 113</u>	<u>\$ (24,567)</u>
Loss on disposal of assets	<u>(851,466)</u>	<u>(231,859)</u>	<u>\$ (1,083,325)</u>

(Concluded)



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**FIDUCIARY FUND FINANCIAL STATEMENTS**



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**City of Coachella**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**June 30, 2020**

	Successor Agency Private-Purpose Trust Fund	Custodial Funds
<b>ASSETS</b>		
Cash and investments	\$ 269,434	\$ 3,158,186
Receivables:		
Accounts receivable	5,068	468,843
Interest receivable	-	9,442
Loans receivable	952,811	-
Prepaid items	238,055	-
Restricted cash and investments	186	-
Land held for resale	906,960	-
<b>Total assets</b>	<b>2,372,514</b>	<b>3,636,471</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred loss on refunding	27,331	-
<b>LIABILITIES</b>		
Accounts payable	1,730	-
Pass-through payable	-	1,734,566
Due to refuse service provider	-	36,080
Accrued interest	422,332	-
Long-term liabilities:		
Due within one year	1,555,000	-
Due in more than one year	31,819,400	-
<b>Total liabilities</b>	<b>33,798,462</b>	<b>1,770,646</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred gain on refunding	370,085	-
<b>NET POSITION</b>		
Restricted for:		
Individuals, organization, and other governments	-	1,865,825
Unrestricted (deficit)	(31,768,702)	-
<b>Total net position</b>	<b>\$ (31,768,702)</b>	<b>\$ 1,865,825</b>

**City of Coachella**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**  
**For the Year Ended June 30, 2020**

	Successor Agency Private-Purpose Trust Fund	Custodial Funds
<b>ADDITIONS:</b>		
Redevelopment Property Tax Trust Fund	\$ 2,984,550	\$ -
Assessment revenue collected	-	427,347
Investment income	1,108	73,205
Refuse revenue collected for other organization	-	2,345,116
Waste transfer charges collected for other organization	-	907,752
Other additions	39,471	10,545
<b>Total additions</b>	<b>3,025,129</b>	<b>3,763,965</b>
<b>DEDUCTIONS:</b>		
Interest and fiscal charges	1,145,325	-
Administrative expense	289,573	-
Payment of special assessment district expense	-	369,576
Payment of refuse revenue to other organization	-	2,291,325
Payment of waste transfer charges to other government	-	679,516
Other deductions	62,588	1,333
<b>Total deductions</b>	<b>1,497,486</b>	<b>3,341,750</b>
<b>Change in net position</b>	<b>1,527,643</b>	<b>422,215</b>
<b>NET POSITION:</b>		
Beginning of year, as restated (Note 15)	(33,296,345)	1,443,610
End of year	<b>\$ (31,768,702)</b>	<b>\$ 1,865,825</b>

**NOTES TO THE BASIC FINANCIAL STATEMENTS**





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**City of Coachella**  
**Index to the Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2020**

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**City of Coachella**  
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**City of Coachella**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2020**

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**Note 1 – Financial Reporting Entity and Summary of Significant Accounting Policies**

**A. Financial Reporting Entity**

The City of Coachella (the "City") was incorporated under the general laws of the State of California as a General Law City. The City operates under a Council-Manager form of government, and provides the following services: general administrative services, public safety services, public works, parks and recreation, planning, community development, fire protection, law enforcement services, water, sanitation, and sewer services.

The financial statements of the City of Coachella include the financial activities of the City, the Coachella Water Authority, the Coachella Sanitary District, the Coachella Fire Protection District, and the Coachella Financing Authority. The criteria for including an agency, institution, authority or other organization in a governmental unit's financial reporting entity is financial accountability. Financial accountability includes, but is not limited to 1) selection of the governing body, 2) imposition of will, 3) ability to provide a financial benefit to or impose financial burden on and 4) fiscal dependency.

There may, however, be factors other than financial accountability that are so significant that exclusion of a particular agency from a reporting entity's financial statements would be misleading. These other factors include scope of public service and special financing relationships.

Based upon the application of these criteria, an agency, institution or authority, may be included as a component unit in the primary government's financial statements. Blended component units, although legally separate entities, are, in substance, part of the government's operations and so data from these units are combined with data of the primary government. Each blended component unit presented has a June 30 year-end. The basis for blending the component units is that their governing bodies are substantively the same as the City's Council and their operations are integral to the primary government. The following is a brief review of each component unit included in the primary government's reporting entity.

Coachella Sanitary District – The Coachella Sanitary District (the "Sanitary District") was created to provide sanitation and sewage treatment services to the City. The City provides management assistance to the Sanitary District and the members of the City Council also act as the governing body of the Sanitary District. The Sanitary District's activities are blended with those of the City in these financial statements and are reported as an enterprise fund.

Coachella Water Authority – The Coachella Water Authority (the "Water Authority") was formed on July 1, 2003, under a joint powers agreement. The City owns the water enterprise and leases it to the Water Authority on a 55-year lease. The purpose of the Water Authority is to provide water service to the citizens of the City as well as commercial and agricultural consumers. The City provides management assistance to the District and the members of the City Council also act as the governing body of the District. The Water Authority's activities are blended with those of the City in these financial statements and are reported as an enterprise fund.

Coachella Fire Protection District – The Coachella Fire District (the "Fire District") was created to provide fire protection services to the residents of the City. The City provides management assistance to the District and the members of the City Council also act as the governing body of the District. The District's activities are blended with those of the City in these financial statements and are reported as a special revenue fund.

Coachella Financing Authority – The Coachella Financing Authority (the "Financing Authority") was formed to issue debt, loans and loan proceeds to the City. The Authority is considered a component unit of the City and has been blended into the City's financial statements as Debt Repayment Debt Service Fund for reporting purposes as the services are provided entirely to the City.

Component unit financial statements for each component unit previously described may be obtained at 53990 Enterprise Way, Coachella, California 92236, except for the Financing Authority.

**City of Coachella**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Fiscal Year Ended June 30, 2020**

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**Note 1 – Financial Reporting Entity and Summary of Significant Accounting Policies (Continued)**

***B. Measurement Focus, Basis of Accounting and Financial Statement Presentation***

The basic financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for governmental accounting and financial reporting purposes.

*Government-Wide Financial Statements*

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of inter-fund activity has been removed from these statements and eliminations have been made to minimize the double-counting of internal activities. However, interfund service provided and used are not eliminated in the process of consolidation. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fee and charges for support.

The government-wide financial statements are presented on an "*economic resources*" measurement focus and accrual basis of accounting. Accordingly, all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets, as well as infrastructure assets, and long-term liabilities, are included in the accompanying Statement of Net Position. The statement of activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. Fiduciary activities of the City are not included in these statements.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are expenses that are clearly identifiable with a specific program, project, function or segment. Program revenues of the City include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a give function or segments and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items that are not included in the program revenues are reported as general revenues.

*Fund Financial Statements*

Separate financial statements provide information about the government's funds, including its fiduciary funds and blended component units. Separate statements for each fund category - governmental, proprietary, and fiduciary - are presented. The emphasis of fund financial statements is on major governmental and proprietary funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds. Major individual governmental and proprietary funds are reported as separate columns in the fund financial statements.

*Governmental Fund Financial Statements*

Governmental fund financial statements are reported using the "*current financial resources*" measurement focus and the modified accrual basis of accounting. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the providers have been met. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

**City of Coachella**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Fiscal Year Ended June 30, 2020**

---

**Note 1 – Financial Reporting Entity and Summary of Significant Accounting Policies (Continued)**

***B. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)***

Taxes, intergovernmental revenues, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual, and are therefore recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

The ***General Fund*** is used to account for all the financial resources of the City, except for those required to be accounted for in another fund.

The ***Development Impact Fees Special Revenue Fund*** is used to account for funds received to mitigate the impact of new development on the City's infrastructure.

The ***Grants Special Revenue Fund*** is used to account for grant funds that are reimbursed by federal and state grant agencies that provide funding programs that are based on selective eligibility criteria.

The ***Capital Projects Fund*** is used to account for the capital improvement projects which are financed through the general fund and special revenue funds.

The ***Debt Repayment Debt Service Fund*** is used to account for the funding for the issuance of debt and repayments related activities.

*Proprietary Fund Financial Statements*

Proprietary Fund Financial Statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Net Position, and a Statement of Cash Flows for each major Proprietary Fund.

Proprietary funds are accounted for using the "*economic resources*" measurement focus and the accrual basis of accounting. Accordingly, all assets, deferred outflows of resources, liabilities (whether current or noncurrent), and deferred inflows of resources are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (revenues) and decreases (expenses) in total Net Position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. In these funds, receivables have been recorded as revenue and provisions have been made for uncollectible amounts.

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

Capital contributions represent cash or utility plant additions contributed to the City by property owners or developers desiring services that require capital expenditures or capacity commitment. All such capital contributions are reflected as revenues. Depreciation of contributed utility plant is charged to operations.

**City of Coachella**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Fiscal Year Ended June 30, 2020**

---

**Note 1 – Financial Reporting Entity and Summary of Significant Accounting Policies (Continued)**

***B. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)***

*Proprietary Fund Financial Statements (Continued)*

The City reports the following major proprietary funds:

The ***Water Authority Enterprise Fund*** is used to account for the operations of the City's water distribution systems.

The ***Sanitary District Enterprise Fund*** is used to account for the cost of providing sewer services to the general public and the user charges by which these costs are recovered.

*Fiduciary Fund Financial Statements*

Fiduciary fund financial statements include a Statement of Net Position and a Statement of Changes in Fiduciary Net Position. The City's fiduciary funds represent custodial funds and a private purpose trust fund. Both custodial funds and the private purpose trust funds are accounted for on the full accrual basis of accounting.

The City reports the following fiduciary funds:

***Private-purpose Trust Fund*** – This fund accounts for the assets and liabilities of the Successor Agency to the former Coachella Redevelopment Agency (the “Successor Agency”) and its allocated revenue to pay estimated installment payments of enforceable obligations until obligations of the former redevelopment agency are paid in full and assets have been liquidated.

***Custodial Funds*** – These funds account for resources held by the City in a trustee or custodian capacity for JPA waste transfer services, Coachella Valley Water District for storm drainage and related capital projects, refuse service provided by Burrtec, Coachella Parks and Recreation Foundation, and special assessment collected for CFD 2018-1 Glenroy debt service payments. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

***C. Cash and Investments***

The City pools idle cash from all funds for the purpose of increasing income through investment activities. For purposes of the Statement of Cash Flows, the Water Authority Enterprise Fund and Sanitary District Enterprise Fund consider all cash and investments with original maturities of 90 days or less to be cash or cash equivalents. In addition, cash invested in the City's cash management pool is considered to be cash equivalents.

***D. Fair Value Measurement***

Investments, unless otherwise specified, recorded at fair value in the financial statements, are categorized based upon the level of judgment associated with the inputs used to measure their fair value.

The three levels of the fair value measurement hierarchy are described below:

- Level 1 – Inputs are unadjusted, quoted prices for identical assets or liabilities in active markets at the measurement date.
- Level 2 – Inputs, other than quoted prices included in Level 1, that are observable for the assets or liabilities through corroboration with market data at the measurement date.
- Level 3 – Unobservable inputs that reflect management's best estimate of what market participants would use in pricing the assets or liabilities at the measurement date.

**City of Coachella**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Fiscal Year Ended June 30, 2020**

---

**Note 1 – Financial Reporting Entity and Summary of Significant Accounting Policies (Continued)**

***E. Property Taxes Receivable***

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 prescribed by the state statutes. Accordingly, the City accrues only those taxes which are received from the County within sixty days after year-end.

Property taxes are assessed and collected each fiscal year according to the following property tax calendar:

Lien Date	January 1
Levy Date	July 1 to June 30
Due Date	November 1 - 1st Installment February 1 - 2nd Installment
Collection Date	December 10 - 1st Installment April 10 - 2nd Installment

***F. Prepaid Items***

Certain payments to vendors reflect costs applicable to future periods and are recorded as prepaid items using purchase method. Prepaid bond insurance costs are reported as prepaid items and recognized as an expense over the duration of the related debt.

***G. Interfund Transactions***

In the governmental fund financial statements, activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of inter-fund loans) or "advances to/from other funds" (i.e., the noncurrent portion of inter-fund loans).

Noncurrent portions of long-term interfund loan receivables are reported as advances and such amounts for General Fund are offset equally by nonspendable fund balance which indicates that they do not constitute expendable available financial resources and therefore are not available for appropriation.

In the government-wide financial statements, these activities have been eliminated.

***H. Capital Assets***

Capital assets, which include land, structures, equipment, and infrastructure assets, are reported in the government-wide and proprietary funds financial statements. Capital assets are recorded at cost where historical records are available and at an estimated historical cost where no historical records exist. Capital assets purchased in excess of \$5,000 are capitalized if they have an expected useful life in excess of 1 year. Donated capital assets, donated works of art and similar item, and capital assets received in a service arrangement are to be reported at acquisition value at the time of its donation.

Major capital outlay for capital assets and improvements are capitalized as projects are constructed. For debt financed capital assets, interest incurred during the construction phase of capital assets of business-type activities is reflected in the capitalization value of the asset constructed, net of interest earned on the invested proceeds over the same period. Capital assets acquired through lease obligations are valued at the present value of future lease payments at the date acquired.



**City of Coachella**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Fiscal Year Ended June 30, 2020**

---

**Note 1 – Financial Reporting Entity and Summary of Significant Accounting Policies (Continued)**

**H. Capital Assets (Continued)**

Capital assets used in operations are depreciated over their estimated useful lives using the straight-line method in the government-wide financial statements and in the fund financial statements of the proprietary funds.

Depreciation is charges as an expense against operations and accumulated depreciation is reported on the Statement of Net Position.

The range of lives used for depreciation purposes for each capital asset class is as follows:

Assets	Years
Buildings	45 years
Machinery and Equipment	5 - 30 years
Office Equipment	5 - 10 years
Water System Improvements	45 - 65 years
Sewer Improvements	25 - 100 years
Infrastructure	45 - 100 years

**I. Unearned and Unavailable Revenue**

In the government-wide and fund financial statements, unearned revenue is reported for transactions for which revenue has not yet been earned. Typical transactions recorded as unearned revenues in the government-wide financial statements are payments received in advance, prepaid charges for services, and advance grant funding.

In the governmental fund financial statements, unavailable revenue is reported when transactions have not yet met the revenue recognition criteria based on the modified accrual basis of accounting. The City reports unavailable revenue when an asset is reported in governmental fund financial statements but the revenue is not available to pay for current expenditures.

**J. Long-Term Liabilities**

In the government-wide and proprietary funds financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are recognized as an expense in the period incurred.

In the governmental fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**K. Compensated Absences**

City employees have vested interest in varying levels of vacation, sick leave and compensatory time based on their length of employment. It is the policy of the City to pay all accumulated vacation pay and all or a portion of sick pay when an employee retires or terminates. The long-term amount is included as a liability in the governmental activities of the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. All of the liability for compensated absences applicable to proprietary funds is reported in those funds.

**City of Coachella**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Fiscal Year Ended June 30, 2020**

---

**Note 1 – Financial Reporting Entity and Summary of Significant Accounting Policies (Continued)**

**L. Claims Payable**

The City records a liability to reflect an actuarial estimate of ultimate uninsured losses for both general liability claims (including property damage claims) and workers' compensation claims. The estimated liability for workers' compensation claims and general liability claims includes "incurred but not reported" ("IBNR") claims. There is no fixed payment schedule to pay these liabilities.

**M. Pension**

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

The following timeframes are used for pension reporting:

Valuation Date	June 30, 2018
Measurement Date	June 30, 2019
Measurement Period	July 1, 2018 to June 30, 2019

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. The difference between projected and actual earnings is amortized straight-line over 5 years. All other amounts are amortized straight-line over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period.

**N. Other Postemployment Benefits**

For purposes of measuring the net other postemployment benefits ("OPEB") liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, benefit payments are recognized when due and payable in accordance with benefit terms.

The following timeframes are used for OPEB reporting:

Valuation Date	June 30, 2020
Measurement Date	June 30, 2020
Measurement Period	July 1, 2019 to June 30, 2020

Gains and losses related to changes in total OPEB liability are recognized in OPEB expense systematically over time. The first amortized amounts are 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 gain and loss are amortized straight-line over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period.

**City of Coachella**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Fiscal Year Ended June 30, 2020**

---

**Note 1 – Financial Reporting Entity and Summary of Significant Accounting Policies (Continued)**

***O. Deferred Outflows and Inflows of Resources***

The statement of financial position reports separate sections for deferred outflows of resources and deferred inflows of resources, when applicable.

Deferred Outflows of Resources represent outflows of resources (consumption of net position) that apply to future periods and that, therefore, will not be recognized as an expense until that time. The City reports pension contribution after measurement date and deferred loss related to pension, OPEB, debt refunding in this category.

Deferred Inflows of Resources represent inflows of resources (acquisition of net position) that apply to future periods and that, therefore, are not recognized as revenue until that time. The City reports unavailable revenues and deferred gain related to pension and OPEB in this category.

***P. Net Position***

In the government-wide financial statements and proprietary fund financial statements, net position is classified as follows:

Net Investment in Capital Assets – This component of net position consists of capital assets, net of accumulated depreciation, capital asset related debt net of unspent bond proceeds, deferred charges, and retention payable.

Restricted – This component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

Unrestricted – This component of net position is the amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

***Q. Fund Balances***

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes as follows:

Nonspendable - amounts that cannot be spent because they are either (a) not spendable in form or (b) legally or contractually required to be maintained intact.

Restricted - amounts with constraints placed on their use that are either (a) externally imposed by creditors, granters, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed - amounts that can only be used for specific purposes pursuant to formal action of City Council (highest level of decision-making authority) through ordinances as they constitute the most binding constraint. These amounts cannot be used for any other purpose unless the City removes or changes the specified use by taking the same type of action (city ordinance) it employed previously to commit those amounts. This action is taken by a vote of the Council which must be approved by a majority vote. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.

Assigned - amounts that are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. The governing council has authorized the City Manager to assign fund balance. The council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally do not exist temporarily. In other words, an additional action does not normally have to be taken for the removal of the assignment. The authority for assigning fund balance is expressed by the city manager or the appointed designee based on the City's approved policies.

**City of Coachella**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Fiscal Year Ended June 30, 2020**

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**Note 1 – Financial Reporting Entity and Summary of Significant Accounting Policies (Continued)**

***Q. Fund Balances (Continued)***

Unassigned – amounts that represent the residual net resources in excess of the other classifications. The General Fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, it is not appropriate to report a positive unassigned fund balance. However, in governmental funds other than general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

***R. Spending Policy***

Government-Wide Financial Statements and the Proprietary Fund Financial Statements

When expenses are incurred for purposes for which both restricted and unrestricted components of net position are available, the City’s practice is to apply the restricted component of net position first, then use the unrestricted component of net position as needed.

Governmental Fund Financial Statements

When expenditures are incurred for purposes for which both restricted and unrestricted fund balances are available, the City’s practice is to apply restricted fund balances first, then use unrestricted fund balances as needed.

When expenditures are incurred for purposes where only unrestricted fund balances are available, the City uses the unrestricted resources in the following order, except for instances wherein an ordinance specifies the fund balance: committed, assigned, and unassigned.

***S. Use of Estimates***

The preparation of the basic financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

***T. Implementation of GASB New Pronouncements***

GASB Statement No. 84 Fiduciary Activities. This statement establishes standards relating accounting and financial reporting for identifying and financial reporting of fiduciary activities. Those provisions are effective for reporting periods beginning after December 15, 2019, as amended by GASB Statement No. 95. The City has elected early implementation. See Note 15 for details.

In May 2020, GASB issued Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance (GASB Statement No. 95), to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. This objective is accomplished by postponing the effective dates of provisions in certain GASB Statements and Implementation Guides which became effective or were scheduled to become effective for periods beginning after June 15, 2018, and later. The City implemented GASB Statement No. 95 in the fiscal year ended June 30, 2020 and postponed the effective dates of the following GASB Statements:

- GASB Statement No. 87, Leases
- GASB Statement No. 89, Accounting for Interest Cost Incurred before the End of a Construction Period
- GASB Statement No. 90, Majority Equity Interests
- GASB Statement No. 91, Conduit Debt Obligations
- GASB Statement No. 92, Omnibus 2020
- GASB Statement No. 93, Replacement of Interbank Offered Rates

**City of Coachella**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Fiscal Year Ended June 30, 2020**

**Note 2 – Cash and Investments**

Cash and investments at June 30, 2020 are classified as follows:

	Government-Wide		Statement of Fiduciary Net Position	Total
	Statement of Net Position			
	Governmental Activities	Business-type Activities		
Cash and investments	\$ 18,078,339	\$ 8,561,747	\$ 3,427,620	\$ 30,067,706
Restricted cash	-	12,551,152	-	12,551,152
Cash and investment with fiscal agent	165	25,323	186	25,674
Total cash and investments	<u>\$ 18,078,504</u>	<u>\$ 21,138,222</u>	<u>\$ 3,427,806</u>	<u>\$ 42,644,532</u>

Cash and investments at June 30, 2020 consisted of the following:

Cash and Investments:	
Petty cash	\$ 3,500
Deposits with financial institutions	17,239,871
Pool cash with County of Riverside	165,055
Investments	25,236,106
Total cash investments	<u>\$ 42,644,532</u>

**A. Demand Deposits**

The carrying amounts of the City’s demand deposits were \$17,239,871 at June 30, 2020. Bank balances at that date were \$17,592,321, the total amount of which was insured or collateralized with accounts held by the pledging financial institutions in the City’s name as discussed below.

The California Government Code requires California banks and savings and loan associations to secure the City’s cash deposits by pledging securities as collateral. This Code states that collateral pledged in this manner shall have the effect of perfecting a security interest in such collateral superior to those of a general creditor. Thus, collateral for cash deposits is considered to be held in the City’s name.

The market value of pledged securities must equal at least 110% of the City’s cash deposits. California law also allows institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the City’s total cash deposits. The City may waive collateral requirements for cash deposits, which are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation (“FDIC”). The City, however, has not waived the collateralization requirements.

**City of Coachella**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Fiscal Year Ended June 30, 2020**

**Note 2 – Cash and Investments (Continued)**

***B. 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 City's investment policy. The table also identifies certain provisions of the California Government Code (or the City's investment policy, where 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.

Authorized Investment Type	Maturity <sup>(1)</sup>	Maximum Percentage of Portfolio <sup>(2)</sup>	Maximum Investment in One Issuer
Local Agency Investment Fund (LAIF)	None	100%	65 Million/account
U.S. Treasury	5 years	None	None
Federal agency	5 years	None	40%
U.S. government sponsored enterprise securities	5 years	None	40%
State of California obligations	5 years	None	5%
Obligation of the the other 49 states	5 years	None	5%
Obligations of local agencies in California	5 years	None	5%
County pool	5 years	None	10 million
Bankers' acceptance	180 days	40%	5%
Commercial paper	270 days	25%	5%
Negotiable certificate of deposit	5 years	30%	5%
Nonnegotiable certificate of deposit	5 years	None	None
Medium term notes	5 years	30%	5%
Money market funds	N/A	20%	None
Local Government Investment Pools (LGIPs)	None	None	None
Asset-Backed Securities (ABS)	5 years	20%	5%
Supernational	5 years	30%	None

<sup>(1)</sup> The average dollar weighted maturity of a portfolio may not exceed 3 years. At least 10% of the portfolio shall be invested in instruments, which can be liquidated on one day's notice.

<sup>(2)</sup> Excluding amounts held by bond trustee that are not subject to California Government Code Restrictions.

***C. Investments Authorized by Debt Agreements***

Investments of debt proceeds held by the bond trustee are. governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City's investment policy.

**City of Coachella**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Fiscal Year Ended June 30, 2020**

**Note 2 – Cash and Investments (Continued)**

**D. Fair Value Measurement**

At June 30, 2020, investments are reported at fair value. The following table presents the fair value measurement of investments on a recurring basis and the levels within the fair value hierarchy in which the fair value measurements fall at June 30, 2020:

Investment Type	Value	Fair Value Measurement		Uncategorized
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	
Investments:				
US Treasury notes	\$ 6,921,049	\$ 6,921,049	\$ -	\$ -
Supranational agency bonds <sup>(1)</sup>	506,386	-	506,386	-
US government sponsored enterprise securities <sup>(1) (2)</sup>	5,624,403	-	5,624,403	-
Corporate note <sup>(1)</sup>	3,326,589	-	3,326,589	-
Negotiable certificates of deposit <sup>(3)</sup>	2,599,196	-	2,599,196	-
Asset-backed securities <sup>(2)</sup>	1,196,906	-	1,196,906	-
Municipal bonds <sup>(4)</sup>	200,738	-	200,738	-
Money market funds	61,027	-	-	61,027
LAIF	4,774,138	-	-	4,774,138
Investments with Fiscal Agent:				
Money market funds	25,674	-	-	25,674
<b>Total investments</b>	<b>\$ 25,236,106</b>	<b>\$ 6,921,049</b>	<b>\$ 13,454,218</b>	<b>\$ 4,860,839</b>

<sup>(1)</sup> Corporate bonds and United States government sponsored agency securities are valued by surveying the dealer's community, obtaining relevant trade data, benchmark quotes and spreads and incorporating this information into the evaluation processes. Price spread basis is determined by the observed market data. Spread basis is by creating a bullet (non-call) spread scale for relevant maturities of each issuer. These spreads represent credit risk and are based on the new issue market, secondary trading and dealer quotes. Each issuer-spread line has the capability to link parent/subsidiary and related companies to capture relevant movements. An Option Adjusted Spread ("OAS") model is incorporated to adjust spreads of issues that have early redemption features. Spreads calculated continuously throughout the day, as well as "end of day". Retail instruments are evaluated incorporating trades of all lot sizes. Prices basis is by matching each issue to its best-known market maker, monitoring new issues and determining their relevance to other securities. Crossover issues are evaluated based on how they treated by the marketplace – either on a spread or a price basis.

