JOINT MEETING
JPA EXECUTIVE COMMITTEE & VGPS BOARD OF DIRECTORS

Location: JW Marriott Desert Springs Resort & Spa
Room: Springs Salons A-C
74-855 Country Club Drive
Palm Desert, CA, 92260
Joint Meeting
March 31, 2023
8:30am – 10:00am

AGENDA

The JPA Executive Committee and VGPS Board of Directors will take action on all items on the agenda. Materials related to an agenda item that are submitted to the JPA Executive Committee and/or the VGPS Board of Directors after distribution of the agenda packets are available for public inspection in the Clerk of the Board's office during normal business hours and on the VGPS website.

Item	Owner
Call to Order	Gary Gardner
Roll Call	Gary Gardner
Pledge of Allegiance	Gary Gardner
Confirmation of Agenda (no vote required)	Gary Gardner

Public Comment

At this time members of the public may address the JPA Executive Committee on items that appear within the Consent Calendar or matters that are not listed on the agenda.

Public comments may be received by e-mail or voicemail from the time agenda is posted **up until one (1) hour prior to the meeting convening**. E-mails will be printed and distributed for the record prior to the meeting. If the sender so requests, they will be read into the record at the meeting not to exceed three (3) minutes in length. **E-mail:** sarah@visitgreaterps.com

Voicemails will be transcribed and forwarded to the JPA Executive Committee and VGPS Board members as soon as possible after they are received. If the sender so requests, they may also be read into the record at the meeting not to exceed three (3) minutes in length. **Voicemail:** 760.969.1309

For all Business Session matters or Departmental Reports on the Agenda, the public can submit comments in advance via email as described above.

Presentation — Gary Gardner

- Presentation by Kate Anderson, Director of Public Relations for Agua Caliente Band of Cahuilla Indians Tribe
- Presentation by Michael Dominguez, President & CEO of Associated Luxury Hotels International
- Jennifer Farr, Davis Farr: Independent Auditor's 2022 Annual Financial Report for Visit Greater Palm Springs

Approval of Minutes (All Vote) — Gary Gardner

- JPA - VGPS Board of Directors Joint Meeting Minutes – January 31, 2023

The JPA Executive Committee and VGPS Board of Directors will take action on all items on the agenda. Materials related to an agenda item that are submitted to the JPA Executive Committee and/or the VGPS Board of Directors after distribution of the agenda packets are available for public inspection in the Clerk of the Board's office during normal business hours and on the VGPS website.

Item	Owner
Consent Calendar (JPA Only Votes) • Warrants and Demands Dated January 2023 • Warrants and Demands Dated February 2023	Gary Gardner
VGPS Board of Directors Items (VGPS Board Only Votes) • Approve John Bolton for Board of Directors seat • Receive and Accept the Independent Auditor's 2022 Annual Financial Report (and Communication Letter from Davis Farr dated March 20, 2023) • Resolution No. BOD 2023-002 – Appropriating Funds	Rolf Hoehn
JPA Executive Committee Items (JPA Executive Committee Only Votes) • Receive and Accept the Independent Auditor's 2022 Annual Financial Report (and Communication Letter from Davis Farr dated March 20, 2023) • Resolution No. JPA 2023-003 – Appropriating Funds	Gary Gardner
CEO / President's Report • Sales & Marketing Update • Form 700 – due by April 1st to Sarah Goslin	Scott White
JPA Executive Committee and Board of Directors Updates	All
Future Meeting Date: **Thursday, June 29, 2023** Location: **The Ritz-Carlton, Rancho Mirage**	Rolf Hoehn
Adjournment	Gary Gardner

Public Notices

- Any documents provided to the JPA Executive Committee and VGPS Board of Directors regarding any item(s) on this agenda will be made available for public