<sup>(2)</sup> Priced based on Standard Inputs, listed in approximately order or priority for use when available, include benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers, and reference data including market research publications. Evaluators may prioritize inputs differently on any given day for any security, and not all inputs listed are available for use in the evaluation process on any given day for each security evaluation. Interactive Data also monitors market indicators, and industry and economic events. Information of this nature is a trigger to acquire further corroborating market data.

<sup>(3)</sup> Negotiable certificates of deposits are valued by a certificate deposit scale created daily for long term certificate deposits with maturities going out to forty years. These rates are obtained from various market makers and dealers, as well as data from the new issue market and continually follow the primary market and focus on changing market conditions as shown through new issue prices. An OAS model is incorporated to adjust the yields of issues that have early redemption features.

<sup>(4)</sup> Municipal bonds are valued by municipal pricing tape from various market and industry inputs.

**E. Risk Disclosures**

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.

**City of Coachella**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Fiscal Year Ended June 30, 2020**

**Note 2 – Cash and Investments (Continued)**

**E. Risk Disclosures (Continued)**

Disclosures Relating to Interest Rate Risk (Continued)

Information about the sensitivity of the fair values of the City's investments to market interest rate fluctuations is provided by the following table that shows the distributions of the City's investment by maturity:

Investment Type	Amount	Investment Maturities (in Years)				
		Less than 1	1 to 2	2 to 3	3 to 4	4 to 5
Investments:						
US Treasury notes	\$ 6,921,049	\$ -	\$ 561,159	\$ 2,094,400	\$ 1,795,766	\$ 2,469,724
Supranational agency bonds	506,386	277,174	229,212	-	-	-
US government sponsored enterprise securities	5,624,403	-	1,205,603	1,323,997	709,041	2,385,762
Corporate note	3,326,589	386,236	1,413,047	390,068	281,315	855,923
Negotiable certificates of deposit	2,599,196	1,658,771	194,948	745,477	-	-
Asset-backed securities	1,196,906	-	287,759	806,262	102,885	-
Municipal bonds <sup>(4)</sup>	200,738	-	-	-	200,738	-
Money market funds	61,027	61,027	-	-	-	-
LAIF	4,774,138	4,774,138	-	-	-	-
Investments with Fiscal Agent:						
Money market funds	25,674	25,674	-	-	-	-
Total investments	<u>\$ 25,236,106</u>	<u>\$ 7,183,020</u>	<u>\$ 3,891,728</u>	<u>\$ 5,360,204</u>	<u>\$ 3,089,745</u>	<u>\$ 5,711,409</u>

Disclosures Relating to Credit Risk

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

Investment Type	Minimum Legal Rating	Total	Rating				
			AAA	AA- to AA+	A- to A+	BBB	Unrated
Investments:							
US Treasury notes	N/A	\$ 6,921,049	\$ 6,921,049	\$ -	\$ -	\$ -	\$ -
Supranational agency bonds	AA	506,386	506,386	-	-	-	-
US government sponsored enterprise securities	N/A	5,624,403	-	5,624,403	-	-	-
Corporate note	A	3,326,589	-	1,436,639	1,536,523	353,427	-
Negotiable certificates of deposit	A	2,599,196	-	440,087	2,159,109	-	-
Asset-backed securities	AA	1,196,906	1,196,906	-	-	-	-
Municipal bonds	A	200,738	-	200,738	-	-	-
Money market funds	N/A	61,027	61,027	-	-	-	-
LAIF	N/A	4,774,138	-	-	-	-	4,774,138
Investments with Fiscal Agent:							
Money market funds	N/A	25,674	25,674	-	-	-	-
Total investments		<u>\$ 25,236,106</u>	<u>\$ 8,711,042</u>	<u>\$ 7,701,867</u>	<u>\$ 3,695,632</u>	<u>\$ 353,427</u>	<u>\$ 4,774,138</u>



**City of Coachella**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Fiscal Year Ended June 30, 2020**

**Note 2 – Cash and Investments (Continued)**

***E. Risk Disclosures (Continued)***

*Concentration of Credit Risk*

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. Investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of the total City's investments for the year ended June 30, 2020 are as follows:

Issuer	Investment Type	Reported Amount
Federal National Mortgage Association	US government sponsored enterprise securities	\$ 3,345,585
Federal Home Loan Mortgage Corp	US government sponsored enterprise securities	1,618,521

*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 government 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 market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. At June 30, 2020, the City deposits (bank balances) were insured by the Federal Depository Insurance Corporation up to \$250,000 and the remaining balances were collateralized under California law.

***F. Investments in Local Agency Investment Fund (“LAIF”)***

The City is a participant in LAIF, which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The City's investments with LAIF at June 30, 2020 included a portion of the pool funds invested in Structured Notes and Asset-Backed Securities, which included the following:

*Structured Notes:* debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or that have embedded forwards or options.

*Asset-Backed Securities:* generally, mortgage-backed securities that entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (for example, collateralized mortgage obligations), or credit card receivables.

As of June 30, 2020, the City had \$4,774,138 invested in LAIF, which had invested 3.37% of the pool investment funds in Structured Notes, Medium-term Asset-Backed Securities, and Short-term Asset Backed Commercial Paper. The value of the City's investment in the 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 at the amortized cost.

**City of Coachella**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Fiscal Year Ended June 30, 2020**

**Note 3 – Interfund Transactions**

**A. Due From/To Other Funds**

At June 30, 2020, the City had the following due from/to other funds:

Due To Other Funds	Due From Other Funds		
	General Fund	Capital Projects Fund	Total
Development Impact Fees			
Special Revenue Fund	\$ 346,354	\$ -	\$ 346,354
Grants Revenue Fund	-	1,022,428	1,022,428
Nonmajor Governmental Funds	189,478	1,813,276	2,002,754
<b>Total</b>	<b>\$ 535,832</b>	<b>\$ 2,835,704</b>	<b>\$ 3,371,536</b>

Development Impact Fees Special Revenue Fund reported interfund payable to the General Fund in the amount of \$346,354 to cover deficit cash. Grants Special Revenue Fund reported interfund payable to Capital Projects Fund for grant funding to be provided in the amount of \$1,022,428. Nonmajor governmental funds reported \$189,478 and \$1,813,276 interfund payable to General Fund and Capital Projects Fund, respectively, for reimbursable expenditures and short-term loans to cover deficit cash.

**B. Advances To/From Other Funds**

At June 30, 2020, the City had the following advances to/from other funds:

Advance From Other Fund	Advance To Other Funds		
	General Fund	Debt Repayment Debt Service Fund	Total
Development Impact Fees			
Special Revenue Fund	\$ 6,552,355	\$ 11,534,548	\$ 18,086,903

Library Development Impact Fee Loans

During the year ended June 30, 2017, the City Council approved interfund fund loans between General Fund and Development Impact Fees Special Revenue Fund for the acquisition of the real property, the library site, the design of the library for total of \$1,382,500. During the year ended June 30, 2018, the City Council approved additional interfund loan from the General Fund to the Development Impact Special Revenue Fund for the construction of the library in the amount of \$8,391,348. These loans bear simple interest computed at a rate per annum equal to the average monthly rate from LAIF from the date of loan to the date of repayment. At June 30, 2020, principal amount outstanding was in the amount of \$571,974.

In addition to the advances from General Fund, \$11,534,548 was advanced to the Library Development Impact Special Revenue Fund for the construction of the library from Debt Repayment Debt Service Fund.

**City of Coachella**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Fiscal Year Ended June 30, 2020**

**Note 3 – Interfund Transactions (Continued)**

**B. Advances To/From Other Fund (Continued)**

Park Development Impact Fee Loans

During the year ended June 30, 2017 and 2018, the City Council approved interfund fund loans between General Fund and Development Impact Fees Special Revenue Fund for the construction of Veterans’ Memorial Park in the amount of \$1,200,000 and \$657,000, respectively. During the year ended June 30, 2018, the City Council approved additional interfund loan from the General Fund to the Development Impact Special Revenue Fund for the construction of the Cesar Chavez Memorial Park Project in the amount of \$50,000. These loans bear simple interest computed at a rate per annum equal to the average monthly rate from LAIF from the date of loan to the date of repayment. At June 30, 2020, principal amount outstanding was in the amount of \$1,091,838.

General Government Impact Fee Loans

During the year ended June 30, 2018, the City Council approved interfund loan from the General Fund to the Development Impact Fees Special Revenue Fund for the construction of the Permit Center and Senior Center in the amount of \$1,725,000 and \$299,679, respectively. During the year ended 2019, the City Council approved additional interfund loan from the General Fund to the Development Impact Special Revenue Fund for the construction of the Permit Center and Senior Center in the amount of \$311,000 and \$2,148,293, respectively. During the year ended June 30, 2020, the City Council approved additional interfund loan from the General Fund to the Development Impact Special Revenue Fund for the construction of the Permit Center in the amount of \$200,000. These loans bear simple interest computed at a rate per annum equal to the average monthly rate from LAIF from the date of loan to the date of repayment. At June 30, 2020, principal amount outstanding and accrued interest added to the advances were in the amounts of \$4,755,018 and \$133,525, respectively.

**C. Transfers**

During the year ended June 30, 2020, the City had the following transfers:

	Transfers in				Total
	General Fund	Capital Projects Fund	Debt Repayment Debt Service Fund	Nonmajor Governmental Funds	
Transfers out					
General Fund	\$ -	\$ -	\$ 6,906	\$ 1,696,041	\$ 1,702,947
Development Impact Fees					
Special Revenue Fund	-	3,040,786	-	-	3,040,786
Grants Revenue Fund	-	2,757,841	-	-	2,757,841
Nonmajor Governmental Funds	1,225,997	4,306,107	340,333	648,119	6,520,556
Water Authority Enterprise Fund	794,162	-	-	-	794,162
Sanitary District Enterprise Fund	779,701	-	-	-	779,701
<b>Total</b>	<b>\$ 2,799,860</b>	<b>\$ 10,104,734</b>	<b>\$ 347,239</b>	<b>\$ 2,344,160</b>	<b>\$ 15,595,993</b>

Transfers from the nonmajor governmental funds to General Fund in the amount of \$1,225,997 were mainly to provide funding for street maintenance and code enforcement. Transfers from Water Authority Enterprise Fund and Sanitary District Enterprise Fund to General Fund were to provide funding for general government and public works administrative expenses.

Transfers from Development Impact Fees Special Revenue Fund to Capital Projects Fund in the amount of \$3,040,786 were for the construction of the library, street projects, civic center, and senior center.

**City of Coachella**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Fiscal Year Ended June 30, 2020**

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**Note 3 – Interfund Transactions (Continued)**

**C. Transfers (Continued)**

Transfers from Grants Special Revenue Fund and nonmajor governmental funds to Capital Projects Fund were to provide funding for street and related capital projects.

Transfer from General Fund and nonmajor governmental funds to Debt Repayment Debt Service Fund in the amounts of \$6,906 and \$340,333, respectively was to provide funding for repayment of the lease revenue bonds.

Transfers from General Fund to nonmajor governmental funds were to cover public safety costs incurred by the Fire Protection District in the amount of \$1,630,963, to set up the Education and Government Access Cable Special Revenue Fund in the amount of \$64,533, and to transfer funding to the Local Transportation Special Revenue Fund in the amount of \$545 to cover miscellaneous project costs.

Transfers among nonmajor special revenue funds were necessary to consolidate and regroup certain funds. This consolidation and regrouping is consistent with the governmental accounting principal that only the minimum number of funds consistent with legal and operating requirements should be established.

**Note 4 – Deferred Special Assessment Receivable**

To facilitate the construction of low income housing, the City entered into a prepayment agreement with a local developer to defer police and fire services assessments through the City's CFD 95-1. The agreement with the developer stipulates that the developer can defer police and fire service assessments if the low income housing development does not produce sufficient revenue to cover the annual assessments. The agreement allows for assessment deferrals for up to 55 years at which time the full deferral balance is due and payable to the City. The maximum deferral amount is \$4,272,000 and the agreement include provisions for the accrual of 3% interest on any deferred balance. If the project is sold or transferred the deferred amount is required to be paid in full to satisfy the lien placed on the property by the City. No assessment payments were made during the current fiscal year and the ending balance owed was \$186,168 (\$5,422 accrued interest, \$180,746 deferred assessments) at June 30, 2020.

**Note 5 – Loans Receivable**

The City has made long-term rehabilitation and acquisition loans to owner-occupants of substandard homes who would otherwise be unable to obtain sufficient public or private financing to rehabilitate or acquire their homes. The loans are payable upon the sale or change in ownership of property. Total outstanding balance at June 30, 2020 was \$4,448,621.

The Private-Purpose Trust Fund in the Statement of Fiduciary Net Position has receivables from commercial and industrial businesses for improvements and development. These receivables were transferred to the Private-Purpose Trust Fund upon dissolution of the Coachella Redevelopment Agency on January 31, 2012. Total outstanding balance at June 30, 2020 was \$952,811.

**City of Coachella**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Fiscal Year Ended June 30, 2020**

**Note 6 – Capital Assets**

The summary of changes in capital assets for the governmental activities for the year ended June 30, 2020 is as follows:

	July 1, 2019 (As restated)	Additions	Deletions	Reclassifications	Balance June 30, 2020
<i>Capital assets not being depreciated:</i>					
Land	\$ 17,364,048	\$ -	\$ -	\$ -	\$ 17,364,048
Construction in progress	12,552,344	10,519,729	(1,955,816)	(11,253,021)	9,863,236
Total capital assets not being depreciated	<u>29,916,392</u>	<u>10,519,729</u>	<u>(1,955,816)</u>	<u>(11,253,021)</u>	<u>27,227,284</u>
<i>Capital assets being depreciated:</i>					
Buildings	24,430,802	-	-	2,971,875	27,402,677
Machinery and equipment	7,794,710	134,175	(371,906)	-	7,556,979
Furniture and fixture	6,978	-	(6,978)	-	-
Infrastructure	212,660,559	-	-	8,281,146	220,941,705
Total capital assets being depreciated	<u>244,893,049</u>	<u>134,175</u>	<u>(378,884)</u>	<u>11,253,021</u>	<u>255,901,361</u>
<i>Less accumulated depreciation for:</i>					
Buildings	(4,817,736)	(735,394)	-	-	(5,553,130)
Machinery and equipment	(7,190,152)	(185,621)	371,906	-	(7,003,867)
Furniture and fixture	(6,978)	-	6,978	-	-
Infrastructure	(70,450,806)	(5,073,368)	-	-	(75,524,174)
Total accumulated depreciation	<u>(82,465,672)</u>	<u>(5,994,383)</u>	<u>378,884</u>	<u>-</u>	<u>(88,081,171)</u>
Total capital assets being depreciated, net	<u>162,427,377</u>	<u>(5,860,208)</u>	<u>-</u>	<u>11,253,021</u>	<u>167,820,190</u>
<b>Total governmental activities</b>	<u>\$ 192,343,769</u>	<u>\$ 4,659,521</u>	<u>\$ (1,955,816)</u>	<u>\$ -</u>	<u>\$ 195,047,474</u>

The construction in progress deletions were mainly due to projects were not funded and suspended. The depreciation was charged to the governmental activities as follows:

General government	\$ 850,913
Public safety - fire	70,102
Public works	4,268,492
Parks and recreation	804,876
<b>Total depreciation expense</b>	<u>\$ 5,994,383</u>

**City of Coachella**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Fiscal Year Ended June 30, 2020**

**Note 6 – Capital Assets (Continued)**

The summary of changes in capital assets for the business-type activities for the year ended June 30, 2020 is as follows:

	Balance July 1, 2019	Additions	Deletions	Reclassifications	Balance June 30, 2020
<i>Capital assets not being depreciated:</i>					
Land	\$ 887,772	\$ -	\$ -	\$ -	\$ 887,772
Construction in progress	1,396,117	549,468	(1,083,325)	(144,583)	717,677
Total capital assets not being depreciated	<u>2,283,889</u>	<u>549,468</u>	<u>(1,083,325)</u>	<u>(144,583)</u>	<u>1,605,449</u>
<i>Capital assets being depreciated:</i>					
Buildings	1,221,306	-	-	-	1,221,306
Machinery and equipment	12,723,475	20,369	(541,047)	-	12,202,797
Infrastructure	109,158,399	-	(43,623)	144,583	109,259,359
Total capital assets being depreciated	<u>123,103,180</u>	<u>20,369</u>	<u>(584,670)</u>	<u>144,583</u>	<u>122,683,462</u>
<i>Less accumulated depreciation for:</i>					
Buildings	(663,477)	(27,426)	-	-	(690,903)
Machinery and equipment	(11,346,145)	(333,879)	541,047	-	(11,138,977)
Infrastructure	(50,883,319)	(2,306,539)	43,623	-	(53,146,235)
Total accumulated depreciation	<u>(62,892,941)</u>	<u>(2,667,844)</u>	<u>584,670</u>	<u>-</u>	<u>(64,976,115)</u>
Total capital assets being depreciated, net	<u>60,210,239</u>	<u>(2,647,475)</u>	<u>-</u>	<u>144,583</u>	<u>57,707,347</u>
<b>Total business-type activities</b>	<u>\$ 62,494,128</u>	<u>\$ (2,098,007)</u>	<u>\$ (1,083,325)</u>	<u>\$ -</u>	<u>\$ 59,312,796</u>

The construction in progress deletions were due to water quality issues for the project to continue and the stormwater improvement master plan which did not meet the capitalization criterial. The depreciation was charged to the business-type activities as follows:

Water	\$ 1,278,343
Sanitary	1,389,501
<b>Total depreciation expense</b>	<u>\$ 2,667,844</u>

**City of Coachella**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Fiscal Year Ended June 30, 2020**

**Note 7 – Long-Term Liabilities**

**A. Governmental Activities**

Summary of changes in long-term liabilities for governmental activities for the year ended June 30, 2020 is as follows:

	Balance July 1, 2019	Additions	Deletions	Balance June 30, 2020	Classification	
					Due within One Year	Due in more than One Year
Loans payable	\$ 1,041,028	\$ -	\$ (66,077)	\$ 974,951	\$ 68,769	\$ 906,182
Revenue Bonds:						
2016 Lease Revenue Bonds	11,270,000	-	(265,000)	11,005,000	280,000	10,725,000
2016 Bond premium	219,154	-	(8,117)	211,037	-	211,037
Gas Tax Revenue Refunding Bonds						
Series 2019	-	4,775,000	(240,000)	4,535,000	175,000	4,360,000
2019 Bond premium	-	670,169	(3,253)	666,916	-	666,916
<b>Total revenue bonds</b>	<b>11,489,154</b>	<b>5,445,169</b>	<b>(516,370)</b>	<b>16,417,953</b>	<b>455,000</b>	<b>15,962,953</b>
2008 Certificates of Participation	5,560,000	-	(5,560,000)	-	-	-
Compensated absences	653,953	454,577	(502,794)	605,736	454,996	150,740
Claims payable	361,579	64,762	(45,723)	380,618	45,723	334,895
Net pension liability	11,113,488	5,414,926	(4,540,789)	11,987,625	-	11,987,625
Net OPEB liability	2,563,794	821,308	(212,361)	3,172,741	-	3,172,741
<b>Total</b>	<b>\$ 32,782,996</b>	<b>\$ 12,200,742</b>	<b>\$ (11,444,114)</b>	<b>\$ 33,539,624</b>	<b>\$ 1,024,488</b>	<b>\$ 32,515,136</b>

Loans Payable

On October 25, 2016, the City of Coachella entered into a loan agreement with another party to purchase real property in the City. The loan amount is for \$1,200,000. Interest on the note is payable monthly. Interest on the note accrues at 4.00% per annum. Principal is payable in monthly installments of \$8,876, commencing December 1, 2016 through November 1, 2031. The outstanding balance of the loan at June 30, 2020 was in the amount of \$974,951.

The future debt service requirement is as follows:

Year ending June 30,	Principal	Interest	Total
2021	\$ 68,769	\$ 37,746	\$ 106,515
2022	71,570	34,945	106,515
2023	74,486	32,029	106,515
2024	77,521	28,994	106,515
2025	80,679	25,836	106,515
2026-2030	455,463	77,112	532,575
2031-2032	146,463	4,433	150,896
<b>Total</b>	<b>\$ 974,951</b>	<b>\$ 241,095</b>	<b>\$ 1,216,046</b>

**City of Coachella**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Fiscal Year Ended June 30, 2020**

**Note 7 – Long-Term Liabilities (Continued)**

**A. Governmental Activities (Continued)**

2016 Lease Revenue Bonds

On September 1, 2016, the Coachella Financing Authority issued \$12,150,000 Lease Revenue Bonds, Series 2016 to finance the costs of construction of a library. Interest on the bonds is payable December 1 and June 1 of each year. Interest on the bonds accrues at rates varying from 1.50% to 4.00% per annum. Principal on serial and term bonds is payable in annual installments ranging from \$260,000 to \$440,000, commencing June 1, 2016 through June 1, 2036. Concurrently with the issuance of the bonds, a surety policy was purchased in lieu of maintaining a reserve balance. The outstanding balance of the lease revenue bonds at June 30, 2020 was in the amount of \$11,005,000.

The future debt service requirement is as follows:

Year ending June 30,	Principal	Interest	Total
2021	\$ 280,000	\$ 332,131	\$ 612,131
2022	290,000	320,931	610,931
2023	300,000	309,331	609,331
2024	315,000	297,331	612,331
2025	325,000	284,731	609,731
2026-2030	1,810,000	1,239,688	3,049,688
2031-2035	2,050,000	1,006,988	3,056,988
2036-2040	2,335,000	711,100	3,046,100
2041-2045	2,710,000	337,350	3,047,350
2046	590,000	17,700	607,700
Total	<u>\$ 11,005,000</u>	<u>\$ 4,857,281</u>	<u>\$ 15,862,281</u>

2008 Certificates of Participation

On April 15, 2008, the City of Coachella issued \$7,205,000 Gas Tax Certificate of Participation, Series 2008 A in a joint issue with the City of Indio who simultaneously issued \$7,450,000 for total issue of \$14,655,000 to finance the design, acquisition and construction of projects. Interest is payable June 1 and December 1 of each year. Interest accrues at rates carrying from 4.00% to 4.96% per annum. Principal is payable in annual installments ranging from \$90,000 to \$430,000 commencing June 1, 2009, through June 1, 2037. The 2008 Certificates of Participation were current refunded by the Gas Tax Revenue Refunding, Series 2019 during the year ended June 30, 2020. The transaction resulted in an economic gain of \$1,165,639 and a reduction of \$1,660,012 in future debt service payments.

2019 Gas Tax Revenue Refunding Bonds, Series 2019

On October 1, 2019 the City of Coachella issued \$4,775,000 Gas Tax Revenue Refunding Bonds, Series 2019 to current refund 2008 Certificates of Participation. Interest is payable June 1 and December 1 of each year. Interest accrues at rates carrying from 3.00% to 4.00% per annum. Principal is payable in annual installments ranging from \$175,000 to \$345,000 commencing June 1, 2019 through June 1, 2038. The outstanding balance of the 2019 Gas Tax Revenue Refunding Bonds, Series 2019 at June 30, 2020 was in the amount of \$4,535,000.



**City of Coachella**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Fiscal Year Ended June 30, 2020**

**Note 7 – Long-Term Liabilities (Continued)**

**A. Governmental Activities (Continued)**

2019 Gas Tax Revenue Refunding Bonds, Series 2019

The future debt service requirement is as follows:

Year ending June 30,	Principal	Interest	Total
2021	\$ 175,000	\$ 181,400	\$ 356,400
2022	185,000	174,400	359,400
2023	190,000	167,000	357,000
2024	195,000	159,400	354,400
2025	205,000	151,600	356,600
2026-2030	1,165,000	627,200	1,792,200
2031-2035	1,425,000	374,800	1,799,800
2036-2038	995,000	80,600	1,075,600
Total	<u>\$ 4,535,000</u>	<u>\$ 1,916,400</u>	<u>\$ 6,451,400</u>

**B. Business-Type Activities**

Summary of changes in long-term liabilities for business-type activities for the year ended June 30, 2020 is as follows:

	Balance July 1, 2019	Additions	Deletions	Balance June 30, 2020	Classification	
					Due within One Year	Due in more than One Year
Loans payable	\$ 13,461,128	\$ -	\$ (1,309,889)	\$ 12,151,239	\$ 1,338,751	\$ 10,812,488
Revenue bonds:						
2005B Wastewater	4,150,206	-	(85,989)	4,064,217	89,572	3,974,645
2015A Wastewater	3,655,000	-	(165,000)	3,490,000	170,000	3,320,000
2008 Water (USDA)	4,411,934	-	(73,862)	4,338,072	77,095	4,260,977
2012 Water Revenue	7,940,000	-	(445,000)	7,495,000	455,000	7,040,000
Bonds premium	665,715	-	(46,395)	619,320	-	619,320
Total revenue bonds	<u>20,822,855</u>	<u>-</u>	<u>(816,246)</u>	<u>20,006,609</u>	<u>791,667</u>	<u>19,214,942</u>
Compensated absences	331,807	253,028	(261,547)	323,288	242,016	81,272
Net pension liability	4,599,378	2,399,778	(2,092,688)	4,906,468	-	4,906,468
Net OPEB liability	1,655,931	563,463	(42,463)	2,176,931	-	2,176,931
<b>Total</b>	<u>\$ 40,871,099</u>	<u>\$ 3,216,269</u>	<u>\$ (4,522,833)</u>	<u>\$ 39,564,535</u>	<u>\$ 2,372,434</u>	<u>\$ 37,192,101</u>

**City of Coachella**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Fiscal Year Ended June 30, 2020**

**Note 7 – Long-Term Liabilities (Continued)**

**B. Business-Type Activities (Continued)**

Loans Payable

On September 26, 2005 the Sanitary District entered into a loan agreement with the State of California Water Resources Control Board (“SWRCB”). The terms of this loan provide for drawing funds for the expansion of the sewer treatment plant up to \$23,658,615. As of April 2008, the full amount of \$23,658,615 was withdrawn. Repayment of this loan shall be paid in annual installments commencing on the date that is one year after the completion of construction and shall be fully amortized not later than twenty years after completion of construction. The project was completed in April 2008. The interest rate on this loan is 2.3%. The outstanding balance for the SWRCB loan at June 30, 2020 was in the amount of \$9,630,633.

On September 14, 2011 the Sanitary District entered into a loan payable from the United States Department of Agriculture (“USDA”). The terms of this loan provide for drawing funds for the expansion of the sewer treatment plant up to \$3,000,000. As of June 30, 2013, \$2,875,606 was withdrawn. Repayment of this loan shall be paid in annual installments through October 1, 2050. The completion date was September 4, 2012. The interest rate on this note is 2.375%. The outstanding balance for the USDA loan at June 30, 2020 was in the amount of \$2,520,606.

Total outstanding balance for the loans payable was in the amount of \$12,151,239.

The future debt service requirement is as follows:

Year ending June 30,	Principal	Interest	Total
2021	\$ 1,338,751	\$ 281,488	\$ 1,620,239
2022	1,373,278	250,655	1,623,933
2023	1,403,483	219,025	1,622,508
2024	1,434,383	186,700	1,621,083
2025	1,465,994	153,545	1,619,539
2026-2030	3,244,745	349,501	3,594,246
2031-2035	375,000	207,172	582,172
2036-2040	420,000	160,622	580,622
2041-2045	475,000	108,016	583,016
2046-2050	530,000	49,116	579,116
2051	90,605	2,152	92,757
Total	<u>\$ 12,151,239</u>	<u>\$ 1,967,992</u>	<u>\$ 14,119,231</u>

2005 Wastewater Revenue Refunding Bonds, Series B

On September 26, 2005, the Financing Authority issued \$5,000,000 Wastewater Revenue Refunding Bonds (USDA), Series 2005B for the Sanitary District, to finance on-going capital improvements to the wastewater enterprise. Interest is payable September 26 and March 26 of each year. Interest accrues at 4.125% per annum. Principal is payable in annual installments ranging from \$50,573 to \$248,591 commencing September 26, 2006, through September 26, 2045. The outstanding balance for the 2005 Wastewater Revenue Refunding Bonds, Series B at June 30, 2020 was in the amount of \$4,064,217.

**City of Coachella**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Fiscal Year Ended June 30, 2020**

**Note 7 – Long-Term Liabilities (Continued)**

**B. Business-Type Activities (Continued)**

2005 Wastewater Revenue Refunding Bonds, Series B (Continued)

The future debt service requirement is as follows:

Year ending June 30,	Principal	Interest	Total
2021	\$ 89,572	\$ 165,802	\$ 255,374
2022	93,305	162,030	255,335
2023	97,194	158,101	255,295
2024	101,244	154,008	255,252
2025	105,464	149,745	255,209
2026-2030	597,028	678,288	1,275,316
2031-2035	732,244	541,662	1,273,906
2036-2040	898,086	374,092	1,272,178
2041-2045	1,101,489	168,571	1,270,060
2046	248,591	5,127	253,718
Total	<u>\$ 4,064,217</u>	<u>\$ 2,557,426</u>	<u>\$ 6,621,643</u>

2015 Wastewater Revenue Refunding Bonds, Series A

On October 15, 2015, the Sanitary District issued \$4,260,000 Wastewater Revenue Refunding Bonds, Series 2015A Interest on the bonds is payable April 1 and October 1 of each year. Interest on the bonds accrues at rates varying from 2.00% to 5.00% per annum. Principal on serial and term bonds is payable in annual installments ranging from \$135,000 to \$295,000, commencing April 1, 2016 through April 1, 2035. Concurrently with the issuance of the bonds, a surety policy was purchased in lieu of maintaining a reserve balance. The Sanitary District, with the issuance of the bonds, entered into a rate covenant agreement. For the year ended June 30, 2020, the Sanitary District met the rate covenant as required by the bond indenture. The outstanding balance for the 2015 Wastewater Revenue Refunding Bonds, Series A at June 30, 2020 was in the amount of \$3,490,000.

The future debt service requirement is as follows:

Year ending June 30,	Principal	Interest	Total
2021	\$ 170,000	\$ 136,975	\$ 306,975
2022	175,000	130,175	305,175
2023	185,000	121,425	306,425
2024	195,000	112,175	307,175
2025	205,000	102,425	307,425
2026-2030	1,175,000	357,575	1,532,575
2031-2035	1,385,000	140,745	1,525,745
Total	<u>\$ 3,490,000</u>	<u>\$ 1,101,495</u>	<u>\$ 4,591,495</u>

**City of Coachella**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Fiscal Year Ended June 30, 2020**

**Note 7 – Long-Term Liabilities (Continued)**

**B. Business-Type Activities (Continued)**

2008 Water Revenue (USDA) Bonds

On July 16, 2008, the Water Authority issued \$5,000,000 Water Revenue Bonds (USDA), Series 2008 to finance on-going capital improvements to the water enterprise. Interest is payable January 1 and July 1 each year, and accrues at 4.375% per annum. Principal is payable in annual installments ranging from \$48,135 to \$255,746 commencing July 1, 2009, through July 1, 2048. The outstanding balance for the 2008 Water Revenue (USDA) Bonds at June 30, 2020 was in the amount of \$4,338,072.

The future debt service requirement is as follows:

Year ending June 30,	Principal	Interest	Total
2021	\$ 77,095	\$ 188,104	\$ 265,199
2022	80,467	184,658	265,125
2023	83,988	181,060	265,048
2024	87,662	177,305	264,967
2025	91,497	173,386	264,883
2026-2030	521,150	801,873	1,323,023
2031-2035	645,574	674,729	1,320,303
2036-2040	799,703	517,229	1,316,932
2041-2045	990,630	322,126	1,312,756
2046-2049	960,306	86,277	1,046,583
Total	<u>\$ 4,338,072</u>	<u>\$ 3,306,747</u>	<u>\$ 7,644,819</u>

2012 Water Revenue Refunding Bonds

On December 13, 2012, the Water Authority issued \$10,435,000 Water Revenue Refunding Bonds, Series 2012 to current refund the outstanding amount of the 2003 Water Revenue Bonds and to finance on-going capital improvements to the water system. Interest on the bonds is payable February 1 and August 1 of each year at rates varying from 2.00% to 5.00% per annum. Principal on serial and term bonds is payable in annual installments ranging from \$395,000 to \$3,350,000, commencing August 1, 2013 through August 1, 2032. Concurrently with the issuance of the bonds, a surety policy was purchased in lieu of maintaining a reserve balance. The Water Authority, with the issuance of the bonds, entered into a rate covenant agreement. For the year ended June 30, 2020, the Water Authority met the rate covenant as required by the bond indenture. The outstanding balance for the 2012 Water Revenue Refunding Bonds at June 30, 2020 was in the amount of \$7,495,000.

The future debt service requirement is as follows:

Year ending June 30,	Principal	Interest	Total
2021	\$ 455,000	\$ 301,125	\$ 756,125
2022	470,000	287,175	757,175
2023	490,000	284,800	774,800
2024	510,000	228,069	738,069
2025	530,000	145,888	675,888
2026-2030	2,930,000	525,312	3,455,312
2031-2033	2,110,000	111,850	2,221,850
Total	<u>\$ 7,495,000</u>	<u>\$ 1,884,219</u>	<u>\$ 9,379,219</u>

**City of Coachella**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Fiscal Year Ended June 30, 2020**

**Note 7 – Long-Term Liabilities (Continued)**

**C. Fiduciary Activities**

Summary of changes in long-term liabilities for fiduciary activities for the year ended June 30, 2020 is as follows:

	Balance			Balance June 30, 2020	Classification	
	July 1, 2019	Additions	Deletions		Due within One Year	Due in more than One Year
2013 Tax Allocation Bonds	\$ 3,400,000	\$ -	\$ (390,000)	\$ 3,010,000	\$ 290,000	\$ 2,720,000
2014 Tax Allocation Bonds	8,330,000	-	(235,000)	8,095,000	240,000	7,855,000
2016 Tax Allocation Bonds, Series A	13,340,000	-	(720,000)	12,620,000	605,000	12,015,000
2016A Bond premium	1,734,009	-	(100,522)	1,633,487	-	1,633,487
2016 Tax Allocation Bonds, Series B	8,495,000	-	(420,000)	8,075,000	420,000	7,655,000
2016B Bond discount	(62,723)	-	3,636	(59,087)	-	(59,087)
<b>Total</b>	<u>\$ 35,236,286</u>	<u>\$ -</u>	<u>\$ (1,861,886)</u>	<u>\$ 33,374,400</u>	<u>\$ 1,555,000</u>	<u>\$ 31,819,400</u>

2013 Subordinate Tax Allocation Bonds (Merged Project Areas)

On October 1, 2013, the Successor Agency issued \$5,275,000 Tax Allocation Bonds (Merged Project Areas), Series. The Bonds are payable from pledged tax revenues allocated from the project areas noted above. Interest on the bonds is payable March 1 and September 1 of each year. Interest accrues at rates varying from 2.00% to 4.25% per annum. Principal on these bonds is payable in annual installments ranging from \$360,000 to \$385,000 from September 1, 2015 through September 1, 2028. The outstanding balances for the 2013 Subordinate Tax Allocation Bonds (Merged Project Areas) at June 30, 2020 was in the amount of \$3,010,000.

The future debt service requirement is as follows:

Year ending June 30,	Principal	Interest	Total
2021	\$ 290,000	\$ 108,688	\$ 398,688
2022	305,000	98,312	403,312
2023	310,000	88,700	398,700
2024	320,000	78,063	398,063
2025	330,000	66,275	396,275
2026-2028	1,455,000	124,981	1,579,981
<b>Total</b>	<u>\$ 3,010,000</u>	<u>\$ 565,019</u>	<u>\$ 3,575,019</u>

2014 Subordinate Tax Allocation Bonds (Merged Project Areas)

On September 1, 2014, the Successor Agency issued \$9,250,000 of Subordinate Tax Allocation Bonds (Merged Project Areas), Series 2014 The Bonds are payable from pledged tax revenues allocated from the project areas noted above. Interest on the bonds is payable March 1 and September 1 of each year. Interest accrues at rates varying from 2.00% to 5.00% per annum. Principal on these bonds is payable in annual installments ranging from \$210,000 to \$720,000 from September 1, 2015 through September 1, 2030. The outstanding balances for the 2014 Subordinate Tax Allocation Bonds (Merged Project Areas) at June 30, 2020 was in the amount of \$8,095,000.

**City of Coachella**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Fiscal Year Ended June 30, 2020**

**Note 7 – Long-Term Liabilities (Continued)**

**C. Fiduciary Activities (Continued)**

2014 Subordinate Tax Allocation Bonds (Merged Project Areas) (Continued)

The future debt service requirement is as follows:

Year ending June 30,	Principal	Interest	Total
2021	\$ 240,000	\$ 317,663	\$ 557,663
2022	395,000	305,387	700,387
2023	420,000	285,013	705,013
2024	440,000	269,563	709,563
2025	560,000	250,613	810,613
2026-2030	3,240,000	818,356	4,058,356
2031-2035	2,800,000	223,128	3,023,128
Total	<u>\$ 8,095,000</u>	<u>\$ 2,469,723</u>	<u>\$ 10,564,723</u>

2016 Tax Allocation Refunding Bonds Series A and B

On February 10, 2016, the Successor Agency issued \$14,935,000 and \$9,690,000 of Tax Allocation Refunding Bonds (Merged Project Areas), Series 2016 A and 2016 B, respectively. The Bonds are payable from pledged tax revenues allocated from the project areas noted above. Interest on the bonds is payable March 1 and September 1 of each year. Interest accrues at rates varying from 1.375% to 5.00% per annum. Principal on these bonds is payable in annual installments ranging from \$260,000 to \$1,650,000 from September 1, 2016 through September 1, 2036. The outstanding balances for the 2016 Tax Allocation Refunding Bonds, Series A and B at June 30, 2020 were in the amounts of \$12,620,000 and \$8,075,000, respectively.

The future debt service requirement is as follows:

Year ending June 30,	Series A		Series B		Total
	Principal	Interest	Principal	Interest	
2021	\$ 605,000	\$ 541,475	\$ 420,000	\$ 271,381	\$ 1,837,856
2022	630,000	510,600	425,000	261,872	1,827,472
2023	665,000	478,225	430,000	251,181	1,824,406
2024	700,000	447,600	450,000	239,350	1,836,950
2025	595,000	418,725	480,000	225,963	1,719,688
2026-2030	3,875,000	1,592,125	2,720,000	875,869	9,062,994
2031-2035	3,680,000	501,600	2,495,000	335,537	7,012,137
2036-2037	1,870,000	56,400	655,000	26,500	2,607,900
Total	<u>\$ 12,620,000</u>	<u>\$ 4,546,750</u>	<u>\$ 8,075,000</u>	<u>\$ 2,487,653</u>	<u>\$ 27,729,403</u>

Pledged Future Revenues

The City pledged future tax revenues associated with its bond issuances for Series 2013, 2014, 2016A and 2016B. This comprises all of the debt issued in tax allocation debt in this note above. These debt issuances and pledged tax revenues are reported in the fiduciary funds. The pledged tax revenues are to be used solely for the repayment of principal and interest on the bonds until they are paid in full through 2037 and are not available for other purposes during the duration that the bonds are outstanding which are pledged for the respective bonds. The pledged tax revenues totaled \$2,984,550 for the year ended June 30, 2020. The net principal and interest payments on the bonds that had pledged tax revenues for the year ended June 30, 2020 were \$1,765,000 and \$1,299,268, respectively. The total principal and interest remaining is approximately \$41,869,145 with annual payments expected to require 100% of pledged tax revenues.

**City of Coachella**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Fiscal Year Ended June 30, 2020**

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**Note 7 – Long-Term Liabilities (Continued)**

***D. Non-City Obligation Debt***

The City of Coachella Community Facilities District No. 2018-1 (the “District”) issued City of Coachella (Glenroy) Special Tax Bonds, Series 2018 on August 1, 2018 in the amount of \$5,745,000. The bond proceeds will be used to: (i) finance the acquisition of certain public improvements needed with respect to the development of property located within the District, including public improvements to be owned by the City of Coachella and sewer facilities to be owned and operated by the Coachella Sanitary District; (ii) fund a reserve account for the Bonds; (iii) fund capitalized interest on the Bonds through September 1, 2018; and (iv) pay costs of issuance of the Bonds. The outstanding balance at June 30, 2020 was \$5,680,000.

**Note 8 – Compensated Absences**

For governmental activities and business-type activities, accumulated vacation, sick and administrative leave benefits payable in future years amounted to \$605,736 and \$323,288, respectively, at June 30, 2020. The City has estimated that for the governmental activities that \$454,996 is to be paid within the next fiscal year and therefore have considered this amount to be the current portion of the liabilities. Vacation benefits, sick leave, and compensatory time are recorded as expenditures in the related governmental fund financials statements when used. Upon retirement or termination, the expenditures are recorded in the fund which incurred the original obligation. Compensated absences payable for business-type activities are reported within the respective enterprise funds and the City has estimated that for business-type activities that \$242,016 is to be paid within the next fiscal year and therefore have considered this amount to be the current portion of the liabilities.

The long-term portion of compensated absences payable has been accrued for the Governmental Activities on the Government-Wide Financial Statements. In prior years, the General Fund has typically been used to liquidate the liability. All vested vacation and compensatory leave time is recognized as an expense and as a liability in the business-type funds at the time the liability vests. The Water Authority and the Sanitary District Enterprise funds have been used to liquidate the liability. There is no fixed payment schedule to pay these liabilities.

**Note 9 – Risk Management**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and emissions; and natural disasters. The City is a member of the Public Entity Risk Management Authority (“PERMA”), a joint powers authority formed under Section 990 of the California Government Code for the purpose of jointly funding programs of insurance coverage for its members. The Authority is currently comprised of thirty-four participating member agencies.

The City participates in the liability, worker's compensation, employment practices and property insurance programs of PERMA.

The City is self-insured for the first \$125,000, \$250,000 and \$25,000 of each occurrence or accident in the liability, workers' compensation and employment practices programs respectively. For property insurance the City is self-insured for the first \$5,000 per occurrence except as follows: \$100,000 for flood, 24-hour service interruption. Excess costs above the self-insured amounts are shared between participating members based on their respective deposit premium contributions and in accordance with PERMA policies.

**City of Coachella**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Fiscal Year Ended June 30, 2020**

**Note 9 – Risk Management (Continued)**

During the past three fiscal (policy) years, none of the above programs of protection have had settlements or judgments that exceeded pooled or insured coverage. There have been no significant reductions in pooled or insured coverage from the prior year. Complete financial statement may be obtained from the Public Entity Risk Management Authority at 36-951 Cook Street, Suite 101, Palm Desert, CA 92211.

Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). At June 30, 2020, the amount of these liabilities was \$380,618. This liability is the City's best estimate based on available information.

Changes in the balances of claims payable during the past three years are as follows:

Workers' Compensation	Beginning of Year	Current Year Claims and Changes in Estimates	Claim Payments	End of Year
2017-2018	\$ 603,670	\$ 49,947	\$ (32,922)	\$ 620,695
2018-2019	620,695	128,307	(387,423)	361,579
2019-2020	361,579	64,762	(45,723)	380,618

**Note 10 – Pensions**

**A. General Information About the Pension Plan**

Plan Description

The City contributes to the California Public Employees' Retirement System ("CalPERS"), a cost-sharing multiple-employer defined benefit pension plan for both miscellaneous and safety employees. There are no active employees in the City's safety plan. CalPERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. CalPERS 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 the CalPERS annual financial report may be obtained from <https://www.calpers.ca.gov/page/forms-publications>.

Employees Covered by Benefit Terms

At June 30, 2018, the following employees were covered by the benefit terms:

	Miscellaneous	Misc Second Tier	Misc PEPR	Safety
Active employees	49	6	15	-
Transferred and terminated employees	26	1	2	23
Separated	17	2	3	1
Retired Employees and Beneficiaries	104	-	-	81
Total	196	9	20	105



**City of Coachella**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Fiscal Year Ended June 30, 2020**

**Note 10 – Pensions (Continued)**

**A. General Information About the Pension Plan (Continued)**

Benefit Provided

CalPERS provide retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Classic and PEPRA Safety CalPERS member becomes eligible for service retirement upon attainment of age 55 with at least 5 years of credited service. PEPRA miscellaneous members become eligible for service retirement upon attainment of age 62 with at least 5 years of service. The service retirement benefit is a monthly allowance equal to the product of the benefit factor, years of service, and final compensation. The final compensation is the monthly average of the member's highest 36 full-time equivalent monthly pay.

Following are the benefit provisions for each plan:

	<b>Cost-Sharing Rate Plans</b>			
	Miscellaneous Rate Plan*	Miscellaneous Second Tier Rate Plan*	PEPRA Miscellaneous Rate Plan	Safety Rate Plan*
Hire date	Prior to July 1, 2002	Between July 1, 2002 to December 31, 2012	January 1, 2013 and after	Prior to July 1, 2012
Benefit formula	3% @ 60	2% @ 60	2% @ 62	Fire 1/2% @ 55 Police 2% @ 50
Benefit vesting schedule	5 years service	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life	monthly for life
Retirement age	minimum 50 yrs	minimum 50 yrs	minimum 52 yrs	minimum 50 yrs

\* Closed to new entrants

Participants are eligible for non-industrial disability retirement if they become disabled and have at least 5 years of credited service. There is no special age requirement. The standard non-industrial disability retirement benefit is a monthly allowance equal to 1.8 percent of final compensation, multiplied by service. Industrial disability benefits are not offered to miscellaneous employees.

An employee's beneficiary may receive the basic death benefit if the employee dies while actively employed. The employee must be actively employed with the City to be eligible for this benefit. An employee's survivor who is eligible for any other pre-retirement death benefit may choose to receive that death benefit instead of this basic death benefit. The basic death benefit is a lump sum in the amount of the employee's accumulated contributions, where interest is currently credited at 7.5 percent per year, plus a lump sum in the amount of one month's salary for each completed year of current service, up to a maximum of six months' salary. For purposes of this benefit, one month's salary is defined as the member's average monthly full-time rate of compensation during the 12 months preceding death.

Upon the death of a retiree, a one-time lump sum payment of \$500 will be made to the retiree's designated survivor(s), or to the retiree's estate.

Benefit terms provide for annual cost-of-living adjustments to each employee's retirement allowance. Beginning the second calendar year after the year of retirement, retirement and survivor allowances will be annually adjusted on a compound basis by 2 percent.

**City of Coachella**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Fiscal Year Ended June 30, 2020**

**Note 10 – Pensions (Continued)**

**A. General Information About the Pension Plan (Continued)**

Contributions

Section 20814(c) of the California Public Employees’ Retirement Law (“PERL”) requires that the employer contribution rates for all public employers be 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 Public agency cost-sharing plans covered by either the Safety risk pools, the Plan’s actuarially determined rate is based on the estimated amount necessary to pay the Plan’s allocated share of the risk pool’s costs of benefits earned by employees during the year, and any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the measurement period ended June 30, 2019 (the measurement date), the contribution rates were as follows:

	<b>Cost-sharing Rate Plans</b>			
	Miscellaneous Rate Plan*	Miscellaneous Second Tier Rate Plan*	PEPRA Miscellaneous Rate Plan	Safety Rate Plan*
Required employee contribution rates	8.000%	7.000%	6.250%	0.000%
Required employer contribution rates	13.439%	7.634%	6.842%	0.000%

\* Closed to new entrants

**B. Pension Liabilities, Pension Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

The June 30, 2018 valuation was rolled forward to determine June 30, 2019 total pension liability based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Table	Derived using CalPERS’ Membership Data for all Funds.
Post Retirement Benefit Increase	Contract COLA up to 2.00% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.50% thereafter

<sup>1</sup> 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.

Change of Assumption

There were no changes in assumptions.

**City of Coachella**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Fiscal Year Ended June 30, 2020**

**Note 10 – Pensions (Continued)**

***B. Pension Liabilities, Pension Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)***

*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 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 <sup>1</sup>	Allocation	Years 1-10 <sup>2</sup>	Years 11+ <sup>3</sup>
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%
	<u>100.0%</u>		

<sup>1</sup>In the CalPERS's CAFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.

<sup>2</sup>An expected inflation of 2.00% used for this period

<sup>3</sup>An expected inflation of 2.92% used for this period.

*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.

*Liquidating Net Pension Liability*

The pension liabilities are liquidated principally by all the funds.

**City of Coachella**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Fiscal Year Ended June 30, 2020**

**Note 10 – Pensions (Continued)**

**B. Pension Liabilities, Pension Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)**

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

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

	Plan's Net Pension Liability/(Asset)		
	Discount Rate - 1% (6.15%)	Current Discount Rate (7.15%)	Discount Rate + 1% (8.15%)
<b>Miscellaneous</b>	\$ 18,229,153	\$ 11,717,156	\$ 6,341,963
<b>Safety</b>	\$ 7,461,422	\$ 5,176,937	\$ 3,304,017

Pension Plan Fiduciary Net Position

Detail information about the plan's fiduciary net position is available in the separately issued CalPERS financial report and can be obtained from CalPERS' website under Forms and Publications.

Proportionate Share of Net Pension Liability and Pension Expense

The following table shows the plan's proportionate share of the risk pool collective net pension liability over the measurement period:

	Increase (Decrease)		
	Plan Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
<b>Miscellaneous</b>			
Balance at: 6/30/18 (Valuation date)	\$ 45,261,534	\$ 34,426,722	\$ 10,834,812
Balance at: 6/30/19 (Measurement date)	48,415,233	36,698,077	11,717,156
Net Changes during 2018-2019	3,153,699	2,271,355	882,344
<b>Safety</b>			
Balance at: 6/30/18 (Valuation date)	\$ 16,308,713	\$ 11,430,659	\$ 4,878,054
Balance at: 6/30/19 (Measurement date)	16,669,795	11,492,858	5,176,937
Net Changes during 2018-2019	361,082	62,199	298,883

The following is the approach established by the plan actuary to allocate the net pension liability and pension expense to the individual employers within the risk pool.

- (1) In determining a cost-sharing plan's proportionate share, total amounts of liabilities and assets are first calculated for the risk pool as a whole on the valuation date (June 30, 2018). The risk pool's fiduciary net position ("FNP") subtracted from its total pension liability ("TPL") determines the net pension liability ("NPL") at the valuation date.

**City of Coachella**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Fiscal Year Ended June 30, 2020**

**Note 10 – Pensions (Continued)**

***B. Pension Liabilities, Pension Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)***

*Proportionate Share of Net Pension Liability and Pension Expense (Continued)*

- (2) Using standard actuarial roll forward methods, the risk pool TPL is then computed at the measurement date (June 30, 2019). Risk pool FNP at the measurement date is then subtracted from this number to compute the NPL for the risk pool at the measurement date. For purposes of FNP in this step and any later reference thereto, the risk pool's FNP at the measurement date denotes the aggregate risk pool's FNP at June 30, 2019 less the sum of all additional side fund (or unfunded liability) contributions made by all employers during the measurement period (2018-2019).
- (3) The individual plan's TPL, FNP and NPL are also calculated at the valuation date. TPL is allocated based on the rate plan's share of the actuarial accrued liability. FNP is allocated based on the rate plan's share of the market value assets.
- (4) Two ratios are created by dividing the plan's individual TPL and FNP as of the valuation date from (3) by the amounts in step (1), the risk pool's total TPL and FNP, respectively.
- (5) The plan's TPL as of the Measurement Date is equal to the risk pool TPL generated in (2) multiplied by the TPL ratio generated in (4). The plan's FNP as of the Measurement Date is equal to the FNP generated in (2) multiplied by the FNP ratio generated in (4) plus any additional side fund (or unfunded liability) contributions made by the employer on behalf of the plan during the measurement period.
- (6) The plan's NPL at the Measurement Date is the difference between the TPL and FNP calculated in (5).

Deferred outflows of resources, deferred inflows of resources, and pension expense is allocate based on the City's share of net pension liability during measurement period.

The City's proportionate share of the net pension liability was as follows:

	<u>Miscellaneous</u>	<u>Safety</u>
June 30, 2018	0.14350%	0.05052%
June 30, 2019	0.11244%	0.05062%
Change - Increase (Decrease)	<u>-0.03106%</u>	<u>0.00010%</u>

The amortization period differs depending on the source of the gain or loss. The difference between projected and actual earnings is amortized over 5-years straight line. All other amounts are amortized straight-line over the average expected remaining service lives of all members that are provided with benefits (active, inactive and retired) as of the beginning of the measurement period.

The expected average remaining service lifetime ("EARSL") is calculated by dividing the total future service years by the total number of plan participants (active, inactive, and retired) in the risk pool. The EARSL for risk pool for the 2018-2019 measurement period is 3.8 years, which was obtained by dividing the total service years of 530,470 (the sum of remaining service lifetimes of the active employees) by 140,593 (the total number of participants: active, inactive, and retired).

**City of Coachella**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Fiscal Year Ended June 30, 2020**

**Note 10 – Pensions (Continued)**

**B. Pension Liabilities, Pension Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)**

Proportionate Share of Net Pension Liability and Pension Expense (Continued)

At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Miscellaneous		Safety	
	Deferred outflows of Resources	Deferred inflows of Resources	Deferred outflows of Resources	Deferred inflows of Resources
Pension contribution after measurement date	\$ 1,517,558	\$ -	\$ 432,948	\$ -
Changes of assumptions	558,728	(198,064)	212,194	(41,409)
Difference between expected and actual experience	813,806	(63,053)	338,007	-
Difference between projected and actual earning on pension plan investments	-	(204,852)	-	(71,218)
Adjustment due to differences in proportions	193,139	(65,368)	13,904	(75,078)
Difference between City contributions and proportionate share of contributions	-	(275,125)	-	(302,929)
Total	<u>\$ 3,083,231</u>	<u>\$ (806,462)</u>	<u>\$ 997,053</u>	<u>\$ (490,634)</u>

Deferred outflows of resources related to pensions resulting from the City’s contributions made subsequent to the measurement date will be recognized as a reduction of the collective net pension liability in the year ending June 30, 2021.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Measurement Period Ending June 30,	Deferred Outflows/ (Inflows) of Resources	
	Miscellaneous	Safety
2021	\$ 760,759	\$ 156,977
2022	(142,637)	(112,817)
2023	99,694	15,454
2024	41,395	13,857
2025	-	-
Thereafter	-	-
	<u>\$ 759,211</u>	<u>\$ 73,471</u>

**Note 11 – Other Postemployment Benefits (“OPEB”) Plan**

**A. General Information About the OPEB Plan**

Plan Description

The City provides postretirement medical benefits to employees who retire directly from the City under CalPERS under a single-employer defined benefit post-employment benefits plan. Eligible retirees can continue participation in the City medical plans (“PEMHCA”).

**City of Coachella**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Fiscal Year Ended June 30, 2020**

**Note 11 – Other Postemployment Benefits (“OPEB”) Plan (Continued)**

**A. General Information About the OPEB Plan (Continued)**

Benefits Provided

The City contributes 100% of medical premium up to a capped dollar amount. For 2020, the monthly dollar caps were \$582 for management and elected officials and \$243 for mid-management, sanitary and miscellaneous employees. Future Retirees are eligible for PEMCHA minimum medical benefits (\$136 and \$139 per month in 2019 and 2020, respectively) if they retire directly from the City at Age 50 and with 5 years CalPERS service or disability retirement. Retiree benefit continues to surviving spouse if retiree elects CalPERS survivor annuity.

Employees Covered by Benefit Term

Active employees	79
Inactive currently receiving benefit	19
Inactive entitled to but not yet receiving benefit payments	23
Total	121

Contributions

The City makes contributions on a pay-as-you-go basis. There is no pre-funding for the plan.

**B. Net OPEB Liability**

The City's net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2020.

Actuarial Assumptions

The total OPEB liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method	Entry age normal level percentage of salary
Actuarial Assumptions:	
Contribution policy	No prefunding
Discount rate	2.21% at June 30, 2020 (Bond buyer 20-Bond Index) 3.50% at June 30, 2019 (Bond buyer 20-Bond Index)
Expected long-term rate of return on investments	N/A
Global inflation	2.75% per annum
Mortality/retirement/disability/termination rate	CalPERS 1997-2015 Experience Study
Mortality improvement	Mortality projected fully generational with Scale MP-2019
Salary increases	Aggregate - 3.00% per annum Merit - Tables from CalPERS 1997-2015 Experience Study
Healthcare cost trend rates	Non-Medicare - 7.25% for 2021, decreasing to ultimate rate of 4.0% in 2076 and later years Medicare - 6.3% for 2021, decreasing to ultimate rate of 4.0% in 2076 and later years
Maximum monthly benefit increases	Based on PEHMCA Unequal method through 2021. 0% thereafter but no less than PEHMCA minimum
PEHMCA minimum increases	4.25% per annum
Participation at retirement	95% for management and elected officers 75% for mid-management and misc/sanitary employees

**City of Coachella**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Fiscal Year Ended June 30, 2020**

**Note 11 – Other Postemployment Benefits (“OPEB”) Plan (Continued)**

**B. Net OPEB Liability (Continued)**

Discount Rate

The discount rates used to measure the total OPEB liability were 2.21% and 3.50% at June 30, 2020 and 2019, respectively, based on Bond Buyer 20-bond Index. There is no expected long-term rate of return on investment since there is no pre-funding for OPEB.

Liquidating OPEB Liability

The OPEB liabilities are liquidated principally by the General Fund.

**C. Changes in the Net OPEB Liability**

	<u>Total OPEB Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net OPEB Liability</u>
Balances as of June 30, 2019	\$ 4,219,725	\$ -	\$ 4,219,725
Changes during the measurement period:			
Service cost	277,196	-	277,196
Interest	155,219	-	155,219
Benefit changes	-	-	-
Actual vs. expected experience	(127,508)	-	(127,508)
Assumption changes	949,213	-	949,213
Employer contribution	-	127,316	(127,316)
Benefit payments	(124,173)	(124,173)	-
Administrative expenses	-	(3,143)	3,143
Net changes during measurement period 2019-2020	<u>1,129,947</u>	<u>-</u>	<u>1,129,947</u>
Balances as of June 30, 2020 (Measurement Date)	<u>\$ 5,349,672</u>	<u>\$ -</u>	<u>\$ 5,349,672</u>

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

The net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (1.21%) or one percentage point higher (3.21%) follows:

<u>Net OPEB Liability</u>		
<u>Discount Rate</u>	<u>Current Discount</u>	<u>Discount Rate</u>
<u>- 1% (1.21%)</u>	<u>Rate (2.21%)</u>	<u>+ 1% (3.21%)</u>
\$ 6,353,344	\$ 5,349,672	\$ 4,567,125



**City of Coachella**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Fiscal Year Ended June 30, 2020**

**Note 11 – Other Postemployment Benefits (“OPEB”) Plan (Continued)**

**C. Changes in the Net OPEB Liability (Continued)**

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

The net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than current healthcare cost trend rates follows:

Net OPEB Liability		
Healthcare		
1% Decrease	Cost Trend Rate	1% Increase
\$ 4,663,592	\$ 5,349,672	\$ 6,329,973

**D. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended June 30, 2020, the City recognized an OPEB expense of \$530,410. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred outflows of resources	Deferred inflows of resources
Changes of assumptions	\$ 1,024,230	\$ (111,240)
Difference between expected and actual experience	-	(113,797)
Total	\$ 1,024,230	\$ (225,037)

Deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Measurement Period Ending June 30,	Deferred Inflows of Resources
2021	\$ 94,852
2022	94,852
2023	94,852
2024	94,852
2025	94,852
Thereafter	324,933
	\$ 799,193

**City of Coachella**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Fiscal Year Ended June 30, 2020**

**Note 12 – Classification of Fund Balances**

At June 30, 2020, fund balances are classified in the governmental funds as follows:

	General Fund	Special Revenue Funds		Capital Projects Fund	Debt Repayment Debt Service Fund	Nonmajor Governmental Funds	Total
		Development Impact Fees	Grants				
<b>Nonspendable:</b>							
Prepaid items	\$ 1,702,740	\$ -	\$ -	\$ -	\$ 63,432	\$ -	\$ 1,766,172
Advance to other fund	6,552,355	-	-	-	-	-	6,552,355
Total nonspendable	<u>8,255,095</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>63,432</u>	<u>-</u>	<u>8,318,527</u>
<b>Restricted:</b>							
Low income housing	-	-	-	-	-	5,903,937	5,903,937
Highway and streets	-	-	-	-	-	3,323,013	3,323,013
Community development	-	-	-	-	-	21,496	21,496
Capital projects	-	-	-	180,789	-	-	180,789
Library project	-	-	-	-	165	-	165
Fire protection	-	-	-	-	-	16,380	16,380
Public facilities - police	74,850	-	-	-	-	-	74,850
Public facilities - general government	-	-	-	-	-	64,534	64,534
Debt service	-	-	-	-	11,534,548	-	11,534,548
Total restricted	<u>74,850</u>	<u>-</u>	<u>-</u>	<u>180,789</u>	<u>11,534,713</u>	<u>9,329,360</u>	<u>21,119,712</u>
<b>Unassigned (deficit)</b>	<u>8,284,935</u>	<u>(18,233,975)</u>	<u>(658,803)</u>	<u>-</u>	<u>-</u>	<u>(1,210,264)</u>	<u>(11,818,107)</u>
<b>Total fund balances</b>	<u>\$ 16,614,880</u>	<u>\$ (18,233,975)</u>	<u>\$ (658,803)</u>	<u>\$ 180,789</u>	<u>\$ 11,598,145</u>	<u>\$ 8,119,096</u>	<u>\$ 17,620,132</u>

**Note 13 – Commitments and Contingencies**

The City is a defendant in various legal actions. Management believes that the ultimate resolution of these actions will not have a significant effect on the City's financial position or results of operations. Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the City expects such amounts, if any, to be immaterial. At June 30, 2020, in the opinion of the City's management, there are no outstanding matters which could have a significant effect on the financial position of the City.

**City of Coachella**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Fiscal Year Ended June 30, 2020**

**Note 14 – Individual Fund Disclosure**

**A. Expenditures in Excess of Appropriation**

The following funds report expenditures in excess of appropriations for the year ended June 30, 2020.

	<u>Expenditure</u>	<u>Appropriation</u>	<u>Expenditure in Excess of Appropriation</u>
<b>General Fund:</b>			
General government	\$ 6,387,536	\$ 5,797,132	\$ (590,404)
Community development - building	308,991	267,816	(41,175)
Engineering	1,082,265	855,528	(226,737)
Capital outlay	128,514	35,393	(93,121)
<b>Development Impact Fees Special Revenue Fund:</b>			
Public works	29,807	8,229	(21,578)
Principal retirement	66,077	-	(66,077)
Interest and fiscal charges	151,891	-	(151,891)
<b>Nonmajor Governmental Funds:</b>			
Air Quality Improvement Special Revenue Fund:			
Public works	43,823	25,000	(18,823)
Local Transportation Special Revenue Fund			
Public works	4,868	-	(4,868)
CDBG Special Revenue Fund:			
Community development	85,000	-	(85,000)
State Gas Tax Special Revenue Fund:			
Public works	70	-	(70)

**B. Deficit Net Positions and Fund Balances**

Funds with deficit fund balances and net position at June 30, 2020 are as follows:

	<u>Deficit</u>
Development Impact Fees Special Revenue Fund	\$ (18,233,975)
Grants Special Revenue Fund	(658,803)
Local Transportation Special Revenue Fund	(1,153,820)
CDBG Special Revenue Fund	(56,444)
Successor Agency Private-Purpose Trust Fund	(31,768,702)

The deficit fund balance for Development Impact Special Revenue Fund will be eliminated through future development impact fee revenues. The deficit fund balances for Grants Special Revenue Fund, Local Transportation Special Revenue Fund, and the CDBG Special Revenue Fund will be eliminated when the reimbursement from grantors are received. The deficit net position for Successor Agency Private-Purpose Trust Fund will be eliminated with future ROPS payment to pay down outstanding bonds.

**City of Coachella**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Fiscal Year Ended June 30, 2020**

**Note 15 – Prior Period Adjustments**

**A. Government-Wide Financial Statements and Enterprise Funds**

The beginning net position was restated as a result of change in estimates of the unbilled receivables for utility billings and the correction of capital assets as follows:

	Governmental Activities	Business-type Activities	Enterprise Funds	
			Water Authority	Sanitary District
Beginning net position, as previously reported	\$ 181,897,406	\$ 42,836,038	\$ 26,972,845	\$ 15,863,193
Unbilled utility receivables	-	560,121	436,191	123,930
Capital assets	(180,789)	-	-	-
Accumulated depreciation	9,039			
Retention payable	180,789			
Beginning net position, as restated	<u>\$ 181,906,445</u>	<u>\$ 43,396,159</u>	<u>\$ 27,409,036</u>	<u>\$ 15,987,123</u>

**B. Governmental Funds**

The beginning fund balance for the Capital Projects Fund was restated as a result of retention payable correction.

	Total Governmental Funds	Capital Projects Fund
Beginning fund balances, as previously reported	\$ 18,093,619	\$ -
Retention payable correction	180,789	180,789
Beginning fund balances, as restated	<u>\$ 18,274,408</u>	<u>\$ 180,789</u>

**C. Fiduciary Funds**

The implementation of GASB No. 84 resulted in the reclassification of agency funds to custodial funds. The implementation resulted in the custodial funds reporting beginning fiduciary net position in the amount of \$1,443,610.

**Note 16 – Subsequent Event**

**2020 Pension Obligation Bonds**

In December 2020, City issued \$17,590,000 Pension Obligation Bonds, Series 2020, to provide (i) a paydown of the City's unfunded actuarial pension liabilities with CalPERS for the City's miscellaneous plan and safety pension plans and (ii) the payment of the cost of issuing the bonds. The bonds bear interest at rates of 1.20% to 3.24% annum payable semi-annually on July 1 and January 1. The final principal payment is due on July 1, 2035.

**City of Coachella**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Fiscal Year Ended June 30, 2020**

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**Note 17 – COVID 19 Global Pandemic**

On March 11, 2020, the World Health Organization declared the novel strain of coronavirus (COVID19) a global pandemic and recommended containment and mitigation measures worldwide. The COVID-19 outbreak in the United States has caused business disruption through mandated and voluntary closings of businesses and shelter in place orders for all but those deemed essential services. While the business disruption is currently expected to be temporary and vaccines are being widely distributed, there is still uncertainty around the duration of current and potential future disruptions. As a result, the pandemic has caused uncertainty in the financial markets. The City's services are considered essential and there have been no significant interruptions in service as a result of the pandemic. The City's offices have been closed to the public since March 2020 and remain closed; however, the City has implemented sufficient alternative processes to ensure that customers are fully served during the closure.

The City's major revenue sources are impacted by these events and it is possible that this matter will have unforeseen negative impacts on the City. The ultimate financial impact and duration of these changes cannot be fully estimated at this time; however, management has analyzed operations in light of this situation and identified two primary financial impacts. Due to City imposed utility shutoff moratoriums the Water Authority has incurred additional receivable balances. The most recent estimate of these balances was done in February 2021 and totaled \$173,756. The second identified primary financial impact is reduction in the City's sales tax revenues. Sales tax revenues declined \$882,534 at June 30, 2020 when compared to June 30, 2019 (10.3%). To account for this, the City's fiscal 2020/21 budget reflects a 20% decline in sales tax revenues with a budget deficit of \$671,000. While sales tax revenues vary based on timing, management believes that the fiscal 2020/21 reduction is sufficient to account for anticipated reductions in sales tax revenues. Management believes the City has sufficient cash reserves to absorb related changes in the timing of cash flows.

**REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)**



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**City of Coachella**  
**Required Supplementary Information (Unaudited)**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Year Ended June 30, 2020**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ 18,807,016	\$ 18,700,016	\$ 18,383,778	\$ (316,238)
Licenses, permits and fees	395,000	395,000	460,245	65,245
Charges for services	685,000	685,000	598,707	(86,293)
Fines, forfeitures and penalties	460,000	460,000	395,433	(64,567)
Intergovernmental	777,461	849,278	851,511	2,233
Special assessments	986,412	986,412	1,056,064	69,652
Investment income	43,000	43,000	323,693	280,693
Other revenue	416,000	426,000	698,420	272,420
<b>Total revenues</b>	<b>22,569,889</b>	<b>22,544,706</b>	<b>22,767,851</b>	<b>223,145</b>
<b>EXPENDITURES:</b>				
Current:				
General government	5,612,525	5,797,132	6,387,536	(590,404)
Public safety - police	9,742,476	9,751,793	9,564,388	187,405
Public safety - animal control	280,000	280,000	256,100	23,900
Community development	1,401,137	1,401,137	1,355,809	45,328
Community development - building	267,816	267,816	308,991	(41,175)
Public works - engineering	852,487	855,528	1,082,265	(226,737)
Public works	1,696,121	1,696,121	1,556,324	139,797
Public works - Parks and recreation	1,862,045	1,862,045	1,852,412	9,633
Capital outlay	25,000	35,393	128,514	(93,121)
<b>Total expenditures</b>	<b>21,739,607</b>	<b>21,946,965</b>	<b>22,492,339</b>	<b>(545,374)</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>830,282</b>	<b>597,741</b>	<b>275,512</b>	<b>(322,229)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	3,323,362	3,323,362	2,799,860	(523,502)
Transfers out	(2,577,754)	(2,577,754)	(1,702,947)	874,807
<b>Total other financing sources (uses)</b>	<b>745,608</b>	<b>745,608</b>	<b>1,096,913</b>	<b>351,305</b>
<b>Net change in fund balance</b>	<b>\$ 1,575,890</b>	<b>\$ 1,343,349</b>	<b>1,372,425</b>	<b>\$ 29,076</b>
<b>FUND BALANCE:</b>				
Beginning of year			15,242,455	
End of year			<b>\$ 16,614,880</b>	



**City of Coachella**  
**Required Supplementary Information (Unaudited)**  
**Budgetary Comparison Schedule (Continued)**  
**Development Impact Fees Special Revenue Fund**  
**For the Year Ended June 30, 2020**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Developer fees	\$ 4,198,500	\$ 4,198,500	\$ 1,850,336	\$ (2,348,164)
Investment income	7,900	7,900	143,186	135,286
<b>Total revenues</b>	<u>4,206,400</u>	<u>4,206,400</u>	<u>1,993,522</u>	<u>(2,212,878)</u>
<b>EXPENDITURES:</b>				
Current:				
Public works	-	8,229	29,806	(21,577)
Debt service:				
Principal retirement	-	-	66,077	(66,077)
Interest and fiscal charges	-	-	151,891	(151,891)
<b>Total expenditures</b>	<u>-</u>	<u>8,229</u>	<u>247,774</u>	<u>(239,545)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>4,206,400</u>	<u>4,198,171</u>	<u>1,745,748</u>	<u>(2,452,423)</u>
<b>OTHER FINANCING USES:</b>				
Transfers out	(3,798,115)	(4,227,116)	(3,040,786)	1,186,330
<b>Total other financing uses</b>	<u>(3,798,115)</u>	<u>(4,227,116)</u>	<u>(3,040,786)</u>	<u>1,186,330</u>
<b>Net change in fund balance</b>	<u>\$ 408,285</u>	<u>\$ (28,945)</u>	<u>(1,295,038)</u>	<u>\$ (1,266,093)</u>
<b>FUND BALANCE:</b>				
Beginning of year			(16,938,937)	
End of year			<u>\$ (18,233,975)</u>	

**City of Coachella**  
**Required Supplementary Information (Unaudited)**  
**Budgetary Comparison Schedule (Continued)**  
**Grants Special Revenue Fund**  
**For the Year Ended June 30, 2020**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 28,662,015	\$ 29,403,916	\$ 4,096,667	\$ (25,307,249)
<b>Total revenues</b>	<u>28,662,015</u>	<u>29,403,916</u>	<u>4,096,667</u>	<u>(25,307,249)</u>
<b>EXPENDITURES:</b>				
Current:				
Public works	-	50,000	40,750	9,250
<b>Total expenditures</b>	<u>-</u>	<u>50,000</u>	<u>40,750</u>	<u>9,250</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>28,662,015</u>	<u>29,353,916</u>	<u>4,055,917</u>	<u>(25,297,999)</u>
<b>OTHER FINANCING USES:</b>				
Transfers out	(28,662,015)	(29,353,916)	(2,757,841)	26,596,075
<b>Total other financing uses</b>	<u>(28,662,015)</u>	<u>(29,353,916)</u>	<u>(2,757,841)</u>	<u>26,596,075</u>
<b>Net change in fund balance</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,298,076</u>	<u>\$ 1,298,076</u>
<b>FUND BALANCE:</b>				
Beginning of year			(1,956,879)	
End of year			<u>\$ (658,803)</u>	



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**City of Coachella**  
**Required Supplementary Information (Unaudited)**  
**Notes to the Budgetary Comparison Schedules**  
**For the Year Ended June 30, 2020**

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**Budgetary Information**

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In May, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing July 1<sup>st</sup>. The operating budget includes proposed expenditures and the means for financing them.
2. Public hearings are conducted at City Council meetings to obtain taxpayer comments.
3. Prior to July 1, the budget is adopted by Council action. The budget includes amounts for revenues that, along with appropriations, compute the budgetary fund balances.
4. The City Manager is authorized to transfer appropriated funds between major expenditure categories within departments. However, any revisions that alter the total appropriations of any department must be approved by the City Council. For budgeting purposes, the General Fund is composed of several departments while all other budgeted funds are considered a single department.
5. Formal budgetary integration is employed as management control device during the year for the governmental funds.
6. Budgets for the governmental funds are adopted on basis substantially consistent with generally accepted accounting principles. Budgeted amounts are as originally adopted and as further amended by the City Council.

The General Fund, Development Impact Fees Special Revenue Fund, and Grants Special Revenue Fund are major funds that have legally adopted budgets. The original budget, the final budget and actual amounts are presented in the Budgetary Comparison Schedules. Annual budgets are also adopted for the remaining special revenue funds and debt service funds, except for Road Maintenance - Dillon Road Special Revenue Fund, and Economic Improvement Special Revenue Fund.

The Schedule of Revenue, Expenditures, and Change in Fund Balance - Budget and Actual for Capital Projects Fund and Debt Repayment Debt Service Fund are presented in the Supplementary Information.

**City of Coachella**  
**Required Supplementary Information (Unaudited)**  
**Schedule of the City's Proportionate Share of the Net Pension Liability and Related Ratios**  
**For the Year Ended June 30, 2020**

**Last Ten Fiscal Years**

**California Public Employees' Retirement System ("CalPERS") Miscellaneous Plan**

Measurement Date	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
City's Proportion of the Net Pension Liability	0.11435%	0.11244%	0.11295%	0.11192%	0.10333%
City's Proportionate Share of the Net Pension Liability	\$ 11,717,156	\$ 10,834,812	\$ 11,201,840	\$ 9,684,436	\$ 7,092,438
City's Covered Payroll	\$ 5,744,896	\$ 5,439,535	\$ 5,412,001	\$ 5,475,348	\$ 5,166,649
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	<u>203.96%</u>	<u>199.19%</u>	<u>206.98%</u>	<u>176.87%</u>	<u>137.27%</u>
Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Total Pension Liability	<u>75.80%</u>	<u>76.06%</u>	<u>73.32%</u>	<u>73.98%</u>	<u>79.89%</u>

**California Public Employees' Retirement System ("CalPERS") Safety Plan**

Measurement Date	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
City's Proportion of the Net Pension Liability	0.05052%	0.05062%	0.04873%	0.04951%	0.05250%
City's Proportionate Share of the Net Pension Liability	\$ 5,176,937	\$ 4,878,054	\$ 4,832,679	\$ 4,284,302	\$ 3,603,297
City's Covered Payroll	\$ -	\$ -	\$ -	\$ -	\$ -
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Total Pension Liability	<u>74.04%</u>	<u>70.09%</u>	<u>70.45%</u>	<u>72.32%</u>	<u>76.34%</u>

<sup>1</sup>Historical information is presented only for periods after GASB 68 implementation in 2013-14. Additional years of information will be displayed as it becomes available.

**City of Coachella**  
**Required Supplementary Information (Unaudited)**  
**Schedule of the City's Proportionate Share of the Net Pension Liability and Related Ratios (Continued)**  
**For the Year Ended June 30, 2020**

**Last Ten Fiscal Years**

**California Public Employees' Retirement System ("CalPERS") Miscellaneous Plan**

Measurement Date	<u>June 30, 2014<sup>1</sup></u>
City's Proportion of the Net Pension Liability	0.11070%
City's Proportionate Share of the Net Pension Liability	\$ 6,717,707
City's Covered Payroll	\$ 5,043,461
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	<u>133.20%</u>
Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Total Pension Liability	<u>79.24%</u>

**California Public Employees' Retirement System ("CalPERS") Safety Plan**

Measurement Date	<u>June 30, 2014<sup>1</sup></u>
City's Proportion of the Net Pension Liability	0.05262%
City's Proportionate Share of the Net Pension Liability	\$ 3,193,181
City's Covered Payroll	\$ -
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	<u>N/A</u>
Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Total Pension Liability	<u>79.34%</u>

<sup>1</sup>Historical information is presented only for periods after GASB 68 implementation in 2013-14. Additional years of information will be displayed as it becomes available.

**City of Coachella**  
**Required Supplementary Information (Unaudited)**  
**Schedule of Contributions - Pensions**  
**For the Year Ended June 30, 2020**

**Last Ten Fiscal Years**

**California Public Employees' Retirement System ("CalPERS") Miscellaneous Plan**

Fiscal year	2019-20 <sup>1</sup>	2018-19	2017-18	2016-17	2015-16
Actuarially Determined Contribution	\$ 1,517,558	\$ 1,365,584	\$ 1,202,460	\$ 683,057	\$ 628,259
Contribution in Relation to the Actuarially Determined Contribution	<u>(1,517,558)</u>	<u>(1,365,584)</u>	<u>(1,202,460)</u>	<u>(683,057)</u>	<u>(628,259)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll <sup>2</sup>	<u>\$ 5,902,881</u>	<u>\$ 5,744,896</u>	<u>\$ 5,439,535</u>	<u>\$ 5,412,001</u>	<u>\$ 5,475,348</u>
Contributions as a Percentage of Covered Payroll	<u>25.71%</u>	<u>23.77%</u>	<u>22.11%</u>	<u>12.62%</u>	<u>11.47%</u>

**California Public Employees' Retirement System ("CalPERS") Safety Plan**

Fiscal year	2019-20 <sup>1</sup>	2018-19 <sup>1</sup>	2017-18	2016-17	2015-16
Actuarially Determined Contribution	\$ 432,948	\$ 305,215	\$ 241,940	\$ 195,192	\$ 162,021
Contribution in Relation to the Actuarially Determined Contribution	<u>(432,948)</u>	<u>(305,215)</u>	<u>(241,940)</u>	<u>(195,192)</u>	<u>(162,021)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Contributions as a Percentage of Covered Payroll	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

<sup>1</sup> Historical information is presented only for periods after GASB 68 implementation in 2013-14. Additional years of information will be displayed as it becomes available.

<sup>2</sup> Includes one year's payroll growth using 2.75 percent payroll assumption from fiscal year 2019 to 2020.

**Notes to Schedule:**

Change in Benefit Terms: There were no changes in benefit terms.

Changes of Assumptions: In 2019, there were no changes in assumptions. In 2018, 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 2017, the accounting discount rate reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes. In 2015, 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.

N/A - Not applicable

**City of Coachella**  
**Required Supplementary Information (Unaudited) (Continued)**  
**Schedule of Contributions - Pensions (Continued)**  
**For the Year Ended June 30, 2020**

**Last Ten Fiscal Years (Continued)**

**California Public Employees' Retirement System ("CalPERS") Miscellaneous Plan (Continued)**

Fiscal year	2014-15	2013-14 <sup>1</sup>
Actuarially Determined Contribution	\$ 609,352	\$ 852,591
Contribution in Relation to the Actuarially Determined Contribution	(609,352)	(852,591)
Contribution Deficiency (Excess)	\$ -	\$ -
Covered Payroll <sup>2</sup>	\$ 5,166,649	\$ 5,043,461
Contributions as a Percentage of Covered Payroll	11.79%	16.90%

**California Public Employees' Retirement System ("CalPERS") Safety Plan (Continued)**

Fiscal year	2014-15	2013-14 <sup>1</sup>
Actuarially Determined Contribution	\$ 340,965	\$ 298,027
Contribution in Relation to the Actuarially Determined Contribution	(340,965)	(298,027)
Contribution Deficiency (Excess)	\$ -	\$ -
Covered Payroll	N/A	N/A
Contributions as a Percentage of Covered Payroll	N/A	N/A

<sup>1</sup> Historical information is presented only for periods after GASB 68 implementation in 2013-14. Additional years of information will be displayed as it becomes available.

<sup>2</sup> Includes one year's payroll growth using 2.75 percent payroll assumption from fiscal year 2019 to 2020.

**Notes to Schedule:**

Change in Benefit Terms: There were no changes in benefit terms.

Changes of Assumptions: In 2019, there were no changes in assumptions. In 2018, 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 2017, the accounting discount rate reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes. In 2015, 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.

N/A - Not applicable



**City of Coachella**  
**Required Supplementary Information (Unaudited)**  
**Schedule of Changes in Net Other Postemployment Benefits Liability and Related Ratios**  
**For the Year Ended June 30, 2020**

Last Ten Fiscal Years

Other Postemployment Benefits ("OPEB")

Measurement period	June 30, 2020	June 30, 2019	June 30, 2018 <sup>1</sup>
<b>Total OPEB liability</b>			
Service cost	\$ 277,196	\$ 247,805	\$ 256,623
Interest	155,219	150,757	134,880
Differences between expected and actual experience	(127,508)	-	-
Changes of assumption	949,213	224,305	(162,582)
Benefit payments	(124,173)	(101,751)	(82,609)
<b>Net change in total OPEB liability</b>	<u>1,129,947</u>	<u>521,116</u>	<u>146,312</u>
<b>Total OPEB liability, beginning</b>	<u>4,219,725</u>	<u>3,698,609</u>	<u>3,552,297</u>
<b>Total OPEB liability, ending (a)</b>	<u><u>\$ 5,349,672</u></u>	<u><u>\$ 4,219,725</u></u>	<u><u>\$ 3,698,609</u></u>
<b>OPEB fiduciary net position</b>			
Employer contributions:	\$ 127,316	\$ 102,056	\$ 82,962
Net investment income	-	-	-
Benefit payments	(124,173)	(101,751)	(82,609)
Administrative expenses	(3,143)	(305)	(353)
<b>Net change in plan fiduciary net position</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Plan fiduciary net position, beginning</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Plan fiduciary net position, ending</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
<b>Plan net OPEB liability - ending (a) - (b)</b>	<u><u>\$ 5,349,672</u></u>	<u><u>\$ 4,219,725</u></u>	<u><u>\$ 3,698,609</u></u>
<b>Plan's fiduciary net position as a percentage of the total OPEB liability</b>	<u><u>0.00%</u></u>	<u><u>0.00%</u></u>	<u><u>0.00%</u></u>
<b>Covered employee payroll</b>	<u><u>\$ 6,957,280</u></u>	<u><u>\$ 6,775,511</u></u>	<u><u>\$ 6,428,796</u></u>
<b>Total OPEB liability as a percentage of covered employee payroll</b>	<u><u>76.89%</u></u>	<u><u>62.28%</u></u>	<u><u>57.53%</u></u>

<sup>1</sup> Historical information is presented for periods after GASB 75 implementation in fiscal year of 2017-18. Additional years of information will be displayed as it becomes available.

**City of Coachella**  
**Required Supplementary Information (Unaudited)**  
**Schedule of Contributions - Other Postemployment Benefits**  
**For the Year Ended June 30, 2020**

**Last Ten Fiscal Years**

**Other Postemployment Benefits ("OPEB")**

Fiscal year end	2019-20	2018-19	2017-18 <sup>1</sup>
Actuarially determined contribution <sup>2</sup>	\$ -	\$ -	\$ -
Contribution in relation to the actuarially determined contribution	(127,316)	(102,056)	(82,962)
Contribution deficiency/(excess)	\$ (127,316)	\$ (102,056)	\$ (82,962)
Covered employee payroll	\$ 6,957,280	\$ 6,775,511	\$ 6,428,796
Contributions as a percentage of covered employee payroll	1.83%	1.51%	1.29%

<sup>1</sup> Historical information is presented for periods after GASB 75 implementation in fiscal year of 2017-18. Additional years of information will be displayed as it becomes available.

<sup>2</sup> There is no actuarially determined contribution.



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**SUPPLEMENTARY INFORMATION**



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**City of Coachella**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual**  
**Capital Projects Fund**  
**For the Year Ended June 30, 2020**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Other revenue	\$ -	\$ -	\$ 421,229	\$ 421,229
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>421,229</u>	<u>421,229</u>
<b>EXPENDITURES:</b>				
Capital outlay	37,518,069	38,663,829	10,525,963	28,137,866
<b>Total expenditures</b>	<u>37,518,069</u>	<u>38,663,829</u>	<u>10,525,963</u>	<u>28,137,866</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(37,518,069)</u>	<u>(38,663,829)</u>	<u>(10,104,734)</u>	<u>28,559,095</u>
<b>OTHER FINANCING SOURCES:</b>				
Transfers in	37,420,069	39,068,731	10,104,734	(28,963,997)
<b>Total other financing sources</b>	<u>37,420,069</u>	<u>39,068,731</u>	<u>10,104,734</u>	<u>(28,963,997)</u>
<b>Net change in fund balance</b>	<u>\$ (98,000)</u>	<u>\$ 404,902</u>	<u>-</u>	<u>\$ (404,902)</u>
<b>FUND BALANCE:</b>				
Beginning of year			180,789	
End of year			<u>\$ 180,789</u>	

**City of Coachella**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual (Continued)**  
**Debt Repayment Debt Service Fund**  
**For the Year Ended June 30, 2020**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Investment income	\$ 35,000	\$ 35,000	\$ 11,965	\$ (23,035)
<b>Total revenues</b>	<u>35,000</u>	<u>35,000</u>	<u>11,965</u>	<u>(23,035)</u>
<b>EXPENDITURES:</b>				
Debt service:				
Principal retirement	373,294	6,065,000	6,065,000	-
Interest and fiscal charges	690,846	822,108	822,108	-
<b>Total expenditures</b>	<u>1,064,140</u>	<u>6,887,108</u>	<u>6,887,108</u>	<u>-</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(1,029,140)</u>	<u>(6,852,108)</u>	<u>(6,875,143)</u>	<u>(23,035)</u>
<b>OTHER FINANCING SOURCES:</b>				
Proceeds from issuance of debt	-	4,775,000	4,775,000	-
Issuance premium	-	670,169	670,169	-
Transfers in	1,051,414	1,051,414	347,239	(704,175)
<b>Total other financing sources</b>	<u>1,051,414</u>	<u>6,496,583</u>	<u>5,792,408</u>	<u>(704,175)</u>
<b>Net change in fund balance</b>	<u>\$ 22,274</u>	<u>\$ (355,525)</u>	<u>(1,082,735)</u>	<u>\$ (727,210)</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>12,680,880</u>	
End of year			<u>\$ 11,598,145</u>	

**NONMAJOR GOVERNMENTAL FUNDS**





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## City of Coachella Nonmajor Governmental Funds

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### Special Revenue Funds:

**Air Quality Improvement** - used to account for revenues received under AB 2766 restricted for reduction of air pollution.

**Local Transportation** - used to account for revenue that is received from the Riverside County Transportation Commission ("RCTC") and used for projects related to their Transportation Development Act Measure "A" and "TUMF" funding program.

**Landscape and Lighting Districts** - used to account for special assessments levied on real property and expenditures to provide landscape and street lighting maintenance for certain districts formed within the City.

**Fire Protection District** - used to account for receipts collected that are restricted for fire protection.

**CDBG** - used to account for the net proceeds of Code Enforcement program funded through CDBG grant funds passed through the County of Riverside Economic Development Agency.

**Gaming Grants** - used to account for revenues received from tribal gaming that impact the City of Coachella and for proposed projects designed to mitigate these impacts.

**State Gas Tax** - used to account for street improvement and engineering costs. Financing is provided by the City's allocation of State gasoline taxes.

**Road Maintenance - Dillon Road** - used to account for revenue received to rehab Dillon Road on a specific site where trucks drive every day.

**Road Maintenance and Rehabilitation Program ("Road Maintenance SB 1")** - used to account for street and road maintenance costs financed by the City's allocation of State gasoline taxes, diesel excise tax, vehicle license fee, and vehicle registration fee for zero-emission vehicles.

**Economic Improvement** - used to account for net proceeds from payment of principal and interests on first-time home buyer loans made with CalHome, HUD Home Program, and CDBG Home Rehabilitation Program funds and related administrative activities.

**Education and Government Access Cable** - used to account for revenues received from cable television fees or local access to government and education.

**City of Coachella**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**June 30, 2020**

	Special Revenue Funds				
	Air Quality Improvement	Local Transportation	Landscape and Lighting Districts	Fire Protection District	CDBG
<b>ASSETS</b>					
Cash and investments	\$ 45,960	\$ 247,517	\$ 2,300,893	\$ 728,261	\$ 41,042
Receivables:					
Accounts receivable	-	20,304	-	-	-
Interest	156	4,804	5,866	613	-
Due from other governments	-	1,466,743	32,872	40,462	249,660
Deferred special assessment	-	-	-	70,744	-
Loans receivable	-	-	-	-	-
Restricted assets:					
Cash and investments with fiscal agent	-	-	-	-	-
<b>Total assets</b>	<b>\$ 46,116</b>	<b>\$ 1,739,368</b>	<b>\$ 2,339,631</b>	<b>\$ 840,080</b>	<b>\$ 290,702</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>					
<b>Liabilities:</b>					
Accounts payable and accrued liabilities	\$ -	\$ 104,268	\$ 195,873	\$ 744,262	\$ -
Accrued wages payable	-	-	4,628	-	1,446
Due to other governments	10,880	100,820	-	-	-
Due to other funds	-	1,344,050	-	-	172,850
Unearned revenue	-	-	-	-	-
<b>Total liabilities</b>	<b>10,880</b>	<b>1,549,138</b>	<b>200,501</b>	<b>744,262</b>	<b>174,296</b>
<b>Deferred Inflows of Resources</b>					
Unavailable revenues	-	1,344,050	16,956	79,438	172,850
<b>Fund Balances:</b>					
Restricted for:					
Low income housing	-	-	-	-	-
Highways and streets	35,236	-	2,122,174	-	-
Community development	-	-	-	-	-
Fire	-	-	-	16,380	-
Public facility general government	-	-	-	-	-
Unassigned	-	(1,153,820)	-	-	(56,444)
<b>Total fund balances</b>	<b>35,236</b>	<b>(1,153,820)</b>	<b>2,122,174</b>	<b>16,380</b>	<b>(56,444)</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 46,116</b>	<b>\$ 1,739,368</b>	<b>\$ 2,339,631</b>	<b>\$ 840,080</b>	<b>\$ 290,702</b>

(Continued)

**City of Coachella**  
**Combining Balance Sheet (Continued)**  
**Nonmajor Governmental Funds**  
**June 30, 2020**

	Special Revenue Funds				
	Gaming Grants	State Gas Tax	Road Maintenance Dillon Road	Road Maintenance SB 1	Economic Improvement
<b>ASSETS</b>					
Cash and investments	\$ 485,240	\$ 189,477	\$ 45,202	\$ 1,358,977	\$ 1,450,691
Receivables:					
Accounts receivable	-	-	-	-	-
Interest	2,026	-	-	-	4,625
Due from other governments	-	-	-	57,801	-
Deferred special assessment	-	-	-	-	-
Loans receivable	-	-	-	-	4,448,621
Restricted assets:					
Cash and investments with fiscal agent	-	-	-	-	-
<b>Total assets</b>	<b>\$ 487,266</b>	<b>\$ 189,477</b>	<b>\$ 45,202</b>	<b>\$ 1,416,778</b>	<b>\$ 5,903,937</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>					
<b>Liabilities:</b>					
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued wages payable	-	-	-	-	-
Due to other governments	-	-	-	-	-
Due to other funds	-	189,477	-	296,377	-
Unearned revenue	465,770	-	-	-	-
<b>Total liabilities</b>	<b>465,770</b>	<b>189,477</b>	<b>-</b>	<b>296,377</b>	<b>-</b>
<b>Deferred Inflows of Resources</b>					
Unavailable revenues	-	-	-	-	-
<b>Fund Balances:</b>					
Restricted for:					
Low income housing	-	-	-	-	5,903,937
Highways and streets	-	-	45,202	1,120,401	-
Community development	21,496	-	-	-	-
Fire	-	-	-	-	-
Public facility general government	-	-	-	-	-
Unassigned	-	-	-	-	-
<b>Total fund balances</b>	<b>21,496</b>	<b>-</b>	<b>45,202</b>	<b>1,120,401</b>	<b>5,903,937</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 487,266</b>	<b>\$ 189,477</b>	<b>\$ 45,202</b>	<b>\$ 1,416,778</b>	<b>\$ 5,903,937</b>

(Continued)

**City of Coachella**  
**Combining Balance Sheet (Continued)**  
**Nonmajor Governmental Funds**  
**June 30, 2020**

	Special Revenue Funds	Total Nonmajor Governmental Funds
<b>ASSETS</b>		
Cash and investments	\$ 78,519	\$ 6,971,779
Receivables:		
Accounts receivable	-	20,304
Interest	-	18,090
Due from other governments	-	1,847,538
Deferred special assessment	-	70,744
Loans receivable	-	4,448,621
Restricted assets:		
Cash and investments with fiscal agent	-	-
<b>Total assets</b>	<b>\$ 78,519</b>	<b>\$ 13,377,076</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>		
<b>Liabilities:</b>		
Accounts payable and accrued liabilities	\$ -	\$ 1,044,403
Accrued wages payable	-	6,074
Due to other governments	-	111,700
Due to other funds	-	2,002,754
Unearned revenue	13,985	479,755
<b>Total liabilities</b>	<b>13,985</b>	<b>3,644,686</b>
<b>Deferred Inflows of Resources</b>		
Unavailable revenues	-	1,613,294
<b>Fund Balances:</b>		
Restricted for:		
Low income housing	-	5,903,937
Highways and streets		3,323,013
Community development	-	21,496
Fire	-	16,380
Public facility general government	64,534	64,534
Unassigned	-	(1,210,264)
<b>Total fund balances</b>	<b>64,534</b>	<b>8,119,096</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 78,519</b>	<b>\$ 13,377,076</b>

(Concluded)

**City of Coachella**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2020**

	Special Revenue Funds				
	Air Quality Improvement	Local Transportation	Landscape and Lighting District	Fire Protection District	CDBG
<b>REVENUES:</b>					
Taxes	\$ -	\$ -	\$ -	\$ 896,102	\$ -
License and permits	-	-	-	-	-
Charges for services	-	-	-	40,930	-
Intergovernmental	43,926	1,539,726	-	14,361	419,594
Special assessments	-	-	1,988,482	647,265	-
Investment income	1,457	27,737	60,345	9,996	-
Other revenue	-	-	-	-	-
<b>Total revenues</b>	<b>45,383</b>	<b>1,567,463</b>	<b>2,048,827</b>	<b>1,608,654</b>	<b>419,594</b>
<b>EXPENDITURES:</b>					
Current:					
General government	-	-	-	-	-
Public safety - fire	-	-	-	3,099,518	-
Community development	-	-	-	-	85,000
Public works	43,823	4,868	1,353,975	-	-
<b>Total expenditures</b>	<b>43,823</b>	<b>4,868</b>	<b>1,353,975</b>	<b>3,099,518</b>	<b>85,000</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>1,560</b>	<b>1,562,595</b>	<b>694,852</b>	<b>(1,490,864)</b>	<b>334,594</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers in	-	545	-	1,630,963	-
Transfers out	-	(3,538,921)	(234,292)	(142,390)	(1,060,807)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>(3,538,376)</b>	<b>(234,292)</b>	<b>1,488,573</b>	<b>(1,060,807)</b>
<b>Net change in fund balances</b>	<b>1,560</b>	<b>(1,975,781)</b>	<b>460,560</b>	<b>(2,291)</b>	<b>(726,213)</b>
<b>FUND BALANCES:</b>					
Beginning of year	33,676	821,961	1,661,614	18,671	669,769
End of year	<b>\$ 35,236</b>	<b>\$ (1,153,820)</b>	<b>\$ 2,122,174</b>	<b>\$ 16,380</b>	<b>\$ (56,444)</b>

(Continued)

**City of Coachella**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2020**

	Special Revenue Funds				
	Gaming Grants	State Gas Tax	Road Maintenance Dillon Road	Road Maintenance SB 1	Economic Improvement
<b>REVENUES:</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
License and permits	-	-	-	-	-
Charges for services	-	-	-	-	-
Intergovernmental	145,959	1,007,168	34,125	861,012	-
Special assessments	-	-	-	-	-
Investment income	21,496	-	-	-	62,386
Other revenue	-	-	-	-	1,079
<b>Total revenues</b>	<b>167,455</b>	<b>1,007,168</b>	<b>34,125</b>	<b>861,012</b>	<b>63,465</b>
<b>EXPENDITURES:</b>					
Current:					
General government	-	-	-	-	-
Public safety - fire	-	-	-	-	-
Community development	-	-	-	-	6,501
Public works	-	70	-	-	-
<b>Total expenditures</b>	<b>-</b>	<b>70</b>	<b>-</b>	<b>-</b>	<b>6,501</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>167,455</b>	<b>1,007,098</b>	<b>34,125</b>	<b>861,012</b>	<b>56,964</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers in	-	-	-	-	648,119
Transfers out	(145,959)	(1,101,810)	-	(296,377)	-
<b>Total other financing sources (uses)</b>	<b>(145,959)</b>	<b>(1,101,810)</b>	<b>-</b>	<b>(296,377)</b>	<b>648,119</b>
<b>Net change in fund balances</b>	<b>21,496</b>	<b>(94,712)</b>	<b>34,125</b>	<b>564,635</b>	<b>705,083</b>
<b>FUND BALANCES:</b>					
Beginning of year	-	94,712	11,077	555,766	5,198,854
End of year	<b>\$ 21,496</b>	<b>\$ -</b>	<b>\$ 45,202</b>	<b>\$ 1,120,401</b>	<b>\$ 5,903,937</b>

(Continued)

**City of Coachella**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2020**

	Special Revenue Funds	Total Nonmajor Governmental Funds
<b>REVENUES:</b>		
Taxes	\$ -	\$ 896,102
License and permits	-	-
Charges for services	-	40,930
Intergovernmental	11,580	4,077,451
Special assessments	-	2,635,747
Investment income	-	183,417
Other revenue	-	1,079
<b>Total revenues</b>	11,580	7,834,726
<b>EXPENDITURES:</b>		
Current:		
General government	11,579	11,579
Public safety - fire	-	3,099,518
Community development	-	91,501
Public works	-	1,402,736
<b>Total expenditures</b>	11,579	4,605,334
<b>Excess (deficiency) of revenues over expenditures</b>	1	3,229,392
<b>OTHER FINANCING SOURCES (USES):</b>		
Transfers in	64,533	2,344,160
Transfers out	-	(6,520,556)
<b>Total other financing sources (uses)</b>	64,533	(4,176,396)
<b>Net change in fund balances</b>	64,534	(947,004)
<b>FUND BALANCES:</b>		
Beginning of year	-	9,066,100
End of year	\$ 64,534	\$ 8,119,096

(Concluded)



**City of Coachella**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual**  
**Air Quality Improvement Special Revenue Fund**  
**For the Year Ended June 30, 2020**

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	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 54,000	\$ 54,000	\$ 43,926	\$ (10,074)
Investment income	-	-	1,457	1,457
<b>Total revenues</b>	<u>54,000</u>	<u>54,000</u>	<u>45,383</u>	<u>(8,617)</u>
<b>EXPENDITURES:</b>				
Current:				
Public works	25,000	25,000	43,823	(18,823)
<b>Total expenditures</b>	<u>25,000</u>	<u>25,000</u>	<u>43,823</u>	<u>(18,823)</u>
<b>Net change in fund balance</b>	<u>\$ 29,000</u>	<u>\$ 29,000</u>	1,560	<u>\$ (27,440)</u>
<b>FUND BALANCE:</b>				
Beginning of year			33,676	
End of year			<u>\$ 35,236</u>	

**City of Coachella**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual (Continued)**  
**Local Transportation Special Revenue Fund**  
**For the Year Ended June 30, 2020**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 2,687,469	\$ 2,826,469	\$ 1,539,726	\$ (1,286,743)
Investment income	1,000	1,000	27,737	26,737
<b>Total revenues</b>	<u>2,688,469</u>	<u>2,827,469</u>	<u>1,567,463</u>	<u>(1,260,006)</u>
<b>EXPENDITURES:</b>				
Current:				
Public works	-	-	4,868	(4,868)
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>4,868</u>	<u>(4,868)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>2,688,469</u>	<u>2,827,469</u>	<u>1,562,595</u>	<u>(1,264,874)</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	545	545
Transfers out	(3,117,469)	(3,584,751)	(3,538,921)	45,830
<b>Total other financing sources (uses)</b>	<u>(3,117,469)</u>	<u>(3,584,751)</u>	<u>(3,538,376)</u>	<u>46,375</u>
<b>Net change in fund balance</b>	<u>\$ (429,000)</u>	<u>\$ (757,282)</u>	<u>(1,975,781)</u>	<u>\$ (1,218,499)</u>
<b>FUND BALANCE:</b>				
Beginning of year			821,961	
End of year			<u>\$ (1,153,820)</u>	

## City of Coachella

### Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual (Continued) Landscape and Lighting District Special Revenue Fund For the Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Special assessments	\$ 2,006,263	\$ 2,006,263	\$ 1,988,482	\$ (17,781)
Investment income	-	-	60,345	60,345
<b>Total revenues</b>	<u>2,006,263</u>	<u>2,006,263</u>	<u>2,048,827</u>	<u>42,564</u>
<b>EXPENDITURES:</b>				
Current:				
Public works	1,537,751	1,537,751	1,353,975	183,776
<b>Total expenditures</b>	<u>1,537,751</u>	<u>1,537,751</u>	<u>1,353,975</u>	<u>183,776</u>
<b>Excess of revenues over expenditures</b>	<u>468,512</u>	<u>468,512</u>	<u>694,852</u>	<u>226,340</u>
<b>OTHER FINANCING USES:</b>				
Transfers out	(213,109)	(234,292)	(234,292)	-
<b>Total other financing uses</b>	<u>(213,109)</u>	<u>(234,292)</u>	<u>(234,292)</u>	<u>-</u>
<b>Net change in fund balance</b>	<u>\$ 255,403</u>	<u>\$ 234,220</u>	<u>460,560</u>	<u>\$ 226,340</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>1,661,614</u>	
End of year			<u>\$ 2,122,174</u>	

**City of Coachella**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual (Continued)**  
**Fire Protection District Special Revenue Fund**  
**For the Year Ended June 30, 2020**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ 792,500	\$ 792,500	\$ 896,102	\$ 103,602
Charges for services	35,000	35,000	40,930	5,930
Intergovernmental	-	-	14,361	14,361
Special assessments	604,349	604,349	647,265	42,916
Investment income	1,000	1,000	9,996	8,996
<b>Total revenues</b>	<u>1,432,849</u>	<u>1,432,849</u>	<u>1,608,654</u>	<u>175,805</u>
<b>EXPENDITURES:</b>				
Current:				
Public safety	3,396,451	3,396,451	3,099,518	296,933
<b>Total expenditures</b>	<u>3,396,451</u>	<u>3,396,451</u>	<u>3,099,518</u>	<u>296,933</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(1,963,602)</u>	<u>(1,963,602)</u>	<u>(1,490,864)</u>	<u>472,738</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	2,100,992	2,100,992	1,630,963	(470,029)
Transfers out	(137,041)	(137,041)	(142,390)	(5,349)
<b>Total other financing sources (uses)</b>	<u>1,963,951</u>	<u>1,963,951</u>	<u>1,488,573</u>	<u>(475,378)</u>
<b>Net change in fund balance</b>	<u>\$ 349</u>	<u>\$ 349</u>	<u>(2,291)</u>	<u>\$ (2,640)</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>18,671</u>	
End of year			<u>\$ 16,380</u>	

**City of Coachella**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual (Continued)**  
**CDBG Special Revenue Fund**  
**For the Year Ended June 30, 2020**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 509,636	\$ 720,114	\$ 419,594	\$ (300,520)
<b>Total revenues</b>	<u>509,636</u>	<u>720,114</u>	<u>419,594</u>	<u>(300,520)</u>
<b>EXPENDITURES:</b>				
Current:				
Community development	-	-	85,000	(85,000)
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>85,000</u>	<u>(85,000)</u>
<b>Excess of revenues over expenditures</b>	<u>509,636</u>	<u>720,114</u>	<u>334,594</u>	<u>(385,520)</u>
<b>OTHER FINANCING USES:</b>				
Transfers out	(552,000)	(612,478)	(1,060,807)	(448,329)
<b>Total other financing uses</b>	<u>(552,000)</u>	<u>(612,478)</u>	<u>(1,060,807)</u>	<u>(448,329)</u>
<b>Net change in fund balance</b>	<u>\$ (42,364)</u>	<u>\$ 107,636</u>	<u>(726,213)</u>	<u>\$ (833,849)</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>669,769</u>	
End of year			<u>\$ (56,444)</u>	

**City of Coachella**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual (Continued)**  
**Gaming Grants Special Revenue Fund**  
**For the Year Ended June 30, 2020**

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	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 594,347	\$ 594,347	\$ 145,959	\$ (448,388)
Investment income	-	-	21,496	21,496
<b>Total revenues</b>	<u>594,347</u>	<u>594,347</u>	<u>167,455</u>	<u>(426,892)</u>
<b>OTHER FINANCING USES:</b>				
Transfers out	(594,347)	(594,347)	(145,959)	448,388
<b>Total other financing uses</b>	<u>(594,347)</u>	<u>(594,347)</u>	<u>(145,959)</u>	<u>448,388</u>
<b>Net change in fund balance</b>	<u>\$ -</u>	<u>\$ -</u>	21,496	<u>\$ 21,496</u>
<b>FUND BALANCE:</b>				
Beginning of year			-	
End of year			<u>\$ 21,496</u>	

**City of Coachella**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual (Continued)**  
**State Gas Tax Special Revenue Fund**  
**For the Year Ended June 30, 2020**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 1,144,000	\$ 1,144,000	\$ 1,007,168	\$ (136,832)
<b>Total revenues</b>	<u>1,144,000</u>	<u>1,144,000</u>	<u>1,007,168</u>	<u>(136,832)</u>
<b>EXPENDITURES:</b>				
Current:				
Public works	-	-	70	(70)
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>70</u>	<u>(70)</u>
<b>Excess of revenues over expenditures</b>	<u>1,144,000</u>	<u>1,144,000</u>	<u>1,007,098</u>	<u>(136,902)</u>
<b>OTHER FINANCING USES:</b>				
Transfers out	(1,261,295)	(1,261,295)	(1,101,810)	159,485
<b>Total other financing uses</b>	<u>(1,261,295)</u>	<u>(1,261,295)</u>	<u>(1,101,810)</u>	<u>159,485</u>
<b>Net change in fund balance</b>	<u>\$ (117,295)</u>	<u>\$ (117,295)</u>	<u>(94,712)</u>	<u>\$ 22,583</u>
<b>FUND BALANCE:</b>				
Beginning of year			94,712	
End of year			<u>\$ -</u>	

**City of Coachella**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual (Continued)**  
**Road Maintenance SB1 Special Revenue Fund**  
**For the Year Ended June 30, 2020**

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	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 807,000	\$ 807,000	\$ 861,012	\$ 54,012
<b>Total revenues</b>	<u>807,000</u>	<u>807,000</u>	<u>861,012</u>	<u>54,012</u>
<b>OTHER FINANCING USES:</b>				
Transfers out	(1,420,000)	(1,420,000)	(296,377)	1,123,623
<b>Total other financing uses</b>	<u>(1,420,000)</u>	<u>(1,420,000)</u>	<u>(296,377)</u>	<u>1,123,623</u>
<b>Net change in fund balance</b>	<u>\$ (613,000)</u>	<u>\$ (613,000)</u>	564,635	<u>\$ 1,177,635</u>
<b>FUND BALANCE:</b>				
Beginning of year			555,766	
End of year			<u>\$ 1,120,401</u>	



## City of Coachella

### Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual (Continued) Education and Government Access Cable Special Revenue Fund For the Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ -	\$ -	\$ 11,580	\$ 11,580
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>11,580</u>	<u>11,580</u>
<b>EXPENDITURES:</b>				
Current:				
General government	32,000	32,000	11,579	20,421
<b>Total expenditures</b>	<u>32,000</u>	<u>32,000</u>	<u>11,579</u>	<u>20,421</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(32,000)</u>	<u>(32,000)</u>	<u>1</u>	<u>32,001</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	64,533	64,533
Transfers out	(32,000)	(32,000)	-	32,000
<b>Total other financing (sources) uses</b>	<u>(32,000)</u>	<u>(32,000)</u>	<u>64,533</u>	<u>96,533</u>
<b>Net change in fund balance</b>	<u><u>\$ (64,000)</u></u>	<u><u>\$ (64,000)</u></u>	<u>64,534</u>	<u><u>\$ 128,534</u></u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>-</u>	
End of year			<u><u>\$ 64,534</u></u>	

## **CUSTODIAL FUNDS**



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## **City of Coachella Custodial Funds**

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### **Custodial Funds:**

**JPA Waste Transfer Fund** - used to account for the receipts collected and distributed to the Coachella Indio Waste Transfer Station Joint Power Authority for waste transfer services provided to City residents.

**Flood Control Capital Facilities Fund** - used to account for the assets held on behalf of the Coachella Valley Water District for storm drainage and other capital projects.

**Refuse Fund** - used to account for the receipts collected and distributed to Burrtec Waste & Recycling Services , LLC for refuse services provided to City Residents.

**Coachella Parks and Recreation Foundation Fund** - used to account for the receipts collected and distributed to the Coachella Parks and Recreation Foundation.

**Special Assessment CFD 2018-1 Glenroy Fund** - used to account for special assessment paid by property owners in the CFD 2018-1 Glenroy and to make the debt service payments on their behalf.

**City of Coachella**  
**Combining Statement of Fiduciary Net Position**  
**Custodial Funds**  
**June 30, 2020**

	JPA Waste Transfer	Flood Control Capital Facilities	Refuse Fund	Coachella Parks and Recreation Foundation
<b>ASSETS</b>				
Cash and investments	\$ 677,687	\$ 2,314,458	\$ 31,199	\$ 18,365
Accounts receivable	163,247	-	100,555	-
Interest receivable	2,012	7,430	-	-
<b>Total Assets</b>	<b>842,946</b>	<b>2,321,888</b>	<b>131,754</b>	<b>18,365</b>
<b>LIABILITIES</b>				
Pass-through payable	-	1,722,380	12,186	-
Due to refuse service provider	-	-	36,080	-
<b>Total liabilities</b>	<b>-</b>	<b>1,722,380</b>	<b>48,266</b>	<b>-</b>
<b>NET POSITION</b>				
Restricted for:				
Individuals, organization, and other governments	\$ 842,946	\$ 599,508	\$ 83,488	\$ 18,365

(Continued)

**City of Coachella**  
**Combining Statement of Fiduciary Net Position (Continued)**  
**Custodial Funds**  
**June 30, 2020**

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	Special Assessment CFD 2018-1 Glenroy	Total Custodial Funds
<b>ASSETS</b>		
Cash and investments	\$ 116,477	\$ 3,158,186
Accounts receivable	205,041	468,843
Interest receivable	-	9,442
<b>Total Assets</b>	<b>321,518</b>	<b>3,636,471</b>
<b>LIABILITIES</b>		
Pass-through payable	-	1,734,566
Due to refuse service provider	-	36,080
<b>Total liabilities</b>	<b>-</b>	<b>1,770,646</b>
<b>NET POSITION</b>		
Restricted for:		
Individuals, organization, and other governments	\$ 321,518	\$ 1,865,825

(Concluded)

**City of Coachella**  
**Combining Statement of Changes in Fiduciary Net Position**  
**Custodial Funds**  
**For the Year Ended June 30, 2020**

	JPA Waste Transfer	Flood Control Capital Facilities	Refuse Fund	Coachella Parks and Recreation Foundation
<b>ADDITIONS:</b>				
Assessment revenue collected	\$ -	\$ -	\$ -	\$ -
Investment income	19,986	53,219	-	-
Refuse revenue collected for other organization	-	-	2,345,116	-
Waste transfer charges collected for other organization	907,752	-	-	-
Donations and contributions	-	-	-	10,545
<b>Total additions</b>	<b>927,738</b>	<b>53,219</b>	<b>2,345,116</b>	<b>10,545</b>
<b>DEDUCTIONS:</b>				
Payment of special assessment district expense	-	-	-	-
Payment of refuse revenue to other organization	-	-	2,291,325	-
Payment of waste transfer charges to other government	679,516	-	-	-
Other deductions	-	-	-	1,333
<b>Total deductions</b>	<b>679,516</b>	<b>-</b>	<b>2,291,325</b>	<b>1,333</b>
<b>Change in net position</b>	<b>248,222</b>	<b>53,219</b>	<b>53,791</b>	<b>9,212</b>
<b>NET POSITION:</b>				
Beginning of year, as restated (Note 15)	594,724	546,289	29,697	9,153
End of year	<b>\$ 842,946</b>	<b>\$ 599,508</b>	<b>\$ 83,488</b>	<b>\$ 18,365</b>

(Continued)

**City of Coachella**  
**Combining Statement of Changes in Fiduciary Net Position (Continued)**  
**Custodial Funds**  
**For the Year Ended June 30, 2020**

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	Special Assessment CFD 2018-1 Glenroy	Total Custodial Funds
<b>ADDITIONS:</b>		
Assessment revenue collected	\$ 427,347	\$ 427,347
Investment income	-	73,205
Refuse revenue collected for other organization	-	2,345,116
Waste transfer charges collected for other organization	-	907,752
Donations and contributions	-	10,545
<b>Total additions</b>	427,347	3,763,965
<b>DEDUCTIONS:</b>		
Payment of special assessment district expense	369,576	369,576
Payment of refuse revenue to other organization	-	2,291,325
Payment of waste transfer charges to other government	-	679,516
Other deductions	-	1,333
<b>Total deductions</b>	369,576	3,341,750
<b>Change in net position</b>	57,771	422,215
<b>NET POSITION:</b>		
Beginning of year, as restated (Note 15)	263,747	1,443,610
End of year	\$ 321,518	\$ 1,865,825

(Concluded)





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**STATISTICAL SECTION**



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**City of Coachella**  
**Description of Statistical Section Contents**

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**This part of the City of Coachella's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information say about the government's overall financial health.**

Contents:	<b>Pages</b>
<b>Financial Trends</b> - These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	136-145
<b>Revenue Capacity</b> - These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	147-155
<b>Debt Capacity</b> - These schedules present information to help the reader assess the affordability of the City's current level of outstanding debt and the City's ability to issue additional debt in the future.	157-162
<b>Demographic and Economic Information</b> - These schedules offer demographics and economic indicators to help the reader understand the environment within which the City's financial activities take place.	163-164
<b>Operating Information</b> - These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report related to the services the City provides and activities it performs.	165-169

**City of Coachella**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	Fiscal Years				
	2011	2012	2013	2014	2015
<b>Governmental activities:</b>					
Net investment in					
capital assets	\$ 101,147,347	\$ 111,247,097	\$ 120,525,667	\$ 132,329,974	\$ 145,593,234
Restricted	26,096,284	23,302,650	15,984,734	5,035,089	4,053,609
Unrestricted	(25,655,766)	903,304	3,821,526	17,339,942	10,703,722
<b>Total governmental net position</b>	<b>\$ 101,587,865</b>	<b>\$ 135,453,051</b>	<b>\$ 140,331,927</b>	<b>\$ 154,705,005</b>	<b>\$ 160,350,565</b>
<b>Business-type activities:</b>					
Net investment in					
capital assets	\$ 28,937,151	\$ 31,140,385	\$ 30,060,637	\$ 29,190,240	\$ 29,253,731
Restricted	12,386,534	10,544,314	11,808,295	11,781,174	12,022,868
Unrestricted	330,584	680,001	1,550,566	2,427,129	(1,800,780)
<b>Total business-type net position</b>	<b>\$ 41,654,269</b>	<b>\$ 42,364,700</b>	<b>\$ 43,419,498</b>	<b>\$ 43,398,543</b>	<b>\$ 39,475,819</b>
<b>Primary government:</b>					
Net investment in capital assets	\$ 130,084,498	\$ 142,387,482	\$ 150,586,304	\$ 161,520,214	\$ 174,846,965
Restricted	38,482,818	33,846,964	27,793,029	16,816,263	16,076,477
Unrestricted	(25,325,182)	1,583,305	5,372,092	19,767,071	8,902,942
<b>Total primary gov't net position</b>	<b>\$ 143,242,134</b>	<b>\$ 177,817,751</b>	<b>\$ 183,751,425</b>	<b>\$ 198,103,548</b>	<b>\$ 199,826,384</b>

Source: City of Coachella

**City of Coachella**  
**Net Position by Component (Continued)**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	Fiscal Years				
	2016	2017 <sup>(1)</sup>	2018	2019	2020
Governmental activities:					
Net investment in					
capital assets	\$ 157,898,999	\$ 166,082,543	\$ 169,053,563	\$ 175,347,890	\$ 177,654,735
Restricted	4,053,609	3,795,395	9,447,922	11,302,241	10,220,894
Unrestricted	13,006,316	5,126,523	(1,023,578)	(4,752,725)	(3,720,578)
Total governmental net position	<u>\$ 174,958,924</u>	<u>\$ 175,004,461</u>	<u>\$ 177,477,907</u>	<u>\$ 181,897,406</u>	<u>\$ 184,155,051</u>
Business-type activities:					
Net investment in					
capital assets	\$ 29,332,671	\$ 29,366,927	\$ 29,018,484	\$ 28,549,842	\$ 27,498,094
Restricted	11,783,670	11,854,918	13,395,402	12,728,682	12,551,198
Unrestricted	(2,613,339)	(1,742,673)	(1,498,515)	1,557,514	3,450,313
Total business-type net position	<u>\$ 38,503,002</u>	<u>\$ 39,479,172</u>	<u>\$ 40,915,371</u>	<u>\$ 42,836,038</u>	<u>\$ 43,499,605</u>
Primary government:					
Net investment in capital assets	\$ 187,231,670	\$ 195,449,470	\$ 198,072,047	\$ 203,897,732	\$ 205,152,829
Restricted	15,837,279	15,650,313	22,843,324	24,030,923	22,772,092
Unrestricted	10,392,977	3,383,850	(2,522,093)	(3,195,211)	(270,265)
Total primary gov't net position	<u>\$ 213,461,926</u>	<u>\$ 214,483,633</u>	<u>\$ 218,393,278</u>	<u>\$ 224,733,444</u>	<u>\$ 227,654,656</u>

<sup>(1)</sup> Restated to reflect implementation of GASB 75 and prior period adjustments

Source: City of Coachella

**City of Coachella**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	Fiscal Years				
	2011	2012	2013	2014	2015
Expenses:					
Governmental activities:					
General government	\$ 4,605,459	\$ 6,111,900	\$ 4,998,607	\$ 4,124,482	\$ 4,849,757
Public safety	9,935,026	10,307,033	11,303,766	11,189,847	12,338,488
Community development	-	-	-	-	-
Public works	11,699,266	3,973,174	6,965,830	7,262,906	8,461,080
Parks and recreation	1,334,218	1,434,101	1,854,340	2,376,873	2,504,397
Interest on long-term debt	2,878,831	875,283	302,426	296,609	290,576
Total governmental activities	<u>30,452,800</u>	<u>22,701,491</u>	<u>25,424,969</u>	<u>25,250,717</u>	<u>28,444,298</u>
Business-type activities					
Water	5,178,132	5,296,709	5,820,913	5,415,282	5,286,149
Sanitary	5,104,398	4,592,115	5,450,091	5,247,438	5,206,579
Total business-type activities	<u>10,282,530</u>	<u>9,888,824</u>	<u>11,271,004</u>	<u>10,662,720</u>	<u>10,492,728</u>
Total primary government expenses	<u>40,735,330</u>	<u>32,590,315</u>	<u>36,695,973</u>	<u>35,913,437</u>	<u>38,937,026</u>
Program Revenues					
Governmental activities:					
Charges for services:					
General government	1,229,829	1,042,436	1,095,362	691,362	995,116
Public safety	57,173	39,690	83,181	80,823	601,521
Community development	-	-	-	-	-
Public works	437,508	240,491	2,669,927	473,148	567,991
Parks and recreation	-	-	18,803	38,717	78,314
Operating grants and contributions	3,860,007	3,206,084	5,547,193	11,445,418	5,545,347
Capital grants and contributions	4,440,478	2,542,580	5,320,294	12,178,865	15,028,254
Total governmental activities program revenue	<u>10,024,995</u>	<u>7,071,281</u>	<u>14,734,760</u>	<u>24,908,333</u>	<u>22,816,543</u>
Business Type Activities					
Charges for services:					
Water	4,712,079	5,423,430	6,854,219	6,393,874	6,795,227
Sanitary	5,133,701	5,023,433	5,990,399	5,278,139	5,480,180
Capital grants and contributions	-	-	-	-	-
Total business-type activities	<u>9,845,780</u>	<u>10,446,863</u>	<u>12,844,618</u>	<u>11,672,013</u>	<u>12,275,407</u>
Total primary government activities program revenues	<u>19,870,775</u>	<u>17,518,144</u>	<u>27,579,378</u>	<u>36,580,346</u>	<u>35,091,950</u>
Net revenues (expenses):					
Governmental activities	(20,427,805)	(15,630,210)	(10,690,209)	(342,384)	(5,627,755)
Business-type activities	(436,750)	558,039	1,573,614	1,009,293	1,782,679
Total net revenues (expenses)	<u>(20,864,555)</u>	<u>(15,072,171)</u>	<u>(9,116,595)</u>	<u>666,909</u>	<u>(3,845,076)</u>

(Continued)

Source: City of Coachella

**City of Coachella**  
**Changes in Net Position (Continued)**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	Fiscal Years				
	2016	2017 <sup>(1)</sup>	2018	2019	2020
Expenses:					
Governmental activities:					
General government	\$ 4,251,234	\$ 6,836,135	\$ 6,368,636	\$ 6,553,545	\$ 7,540,100
Public safety	11,972,181	11,280,788	11,886,177	11,774,356	13,095,197
Community development	-	1,857,803	2,016,154	1,790,318	1,943,784
Public works	8,553,492	9,407,247	9,249,130	8,328,169	10,631,562
Parks and recreation	2,547,807	3,048,758	2,681,043	2,568,131	2,730,838
Interest on long-term debt	284,159	595,177	673,403	670,778	954,884
Total governmental activities	<u>27,608,873</u>	<u>33,025,908</u>	<u>32,874,543</u>	<u>31,685,297</u>	<u>36,896,365</u>
Business-type activities					
Water	5,957,705	6,156,918	6,332,662	5,866,721	7,121,639
Sanitary	5,451,109	5,387,442	5,659,749	5,591,651	5,816,793
Total business-type activities	<u>11,408,814</u>	<u>11,544,360</u>	<u>11,992,411</u>	<u>11,458,372</u>	<u>12,938,432</u>
Total primary government expenses	<u>39,017,687</u>	<u>44,570,268</u>	<u>44,866,954</u>	<u>43,143,669</u>	<u>49,834,797</u>
Program Revenues					
Governmental activities:					
Charges for services:					
General government	1,403,812	481,951	501,631	796,669	601,681
Public safety	923,539	637,133	606,712	473,001	434,478
Community development	-	667,214	1,222,486	564,547	686,961
Public works	993,438	2,055,336	1,571,685	932,899	2,298,215
Parks and recreation	63,165	58,578	55,125	66,033	29,566
Operating grants and contributions	6,505,798	8,385,986	9,401,381	7,937,754	8,759,557
Capital grants and contributions	12,079,607	6,258,668	3,247,640	4,879,449	5,482,588
Total governmental activities program revenue	<u>21,969,359</u>	<u>18,544,866</u>	<u>16,606,660</u>	<u>15,650,353</u>	<u>18,293,046</u>
Business Type Activities					
Charges for services:					
Water	5,991,334	5,810,063	6,170,863	6,221,940	5,991,611
Sanitary	5,411,565	5,312,468	5,438,519	5,866,814	5,969,661
Capital grants and contributions	-	858,571	1,702,766	776,614	1,057,169
Total business-type activities	<u>11,402,899</u>	<u>11,981,102</u>	<u>13,312,148</u>	<u>12,865,368</u>	<u>13,018,441</u>
Total primary government activities program revenues	<u>33,372,258</u>	<u>30,525,968</u>	<u>29,918,808</u>	<u>28,515,721</u>	<u>31,311,487</u>
Net revenues (expenses):					
Governmental activities	(5,639,514)	(14,481,042)	(16,267,883)	(16,034,944)	(18,603,319)
Business-type activities	(5,915)	436,742	1,319,737	1,406,996	80,009
Total net revenues (expenses)	<u>(5,645,429)</u>	<u>(15,878,586)</u>	<u>(14,948,146)</u>	<u>(14,627,948)</u>	<u>(18,523,310)</u>

(Continued)

<sup>(1)</sup> Reclassifications were made to the 2017 balances

Source: City of Coachella



**City of Coachella**  
**Changes in Net Position (Continued)**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	Fiscal Years				
	2011	2012	2013	2014	2015
General Revenues					
Governmental activities:					
Taxes:					
Property taxes	\$ 14,936,877	\$ 7,230,805	\$ 3,641,132	\$ 3,865,606	\$ 4,632,924
Other taxes	3,270,921	4,799,090	7,465,062	7,391,279	10,045,129
Interest and rental income	616,606	333,809	56,285	106,855	132,856
Other revenues	725,955	39,472	820,102	491,553	807,923
Transfers	-	-	5,479,971	2,860,169	1,528,100
Total governmental activities	<u>19,550,359</u>	<u>12,403,176</u>	<u>17,462,552</u>	<u>14,715,462</u>	<u>17,146,932</u>
Business-type activities					
Other taxes	52,479	88,747	120,102	78,565	119,244
Interest and rental income	307,310	63,645	17,012	62,092	138,131
Other revenues	-	-	-	-	-
Transfers	-	-	-	(1,170,905)	(1,278,100)
Total business-type activities	<u>359,789</u>	<u>152,392</u>	<u>137,114</u>	<u>(1,030,248)</u>	<u>(1,020,725)</u>
Total primary government	<u>19,910,148</u>	<u>12,555,568</u>	<u>17,599,666</u>	<u>13,685,214</u>	<u>16,126,207</u>
Changes in Net Position					
Governmental activities	(877,446)	(3,227,034)	6,772,343	14,373,078	11,519,177
Business-type activities	(76,961)	710,431	1,710,728	(20,955)	761,954
Total primary government	<u>\$ (954,407)</u>	<u>\$ (2,516,603)</u>	<u>\$ 8,483,071</u>	<u>\$ 14,352,123</u>	<u>\$ 12,281,131</u>

(Continued)

Source: City of Coachella

**City of Coachella**  
**Changes in Net Position (Continued)**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	Fiscal Years				
	2016	2017 <sup>(1)</sup>	2018	2019	2020
General Revenues					
Governmental activities:					
Taxes:					
Property taxes	\$ 4,944,626	\$ 4,754,692	\$ 5,036,564	\$ 5,439,836	\$ 6,042,270
Other taxes	12,186,264	11,306,756	12,057,090	13,486,358	12,468,513
Interest and rental income	240,638	91,806	182,336	209,045	427,179
Other revenues	1,595,993	171,567	442,860	409,173	340,100
Transfers	1,280,352	1,268,912	1,022,479	910,030	1,573,863
Total governmental activities	<u>20,247,873</u>	<u>17,593,733</u>	<u>18,741,329</u>	<u>20,454,442</u>	<u>20,851,925</u>
Business-type activities					
Other taxes	122,031	140,354	146,243	183,787	178,215
Interest and rental income	191,419	(24,732)	(8,682)	560,759	713,094
Other revenues	-	759,370	1,001,380	679,155	705,991
Transfers	(1,280,352)	(1,268,912)	(1,022,479)	(910,030)	(1,573,863)
Total business-type activities	<u>(966,902)</u>	<u>(393,920)</u>	<u>116,462</u>	<u>513,671</u>	<u>23,437</u>
Total primary government	<u>19,280,971</u>	<u>17,199,813</u>	<u>18,857,791</u>	<u>20,968,114</u>	<u>20,875,363</u>
Changes in Net Position					
Governmental activities	14,608,359	3,112,691	2,473,446	4,419,498	2,248,606
Business-type activities	(972,817)	42,822	1,436,199	1,920,667	103,446
Total primary government	<u>\$ 13,635,542</u>	<u>\$ 3,155,513</u>	<u>\$ 3,909,645</u>	<u>\$ 6,340,165</u>	<u>\$ 2,352,052</u>

(Concluded)

<sup>(1)</sup> Reclassifications were made to the 2017 balances

Source: City of Coachella

**City of Coachella**  
**Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

	Fiscal Years				
	2011	2012	2013 <sup>(1)</sup>	2014	2015
General Fund:					
Reserved	\$ 97,889	\$ 696,055	\$ 747,187	\$ -	\$ -
Unreserved	7,438,822	7,216,287	7,233,049	-	-
Nonspendable	-	-	-	712,301	804,798
Restricted	-	-	-	-	1,034
Committed	-	-	-	127,126	962,276
Assigned	-	-	-	-	545
Unassigned	-	-	-	4,641,681	5,379,585
<b>Total general fund</b>	<b>\$ 7,536,711</b>	<b>\$ 7,912,342</b>	<b>\$ 7,980,236</b>	<b>\$ 5,481,108</b>	<b>\$ 7,148,238</b>
All other government funds:					
Reserved	\$ 6,119,021	\$ 7,557,962	\$ 6,473,490	\$ -	\$ -
Unreserved, reported in:					
Special revenue funds	22,277,334	9,811,963	8,762,749	-	-
Capital projects funds	9,507,944	(8,722)	-	-	-
Nonspendable	-	-	-	-	-
Restricted	-	-	-	4,364,961	4,521,075
Committed	-	-	-	5,485,291	4,425,140
Assigned	-	-	-	3,225,142	2,480,066
Unassigned	-	-	-	(10,842)	(1,795)
<b>Total all other governmental funds</b>	<b>\$ 37,904,299</b>	<b>\$ 17,361,203</b>	<b>\$ 15,236,239</b>	<b>\$ 13,064,552</b>	<b>\$ 11,424,486</b>
<b>Total governmental funds</b>	<b>\$ 45,441,010</b>	<b>\$ 25,273,545</b>	<b>\$ 23,216,475</b>	<b>\$ 18,545,660</b>	<b>\$ 18,572,724</b>

<sup>(1)</sup> The requirements of the Governmental Accounting Standards Board (GASB) Statement Number 54 became effective for financial statements for periods beginning after June 15, 2010. This statement requires the reclassification of fund balance for governmental funds into five fund balance classification; Nonspendable, Restricted, Committed, Assigned and Unassigned. See Note Disclosure for additional information.

Source: City of Coachella

**City of Coachella**  
**Fund Balances of Governmental Funds (Continued)**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

	Fiscal Years				
	2016	2017	2018	2019	2020
General Fund:					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-
Nonspendable	1,086,738	4,508,082	15,626,798	8,771,350	8,255,095
Restricted	1,034	1,046	1,045	1,079	74,850
Committed	962,276	1,895,358	58,049	79,063	-
Assigned	545	545	545	545	-
Unassigned	7,810,266	4,632,342	6,993,819	6,390,418	8,284,935
<b>Total general fund</b>	<b>\$ 9,860,859</b>	<b>\$ 11,037,373</b>	<b>\$ 22,680,256</b>	<b>\$ 15,242,455</b>	<b>\$ 16,614,880</b>
All other government funds:					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:					
Special revenue funds	-	-	-	-	-
Capital projects funds	-	-	-	-	-
Nonspendable	-	-	68,311	65,872	63,432
Restricted	4,946,650	4,387,395	11,389,843	10,461,224	21,044,862
Committed	4,028,827	15,424,846	-	11,219,884	-
Assigned	1,631,603	940,181	-	-	-
Unassigned	(62,260)	(3,723,091)	(13,315,214)	(18,895,816)	(20,103,042)
<b>Total all other governmental funds</b>	<b>\$ 10,544,820</b>	<b>\$ 17,029,331</b>	<b>\$ (1,857,060)</b>	<b>\$ 2,851,164</b>	<b>\$ 1,005,252</b>
<b>Total governmental funds</b>	<b>\$ 20,405,679</b>	<b>\$ 28,066,704</b>	<b>\$ 20,823,196</b>	<b>\$ 18,093,619</b>	<b>\$ 17,620,132</b>

<sup>(1)</sup> The requirements of the Governmental Accounting Standards Board (GASB) Statement Number 54 became effective for financial statements for periods beginning after June 15, 2010. This statement requires the reclassification of fund balance for governmental funds into five fund balance classification; Nonspendable, Restricted, Committed, Assigned and Unassigned. See Note Disclosure for additional information.

Source: City of Coachella

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

	Fiscal Years				
	2011	2012	2013	2014	2015
<b>Revenues:</b>					
Taxes	\$ 18,207,798	\$ 15,285,530	\$ 11,719,602	\$ 11,724,882	\$ 14,676,884
Licenses and permits	328,074	443,692	614,773	442,562	538,012
Charges for services	513,713	331,760	453,441	180,654	397,549
Fines, forfeitures and penalties	186,327	200,141	95,057	165,618	184,794
Intergovernmental	4,790,834	10,333,837	7,509,649	15,291,696	17,809,697
Developer fees	-	-	-	-	567,991
Special Assessments	-	-	-	-	3,129,783
Investment Income	616,600	196,698	56,285	106,855	132,856
Other income	4,518,528	6,933,698	6,268,534	4,088,497	807,923
Total revenues	<u>29,161,874</u>	<u>33,725,356</u>	<u>26,717,341</u>	<u>32,000,764</u>	<u>38,245,489</u>
<b>Expenditures:</b>					
<b>Current:</b>					
General government:	4,296,416	5,055,676	4,511,278	4,236,748	4,664,727
Public safety	9,873,162	10,248,889	11,236,936	11,123,018	12,271,659
Community development	-	-	-	-	-
Public works	7,899,073	4,207,017	5,276,308	5,742,835	7,054,272
Capital outlays	1,582,158	11,150,050	12,781,950	16,052,519	17,234,277
<b>Debt service:</b>					
Pass-through Agreements	2,705,158	426,749	-	-	-
Principal retirements	1,356,591	1,240,000	145,000	150,000	160,000
Interest and fiscal changes	2,895,570	1,560,982	302,909	297,109	291,109
Total expenditures	<u>30,608,128</u>	<u>33,889,363</u>	<u>34,254,381</u>	<u>37,602,229</u>	<u>41,676,044</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,446,254)</u>	<u>(164,007)</u>	<u>(7,537,040)</u>	<u>(5,601,465)</u>	<u>(3,430,555)</u>
<b>Other financing sources (uses):</b>					
Proceeds from issuance of bond debt	-	-	-	-	-
Transfers in	9,707,470	46,165,111	19,087,073	22,151,890	20,840,763
Transfers out	(9,707,470)	(46,165,111)	(13,607,102)	(19,291,721)	(19,312,663)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>5,479,971</u>	<u>2,860,169</u>	<u>1,528,100</u>
Extraordinary item:	146,882	(18,012,537)	-	-	-
Net change in fund balances	<u>\$ (1,299,372)</u>	<u>\$ (18,176,544)</u>	<u>\$ (2,057,069)</u>	<u>\$ (2,741,296)</u>	<u>\$ (1,902,455)</u>
Debt service as a percentage of non-capital expenditures	<u>16.16%</u>	<u>12.55%</u>	<u>2.09%</u>	<u>2.07%</u>	<u>1.85%</u>

Source: City of Coachella

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

	Fiscal Years				
	2016	2017	2018	2019	2020
<b>Revenues:</b>					
Taxes	\$ 17,164,738	\$ 17,984,732	\$ 17,871,790	\$ 19,848,580	\$ 19,279,880
Licenses and permits	798,212	816,351	271,415	285,142	460,245
Charges for services	450,980	628,946	1,372,626	881,539	639,637
Fines, forfeitures and penalties	502,295	602,642	527,480	374,848	395,433
Intergovernmental	15,923,966	8,046,558	4,854,874	8,631,744	9,025,629
Developer fees	993,438	1,800,199	1,330,260	537,766	1,850,336
Special Assessments	3,228,493	3,489,601	3,643,875	3,562,383	3,691,811
Investment Income	240,638	32,899	217,530	445,900	662,261
Other income	1,595,993	900,843	1,944,043	814,026	1,120,728
Total revenues	<u>40,898,753</u>	<u>34,302,771</u>	<u>32,033,893</u>	<u>35,381,928</u>	<u>37,125,960</u>
<b>Expenditures:</b>					
<b>Current:</b>					
General government:	4,348,014	5,150,306	5,767,796	6,070,256	6,399,115
Public safety	11,905,352	12,700,293	11,755,720	11,744,788	12,920,006
Community development			2,623,874	2,596,794	1,756,301
Public works	7,190,094	7,601,727	4,934,863	4,631,386	5,964,293
Capital outlays	16,452,981	13,482,382	18,782,238	12,652,515	10,654,477
<b>Debt service:</b>					
Pass-through Agreements	-	-	-	-	-
Principal retirements	165,000	559,477	496,005	513,490	6,131,077
Interest and fiscal changes	284,709	566,473	765,920	777,725	973,999
Total expenditures	<u>40,346,150</u>	<u>40,060,658</u>	<u>45,126,416</u>	<u>38,986,954</u>	<u>44,799,268</u>
Excess (deficiency) of revenues over (under) expenditures	<u>552,603</u>	<u>(5,757,887)</u>	<u>(13,092,523)</u>	<u>(3,605,026)</u>	<u>(7,673,308)</u>
<b>Other financing sources (uses):</b>					
Proceeds from bond debt	-	12,150,000	-	-	5,445,169
Transfers in	19,309,673	17,609,220	29,980,647	17,862,813	15,595,993
Transfers out	(18,029,321)	(16,340,308)	(28,958,168)	(16,952,783)	(14,022,130)
Total other financing sources (uses)	<u>1,280,352</u>	<u>13,418,912</u>	<u>1,022,479</u>	<u>910,030</u>	<u>7,019,032</u>
Extraordinary item:	-	-	-	-	-
<b>Net change in fund balances</b>	<u>\$ 1,832,955</u>	<u>\$ 7,661,025</u>	<u>\$ (12,070,044)</u>	<u>\$ (2,694,996)</u>	<u>\$ (654,276)</u>
Debt service as a percentage of non-capital expenditures	<u>1.88%</u>	<u>4.24%</u>	<u>4.79%</u>	<u>4.90%</u>	<u>20.81%</u>

Source: City of Coachella



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**City of Coachella**  
**Schedule of Net Assessed Value**  
**Last Ten Fiscal Years**

Fiscal Year End	Gross Assessed Value	Less Property Exemptions	Net Taxable Value	Less Homeowners Exemption	Net Assessed Value	Total Direct Tax Rate	Percent of Assessed Value Growth
2011	1,642,263,955	155,857,195	1,486,406,760	11,506,708	1,474,900,052	6.63	-13.04%
2012	1,547,181,026	153,904,367	1,393,276,659	71,670,761	1,321,605,898	6.63	-10.39%
2013	1,481,929,638	155,810,941	1,326,118,697	20,672,757	1,305,445,940	6.63	-1.22%
2014	1,519,638,811	115,454,244	1,404,184,567	20,581,588	1,383,602,979	6.63	5.99%
2015	1,623,808,162	145,480,073	1,478,328,089	20,451,439	1,457,876,650	6.63	5.37%
2016	1,727,928,171	162,063,787	1,565,864,384	20,357,878	1,545,506,506	6.63	6.01%
2017	1,830,267,163	166,032,882	1,664,234,281	20,230,661	1,644,003,620	6.63	6.37%
2018	1,930,830,307	161,356,142	1,769,474,165	20,100,322	1,749,373,843	6.63	6.41%
2019	1,969,716,926	155,067,666	1,886,306,930	19,789,806	1,866,517,124	6.63	6.70%
2020	2,153,070,000	180,727,000	1,972,343,000	19,514,282	1,952,828,718	6.63	4.62%

Source: Riverside County Assessor's Office  
MuniServices, LLC



**City of Coachella**  
**Citywide Assessed Value and Estimated Actual Value of Taxable Property**  
**Last Ten Fiscal Years**

Fiscal Year End	Residential Property	Commercial Property	Other Property	Unsecured Property	Less Tax-Exempt Property	Taxable Assessed Value	Total Direct Tax Rate (1)	Estimated Actual Taxable Value (2)	Taxable Assessed Value (3)
2010-11	782,722,615	295,988,410	501,142,417	62,410,514	155,857,195	1,486,406,761	.03098472	1,474,620,299	0.992071
2011-12	755,901,377	300,469,945	430,469,507	60,340,197	153,904,367	1,393,276,659	.03100944	1,321,605,898	0.948560
2012-13	715,872,078	285,845,274	421,670,150	58,542,136	155,810,941	1,326,118,697	.03100944	1,348,591,725	1.016946
2013-14	752,563,219	287,615,839	419,316,122	60,143,631	115,454,244	1,404,184,567	.03100944	1,496,588,337	1.065806
2014-15	952,454,624	406,038,422	202,671,983	62,643,133	145,480,073	1,478,328,089	.03100944	1,824,638,149	1.234258
2015-16	1,046,676,190	399,749,719	212,961,909	68,540,353	162,063,787	1,565,864,384	.03100944	1,750,844,055	1.118133
2016-17	1,104,720,729	420,392,171	231,715,679	73,438,584	166,032,882	1,664,234,281	.03100944	1,984,624,344	1.192515
2017-18	1,172,395,753	443,568,534	237,132,181	77,733,839	161,356,142	1,769,474,165	.03101123	2,189,773,824	1.237528
2018-19	1,228,726,992	486,061,733	254,825,359	91,090,579	175,491,782	1,885,212,881	.03101123	2,281,595,423	1.210259
2019-20	1,286,033,321	508,708,992	271,974,789	86,353,060	180,726,879	1,972,343,283	.03101123	2,277,596,447	1.154767

1.) Other Value contains state utility in the amount of \$991,207.

2.) Total direct tax rate is the city share of the 1% Proposition 13 tax, post ERAF, for TRA 12-000.

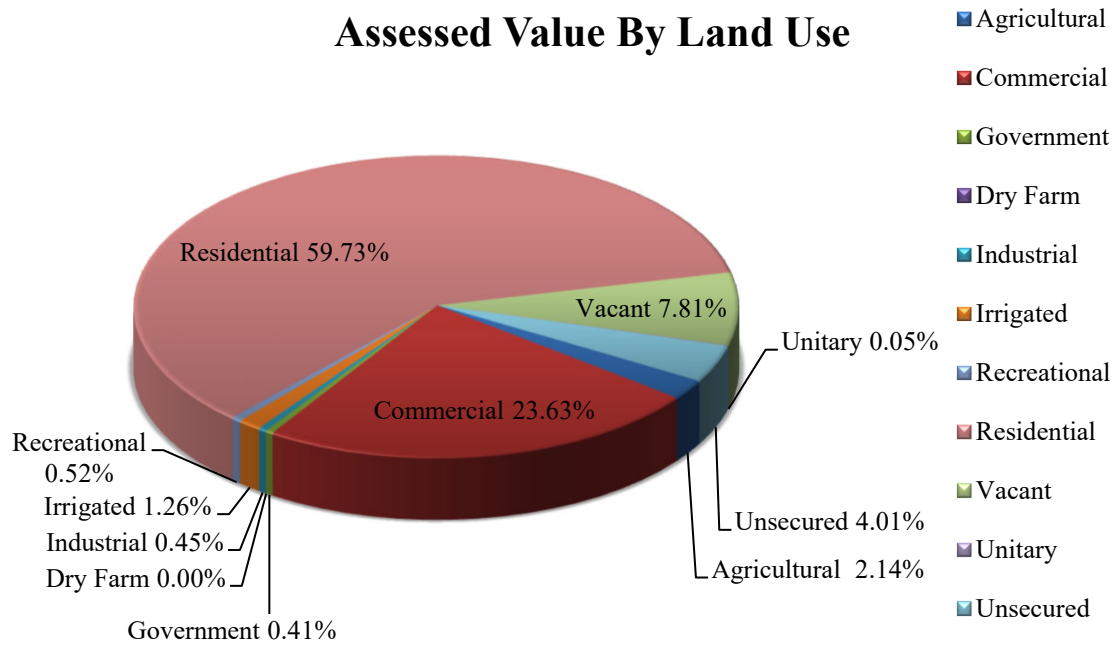
3.) Estimated Actual Value is derived from a series of calculations comparing median assessed values from 1940 to current median sale prices. Based on these calculations a multiplier value was extrapolated and applied to current assessed values.

Source: Riverside County Assessor data, MuniServices, LLC

**City of Coachella**  
**Citywide Assessed Value of Property by Use Code**  
**Last Ten Fiscal Years**  
**(in thousands of dollars)**

Category	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Agricultural	-	-	-	-	-	26,904	37,755	37,755	37,108	45,998
Commercial	295,988	300,470	285,845	287,616	406,038	399,750	420,392	443,568	486,062	508,709
Government	-	-	-	-	-	-	-	-	-	8,919
Dry Farm	18,509	12,456	11,050	10,242	10,779	10,501	11,380	11,604	11,712	78
Industrial	8,955	9,349	6,793	7,377	9,568	9,694	9,795	9,983	11,637	9,589
Institutional	-	-	-	-	-	-	-	-	-	-
Irrigated	41,558	28,657	24,548	24,459	25,371	26,589	28,845	27,249	27,245	27,174
Recreational	-	-	-	-	13,309	13,702	13,812	12,295	11,597	11,132
Possessory Interest	983	988	-	-	-	-	-	-	-	-
Residential	782,723	755,901	715,872	752,563	952,455	1,046,676	1,104,721	1,172,396	1,228,727	1,286,033
Unknown	238,150	234,449	246,059	249,695	23,376	-	-	-	-	-
Vacant	192,433	144,016	132,619	126,940	119,667	125,571	130,128	137,644	154,534	168,094
Unitary	555	555	602	602	602	602	602	602	991	991
<b>Gross Secured Value</b>	<b>1,579,853</b>	<b>1,486,841</b>	<b>1,423,388</b>	<b>1,459,494</b>	<b>1,561,165</b>	<b>1,659,990</b>	<b>1,757,430</b>	<b>1,853,096</b>	<b>1,969,614</b>	<b>2,066,717</b>
Unsecured	62,411	60,340	58,542	60,143	62,643	68,540	73,439	77,734	91,091	86,353
Exemptions	155,857	153,904	155,811	115,454	145,480	162,064	166,033	161,356	175,492	180,727
<b>Net Secured Value</b>	<b>1,486,407</b>	<b>1,393,277</b>	<b>1,326,119</b>	<b>1,404,183</b>	<b>1,478,328</b>	<b>1,566,466</b>	<b>1,664,836</b>	<b>1,769,474</b>	<b>1,885,213</b>	<b>1,972,343</b>

**Assessed Value By Land Use**



Source: Riverside County Assessor data, MuniServices, LLC  
Source: 2008-09 prior, previous published CAFR  
Use code categories are based on Riverside County Assessor's data

**City of Coachella**  
**Direct and Overlapping Property Tax Rates**  
**Last Ten Fiscal Years**

	Fiscal Years				
	2010-11	2011-12	2012-13	2013-14	2014-15
Basic City and County Levy					
County General	0.103042	0.103064	0.103064	0.103064	0.103064
County Free Library	0.013312	0.013312	0.013312	0.013314	0.013314
City of Coachella Anx	0.030985	0.031009	0.031009	0.031009	0.031009
Coachella Valley Unified	0.432209	0.432209	0.432209	0.432209	0.432209
Desert Community College	0.069757	0.069757	0.069757	0.069757	0.069757
RIV. CO. Office of Education	0.037951	0.037951	0.037951	0.037951	0.037951
RIV CO Reg Papr & Open Space	0.002544	0.002544	0.002544	0.002544	0.002544
Coachella Valley Pub Cemetery	0.002131	0.002131	0.002131	0.002131	0.002131
Coachella Fire Protection District	0.036487	0.036487	0.036487	0.036487	0.036487
CV Mosq & Vector Control	0.009059	0.009059	0.009059	0.009059	0.009059
Coachella Valley Rec & Park	0.010968	0.010968	0.010968	0.010968	0.010968
Coachella Valley CO Water	0.025363	0.025363	0.025363	0.025363	0.025363
Coachella Valley Res Concer	0.000325	0.000325	0.000325	0.000325	0.000325
CVC Wtr Imp Dist 1 Devt Srvc	0.011835	0.011835	0.011835	0.011835	0.011835
Coach Valley CO Wtr Sorm Water Unit	0.032107	0.032107	0.032107	0.032107	0.032107
ERAF	0.181925	0.181878	0.181878	0.181878	0.181876
TOTAL	1.000000	1.000000	1.000000	1.000000	1.000000
Override Assessments					
Coachella Valley Unified	0.093320	0.074870	0.079680	0.149190	0.132180
Desert Community College	0.019950	0.019950	0.019950	0.019950	0.020870
Coachella Valley Water	0.080000	0.080000	0.080000	0.100000	0.100000
TOTAL	0.193270	0.174820	0.179630	0.269140	0.253050
TOTAL TAX RATE	1.193270	1.174820	1.179630	1.269140	1.253050

(Continued)

For purposes of this table TRA 12-000 is represented

Source: Riverside County Auditor data, MuniServices, LLC  
Source: 2008-09 prior, previous published CAFR

**City of Coachella**  
**Direct and Overlapping Property Tax Rates (Continued)**  
**Last Ten Fiscal Years**

	Fiscal Years				
	2015-16	2016-17	2017-18	2018-19	2019-20
Basic City and County Levy					
County General	0.103064	0.103064	0.103065	0.103065	0.103065
County Free Library	0.013314	0.013314	0.013314	0.013314	0.013314
City of Coachella Anx	0.031009	0.031009	0.031011	0.031011	0.031011
Coachella Valley Unified	0.432209	0.432209	0.432209	0.432209	0.432209
Desert Community College	0.069757	0.069757	0.069757	0.069757	0.069757
RIV. CO. Office of Education	0.037951	0.037951	0.037951	0.037951	0.037951
RIV CO Reg Papr & Open Space	0.002544	0.002544	0.002544	0.002544	0.002544
Coachella Valley Pub Cemetery	0.002131	0.002131	0.002131	0.002131	0.002131
Coachella Fire Protection District	0.036487	0.036487	0.036493	0.036493	0.036493
CV Mosq & Vector Control	0.009059	0.009059	0.009059	0.009059	0.009059
Coachella Valley Rec & Park	0.010968	0.010968	0.010968	0.010968	0.010968
Coachella Valley CO Water	0.025363	0.025363	0.025363	0.025363	0.025363
Coachella Valley Res Concer	0.000325	0.000325	0.000325	0.000325	0.000325
CVC Wtr Imp Dist 1 Devt Srvc	0.011835	0.011835	0.011835	0.011835	0.011835
Coach Valley CO Wtr Sorm Water Unit	0.032107	0.032107	0.032107	0.032107	0.032107
ERAF	0.181876	0.181876	0.181867	0.181867	0.181867
TOTAL	1.000000	1.000000	1.000000	1.000000	1.000000
Override Assessments					
Coachella Valley Unified	0.132180	0.166010	0.176090	0.149540	0.148760
Desert Community College	0.020870	0.020360	0.040300	0.039780	0.039830
Coachella Valley Water	0.100000	0.100000	0.100000	0.100000	0.100000
TOTAL	0.253050	0.286370	0.316390	0.289320	0.288590
TOTAL TAX RATE	1.253050	1.286370	1.316390	1.289320	1.288590

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**City of Coachella**  
**Property Tax Levies and Collections**  
**Last Ten Fiscal Years**

Fiscal Year Ended June 30	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy			Collection in Subsequent Years	
		Amount	Percentage of Levy	Subsequent Years	Amount	Percentage of Levy
2011	14,749,000	14,749,000	100%	-	-	0%
2012	13,216,059	13,216,059	100%	-	-	0%
2013	12,225,753	12,225,753	100%	-	-	0%
2014	13,188,561	13,188,561	100%	-	-	0%
2015	14,499,234	14,499,234	100%	-	-	0%
2016	15,693,198	15,693,198	100%	-	-	0%
2017	15,918,858	15,918,858	100%	-	-	0%
2018	17,498,590	17,498,590	100%	-	-	0%
2019	18,665,171	18,665,171	100%	-	-	0%
2020	19,528,287	19,528,287	100%	-	-	0%

Source: Riverside County Assessors Office

**City of Coachella**  
**Principal Property Taxpayers**  
**Current Year and Nine Years Ago**

Taxpayer	2019-20		2010-11	
	Taxable Value (\$)	Percent of Total City Taxable Value (%)	Taxable Value (\$)	Percent of Total City Taxable Value (%)
Armtec Defense Products Co	36,260,886	1.84%	38,202,660	2.57%
California Artichoke & Veg Growers Corp	27,820,312	1.41%	11,928,595	0.80%
Soco	21,496,141	1.09%	29,046,901	1.95%
Anthony Vineyards Inc	19,378,348	0.98%	12,429,670	0.84%
Kpc Dev Co	15,679,067	0.79%		
Wal Mart Stores Inc	14,107,262	0.72%		
Sun World International	14,104,124	0.72%		
Halum Abesud	12,800,000	0.65%	15,121,631	1.02%
99 Only Stores	11,859,540	0.60%		
Hpt Ta Prop Trust	11,157,713	0.57%	10,433,123	0.70%
Glenroy Coachella	10,513,829	0.53%		
Grimmway Enterprises Inc	10,224,076	0.52%		
Ellis Charles M	9,999,528	0.51%		
Psav	9,858,890	0.50%		
Sun & Sands Enterprises Llc	9,653,003	0.49%		
Sirebrenik Jaime	8,861,085	0.45%		
Camp Court	8,791,935	0.45%	7,597,937	0.51%
Nika Royal	8,347,269	0.42%	7,213,640	0.49%
A & S Coachella Centers	8,310,354	0.42%		
Cauzza Four Drug Store	7,945,345	0.40%		
Lone Oak Coachella	7,017,600	0.36%		
Propcorp Inc	6,914,555	0.35%		
Cvp Palm Springs	6,854,894	0.35%	5,922,630	0.40%
S&D Inv Inc	6,699,105	0.34%		
Wm Sub Esc	6,593,056	0.33%		
R & R Land Inv			35,726,698	2.40%
Desert Highlands Assoc			26,773,649	1.80%
Scripps Vineyards Villas			19,961,827	1.34%
Sun World Packing Corp			14,976,460	1.01%
Jackson Square Assoc			13,485,879	0.91%
Echo Trail Holdings			11,300,000	0.76%
Mfjk Partnership			10,181,063	0.69%
Brandenburg Oak Grove			9,406,443	0.63%
Hrg Coachella Ths			8,601,891	0.58%
J J Brothers Const Co Inc.			8,490,030	0.57%
Coca Cola Co			7,914,520	0.53%
Crv Rilington Diego Coachella			7,266,447	0.49%
50Th Fillmore			6,855,796	0.46%
Megan World			6,399,255	0.43%
Jjb Prop			6,060,536	0.41%
Specialty Desert Lakes			6,027,100	0.41%
<b>Total Top 25 Taxpayers</b>	<b>311,247,917</b>	<b>15.78%</b>	<b>337,324,381</b>	<b>22.70%</b>
<b>Total Taxable Value</b>	<b>1,972,343,283</b>	<b>100.00%</b>	<b>1,485,851,686</b>	<b>100.00%</b>

Source: Riverside County Assessor data, MuniServices, LLC

**City of Coachella**  
**Principal Sales Taxpayers**  
**This Fiscal Year and Nine Years Ago**

<b>2019-20</b>		<b>2010-11</b>	
<b><u>Taxpayer</u></b>	<b><u>Business Type</u></b>	<b><u>Taxpayer</u></b>	<b><u>Business Type</u></b>
99 Cents Only Stores	Department Stores	Albertson's Food Centers	Food Markets
Arco AM/PM Mini Marts	Service Stations	Arco AM/PM Mini Marts	Service Stations
Autozone	Auto Parts/Repair	Autozone	Auto Parts/Repair
Beck Oil	Energy Sales	Beck Oil	Energy Sales
Cardenas Market	Food Markets	Cardenas Market	Food Markets
Carl's Jr. Restaurants	Restaurants	Carl's Jr. Restaurants	Restaurants
Chevron Service Stations	Service Stations	Chevron Service Stations	Service Stations
Coachella Power Group	Service Stations	Coronet Concrete Products	Bldg.Matls-Whsle
Crop Production Services	Florist/Nursery	Exxon Service Stations	Service Stations
Del Taco	Restaurants	Fastrip Service Stations	Service Stations
Desert Redi-Mix	Bldg.Matls-Whsle	Food 4 Less	Food Markets
Fastrip Service Stations	Service Stations	Foster & Gardner	Florist/Nursery
Food 4 Less	Food Markets	Fulton Distributing Company	Light Industry
Foster & Gardner	Florist/Nursery	Hydro Ag Systems	Heavy Industry
Fulton Distributing Company	Light Industry	Imperial Sprinkler Supply	Bldg.Matls-Whsle
Hydro Ag Systems	Heavy Industry	Imperial Western Products	Light Industry
Imperial Sprinkler Supply	Bldg.Matls-Whsle	J & M Sales	Auto Sales - Used
Imperial Western Products	Light Industry	Jack In The Box Restaurants	Restaurants
Love's Travel Stop	Service Stations	Love's Travel Stop	Service Stations
McDonald's Restaurants	Restaurants	McDonald's Restaurants	Restaurants
Smart & Final	Food Markets	Rite Aid Drug Stores	Drug Stores
The Coachella Lighthouse-MMD	Drug Stores	South West Pump & Drilling	Bldg.Matls-Whsle
Tower Mart & Gas	Service Stations	Travel Center	Service Stations
Travel Center	Service Stations	Union 76 Service Stations	Service Stations
Wal Mart Neighborhood Market	Food Markets	Wells Supply Company	Bldg.Matls-Retail

Source: MuniServices, LLC





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**City of Coachella**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

Fiscal Year	General Government				Business-type Activities		Total Primary Government	Per Capita (1)
	Redevelopment Bonds	Certificates of Participation (2)	Revolving Loan	Revenue Bonds (2)	Revenue Bonds	Revolving Fund Loan		
2011	\$ 49,405,000	\$ 6,850,000	\$ -	\$ -	\$ 25,761,785	\$ 19,960,470	\$101,977,255	2,457
2012	-	6,710,000	-	-	25,222,319	21,489,327	53,421,646	1,275
2013	-	6,565,000	-	-	24,632,974	20,719,685	51,917,659	1,213
2014	-	6,415,000	-	-	23,978,541	19,579,843	49,973,384	1,145
2015	-	6,255,000	-	-	23,303,804	18,409,820	47,968,624	1,092
2016	-	6,090,000	-	-	22,353,536	17,214,035	45,657,571	1,006
2017	-	5,920,000	1,165,523	12,030,387	22,401,005	15,991,898	57,508,813	1,263
2018	-	5,745,000	1,104,519	11,762,270	21,617,565	14,740,763	54,970,117	1,205
2019	-	5,560,000	1,041,029	11,489,154	20,822,855	13,459,201	52,372,239	1,130
2020	-	-	974,951	16,417,953	20,006,609	12,151,239	49,550,752	1,050

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

(1) See the Schedule of Demographic and Economic Statistics for population data.

(2) During the fiscal year 2020, the City refinanced its 2008 certificates of participation by issuing its 2019 gas tax revenue refunding bonds for \$5,445,169.

**City of Coachella**  
**Legal Debt Margin Information**  
**Last Ten Fiscal Years**

	Fiscal Year				
	2011	2012	2013	2014	2015
Assessed valuation	1,642,263,955	1,547,181,026	1,481,929,638	1,519,638,811	1,623,808,162
Conversion percentage	25%	25%	25%	25%	25%
Adjusted assessed valuation	410,565,989	386,795,257	370,482,410	379,909,703	405,952,041
Debt limit percentage	15%	15%	15%	15%	15%
Debt limit	61,584,898	58,019,288	55,572,361	56,986,455	60,892,806
Total net debt applicable to limit:					
General obligation bonds	-	-	-	-	-
Legal debt margin	<u>\$ 61,584,898</u>	<u>\$ 58,019,288</u>	<u>\$ 55,572,361</u>	<u>\$ 56,986,455</u>	<u>\$ 60,892,806</u>
Total debt applicable to the limit as a percentage of debt limit	0.0%	0.0%	0.0%	0.0%	0.0%

(Continued)

The Government Code of the State of California provides for a legal debt limit of 15% of gross assessed valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value. Effective with the 1981-82 fiscal year, each parcel is now assessed at 100% of market values (as of the most change in ownership for that parcel). The computations shown above reflect a conversion of assessed valuation data for each fiscal year from the current full valuation perspective to the 25% level that was in effect at the time that the legal debt margin was enacted by the State of California for local governments located within the state.

Source: Riverside County Assessors Office  
MuniServices, LLC

**City of Coachella**  
**Legal Debt Margin Information (Continued)**  
**Last Ten Fiscal Years**

	Fiscal Year				
	2016	2017	2018	2019	2020
Assessed valuation	1,727,928,171	1,830,267,163	1,930,830,307	1,969,716,926	2,153,070,162
Conversion percentage	25%	25%	25%	25%	25%
Adjusted assessed valuation	431,982,043	457,566,791	482,707,577	492,429,232	538,267,541
Debt limit percentage	15%	15%	15%	15%	15%
Debt limit	64,797,306	68,635,019	72,406,137	73,864,385	80,740,131
Total net debt applicable to limit:					
General obligation bonds	-	-	-	-	-
Legal debt margin	<u>\$ 64,797,306</u>	<u>\$ 68,635,019</u>	<u>\$ 72,406,137</u>	<u>\$ 73,864,385</u>	<u>\$ 80,740,131</u>
Total debt applicable to the limit as a percentage of debt limit	0.0%	0.0%	0.0%	0.0%	0.0%

(Concluded)

The Government Code of the State of California provides for a legal debt limit of 15% of gross assessed valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value. Effective with the 1981-82 fiscal year, each parcel is now assessed at 100% of market values (as of the most change in ownership for that parcel). The computations shown above reflect a conversion of assessed valuation data for each fiscal year from the current full valuation perspective to the 25% level that was in effect at the time that the legal debt margin was enacted by the State of California for local governments located within the state.

Source: Riverside County Assessors Office  
MuniServices, LLC

**City of Coachella**  
**Revenue Bond Coverage - Coachella Sanitary District <sup>(3)</sup>**  
**Last Ten Fiscal Years**

Fiscal Year	Gross Revenues	Gross Expenses <sup>(1)</sup>	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage <sup>(2)</sup>
				Principal	Interest	Total	
2020	\$ 7,114,840	\$ 3,814,702	\$ 3,300,138	\$ 1,560,878	\$ 622,885	\$ 2,183,762	1.51
2019	6,856,677	3,549,997	3,306,680	1,524,223	660,682	2,184,905	1.51
2018	6,403,474	3,580,667	2,822,807	1,493,342	690,689	2,184,031	1.29
2017	5,894,831	3,204,126	2,690,705	1,448,212	730,335	2,178,547	1.24
2016	5,611,013	3,358,002	2,253,011	1,403,816	776,671	2,180,487	1.03
2015	5,664,567	2,965,381	2,699,186	1,380,133	850,100	2,230,233	1.21
2014	5,391,254	3,007,156	2,384,098	1,342,147	667,248	2,009,395	1.19
2013	6,125,725	2,833,297	3,292,428	1,264,839	695,653	1,960,492	1.68
2012	5,147,546	2,482,361	2,665,185	1,233,192	723,395	2,150,221	1.24
2011	5,428,950	2,908,022	2,520,928	1,067,644	750,004	1,817,648	1.39

(1) Operating expenses less depreciation and debt service (interest), per bond official statement

(2) 1.25 debt service coverage requirement, per bond resolutions

(3) This schedule was updated for all 10 years to reflect debt service coverage for all debt

Source: City of Coachella

**City of Coachella**  
**Revenue Bond Coverage - Coachella Water Authority**  
**Last Ten Fiscal Years**

Fiscal Year	Gross Revenues	Gross Expenses <sup>(1)</sup>	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage <sup>(2)</sup>
				Principal	Interest	Total	
2020	\$ 7,500,901	\$ 6,165,931	\$ 1,334,970	\$ 518,863	\$ 501,531	\$ 1,020,394	1.31
2019	7,904,165	5,746,297	2,157,868	505,767	513,495	1,019,262	2.12
2018	8,469,760	4,519,571	3,950,189	497,801	523,591	1,021,392	3.87
2017	6,976,582	4,213,352	2,763,230	494,959	533,081	1,028,040	2.69
2016	6,105,336	4,045,495	2,059,841	410,000	340,275	750,275	2.75
2015	6,868,215	3,411,300	3,456,915	405,000	348,475	753,475	4.59
2014	6,423,096	3,503,437	2,919,659	395,000	356,575	751,575	3.88
2013	6,854,219	3,417,056	3,437,163	315,000	200,461	515,461	6.67
2012	5,423,430	2,974,791	2,448,639	300,000	530,713	830,713	2.95
2011	4,712,079	3,210,507	1,501,572	290,000	541,729	831,729	1.81

(1) Operating expenses less depreciation, per bond official statement and bond interest charges

(2) 1.25 debt service coverage requirement, per bond resolutions

Source: City of Coachella

## City of Coachella Direct and Overlapping Bonded Debt (Unaudited)

2019-20 Assessed Valuation: \$ 1,985,674,035

	Total Debt	%	City's Share of
	6/30/2020	Applicable	Debt 6/30/2020
<b>OVERLAPPING TAX AND ASSESSMENT DEBT:</b>			
Desert Community College District	\$ 337,130,000	2.342%	\$ 7,895,585
Coachella Valley Unified School District	244,321,163	16.827%	41,111,922
Desert Sands Unified School District	380,450,000	0.334%	1,270,703
City of Coachella Community Facilities District No. 2018-1	5,680,000	100.000%	5,680,000
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT			\$ 55,958,210
<b>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</b>			
Riverside County General Fund Obligations	\$ 759,807,924	0.671%	\$ 5,098,311
Riverside County Pension Obligations	938,825,000	0.671%	6,299,516
Coachella Valley Unified School District Certificates of Participation	36,170,000	16.827%	6,086,326
Desert Sands Unified School District Certificates of Participation	30,155,000	0.334%	100,718
City of Coachella Lease Revenue Bonds	11,005,000	100.000%	11,005,000 (1)
Desert Recreation and Park District Certificates of Participation	158,806	3.755%	5,963
TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND DEBT			\$ 28,595,834
OVERLAPPING TAX INCREMENT DEBT (Successor Agency):	\$ 367,368,028	0.028-100%	\$ 32,094,841
Total Direct Debt - City of Coachella Lease Revenue Bonds			\$ 11,005,000
Total Overlapping Debt			\$ 105,643,884
Combined Total Debt			\$ 116,648,884 (2)

Ratios to 2019-20 Assessed Valuation:

Total Overlapping Tax and Assessment Debt.....	2.82%
Total Direct Debt (\$11,005,000).....	0.55%
Gross Combined Total Debt .....	5.87%

Ratios to Redevelopment Incremental Valuation (\$940,256,514):

Total Overlapping Tax Increment Debt.....	3.05%
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The percentage of overlapping debt applicable to the City is estimated using taxable assessed property value. Applicable percentages were estimated by (1) determining the portion of the overlapping municipality'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.

Source: MuniServices LLC

**City of Coachella**  
**Demographic and Economic Statistics**  
**Last Ten Fiscal Years**

Fiscal Year	Population (1)	Employed (2)	Unemployed (2)	*Public School Enrollment	County Unemployment Rate (%) (2)	City Unemployment Rate (%) (2)	County Population (1)	City Population (% of County)
2010-11	41,502	9,600	2,700	18,464	14.0%	21.7%	2,217,778	1.87%
2011-12	41,904	10,200	2,500	18,406	12.7%	19.9%	2,227,577	1.88%
2012-13	42,784	10,200	2,400	18,720	12.3%	19.3%	2,255,059	1.90%
2013-14	43,633	10,500	2,100	18,850	10.3%	16.4%	2,279,967	1.91%
2014-15	43,917	16,300	1,700	18,878	6.2%	9.6%	2,308,441	1.90%
2015-16	45,407	16,700	1,900	18,862	6.7%	10.4%	2,347,828	1.93%
2016-17	45,551	17,100	1,600	18,719	6.1%	9.4%	2,384,783	1.91%
2017-18	45,635	17,800	1,800	18,372	4.2%	9.3%	2,415,955	1.89%
2018-19	46,351	17,900	1,300	18,031	3.6%	6.8%	2,440,124	1.90%
2019-20	47,189	15,700	4,600	17,887	15.8%	22.6%	2,442,304	1.9%

Source:

- 1.) Population Projections are provided by the California Department of Finance Projections.
- 2.) Unemployment and Labor Force Data are provided by the EDD's Bureau of Labor Statistics Department.



**City of Coachella**  
**Principal Employers**  
**Current Fiscal Year and Nine Years Ago**

Business Name	2019-20		2010-11	
	Number of Employees	Percent of Total Employment (%)	Number of Employees	Percent of Total Employment (%)
Coachella Valley Unified School District (1)	530	2.62%	532	4.19%
Spotlight 29 Casino	496	2.46%	800	6.30%
Ernie Ball Inc/Paladar	380	1.88%	262	2.06%
Augustine Casino	314	1.55%	428	3.37%
Armtec Defense (Subsidiary of Esterline Defense Technology)	236	1.17%	315	2.48%
Valley Pride	200	0.99%	400	3.15%
Coachella Valley Water District	194	0.96%	290	2.28%
Teserra Outdoors (formerly California Pools)	156	0.77%	320	2.52%
Cardenas (Market #18) (2)	118	0.58%	122	0.96%
Coca-Cola Enterprises Inc	103	0.51%		0.00%
Sun World			200	1.57%
Total Top 10 Employers	2,727	13.50%	3,669	28.89%
Total City Labor Force (3)	20,200		12,700	

Source: MuniServices, LLC

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

(1) Includes FTE and PTE, schools in Coachella only.

(2) Includes FTE and PTE.

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

**City of Coachella**  
**Ten Year Staffing History (Full Time Equivalents)**

	Fiscal Year									
	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
General Government										
Administration	2.05	2.05	3.80	4.30	3.80	4.30	4.30	3.80	4.00	4.00
Community Development	3.50	3.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50
Finance	3.60	3.60	3.50	3.50	3.50	4.50	4.50	3.50	3.50	4.00
General Government	5.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	6.00	6.00
Neighborhood Services	1.00	1.00	2.00	3.00	3.00	5.00	5.40	5.00	5.00	5.00
Public Works	19.25	19.25	17.90	17.20	15.20	20.93	20.53	20.56	20.63	20.30
Senior Center	2.00	2.00	3.00	4.00	4.00	4.00	4.00	4.00	3.00	2.00
Landscape & Lighting District	2.00	2.00	2.00	2.00	2.00	2.00	2.00	1.87	1.20	1.20
Redevelopment Agency	8.05	8.05	-	-	-	-	-	-	-	-
Sanitary District	13.20	13.20	14.40	14.25	13.75	15.13	14.64	14.63	15.83	15.75
Water Agency	12.35	13.35	14.90	14.25	14.25	14.64	15.13	14.14	17.34	17.25
<b>Grand Total</b>	<b>69.00</b>	<b>72.00</b>	<b>72.00</b>	<b>70.00</b>	<b>71.00</b>	<b>68.00</b>	<b>79.00</b>	<b>79.00</b>	<b>81.00</b>	<b>80.00</b>

(1) This report does not include elected officials.

(2) Some positions are distributed among two or more departments for accounting purposes.

(3) Some City staff and management also serve in similar functions for component units such as Coachella Water Authority and Coachella Sanitary District.

Source: City of Coachella

**City of Coachella**  
**Capital Asset Statistics by Function**  
**Last Ten Fiscal Years**

Function	Fiscal Year				
	2011	2012	2013	2014	2015
Public safety					
Police service hours (per day)	90	90	90	90	90
Fire stations	1	1	1	1	1
Personnel (full time)	11	11	11	13	13
Public works - streets					
Streets (miles)	115	115	115	108	109
Streetlights	1,894	1,894	1,894	1,788	1,809
Public works - parks					
Parks acreage	61	61	89	89	89
Parks	7	7	7	8	8
Swimming pools	2	2	2	2	2
Basketball courts	4	5	5	5	5
Community centers	1	1	1	2	2
Water					
Water meters active	7,278	7,743	7,776	7,917	8,699
Fire hydrants	537	537	546	546	550
Sanitary					
Plants	1	1	1	1	1
(capacity/gallons)	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000

Source: City of Coachella

**City of Coachella**  
**Capital Asset Statistics by Function (Continued)**  
**Last Ten Fiscal Years**

Function	Fiscal Year				
	2016	2017	2018	2019	2020
Public safety					
Police service hours (per day)	90	90	90	90	90
Fire stations	1	1	1	1	1
Personnel (full time)	13	13	8	11	11
Public works - streets					
Streets (miles)	109	109	109	109	109
Streetlights	1,809	1,809	1,809	1,809	1,809
Public works - parks					
Parks acreage	89	89	89	89	89
Parks	8	8	8	9	9
Swimming pools	2	2	1	1	1
Basketball courts	5	5	5	5	5
Community centers	2	1	1	1	1
Water					
Water meters active	8,322	8,322	8,384	8,336	8,487
Fire hydrants	550	550	554	552	552
Sanitary					
Plants	1	1	1	1	1
(capacity/gallons)	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000

Source: City of Coachella

**City of Coachella**  
**Operating Indicators by Function**  
**Last Ten Fiscal Years**

Function	Fiscal Year				
	2011	2012	2013	2014	2015
<b>Police **</b>					
Homicide	1	4	2	3	6
Rape	5	8	4	4	4
Robbery	76	61	54	57	55
Aggravated Assault	194	168	124	82	99
Burglary	467	373	418	306	241
Motor Vehicle Theft	258	293	352	326	203
Larceny Theft	972	650	738	646	708
Arson	6	8	9	4	3
<b>Fire</b>					
Average Response Time (minutes)	3.2	3.7	3.6	3.9	3.7
Structural Fires	14	17	20	15	23
Commercial Fires	3	3	7	0	2
Other Fires	76	114	130	71	87
Medical aids	1,104	1,568	1,610	1,591	1,884
Traffic Collisions	136	213	197	195	252
<b>Water</b>					
New connections	23	53	153	134	48
Average daily consumption (gallons)	3,165,192	7,353,443	7,135,287	6,297,187	6,022,370
<b>Wastewater</b>					
Average daily sewage treatment (gallons)	2,532,354	2,810,891	2,717,800	2,765,000	2,684,000

\*\* Data based on January - June 2018

Source: City of Coachella

**City of Coachella**  
**Operating Indicators by Function (Continued)**  
**Last Ten Fiscal Years**

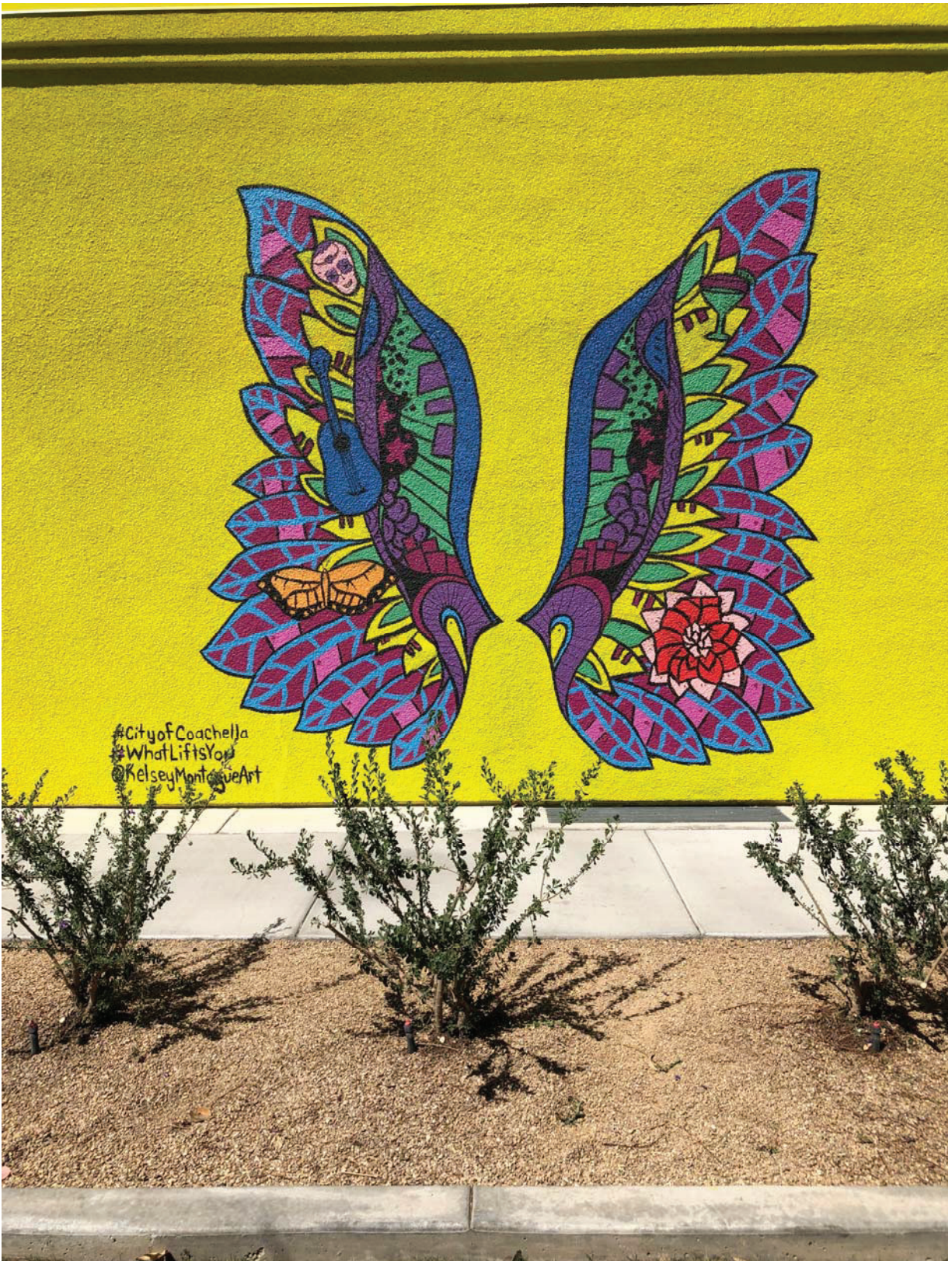
Function	Fiscal Year				
	2016	2017	2018	2019	2020
<b>Police (based on calendar year) **</b>					
Homicide	4	0	1	1	2
Rape	4	2	5	6	6
Robbery	51	18	26	44	39
Aggravated Assault	96	38	46	50	90
Burglary	200	95	81	136	135
Motor Vehicle Theft	236	119	191	212	159
Larceny Theft	802	426	606	631	580
Arson	0	0	0	0	0
<b>Fire</b>					
Average Response Time (minutes)	3.9	3.9	4.3	4.2	4.6
Structural Fires	14	11	13	14	19
Commercial Fires	1	3	5	4	7
Other Fires	116	141	129	121	154
Medical aids	1,731	1,907	1,700	1,905	2,321
Traffic Collisions	234	293	204	241	249
<b>Water</b>					
New connections	25	16	67	43	151
Average daily consumption (gallons)	5,600,000	6,307,000	6,496,235	5,925,945	5,689,729
<b>Wastewater</b>					
Average daily sewage treatment (gallons)	2,534,000	2,573,000	2,649,000	2,712,000	2,603,896

\*\* Data based on January - June 2018

Source: City of Coachella



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**53990 Enterprise Way, Coachella CA, 92236**

**[www.coachella.org](http://www.coachella.org)**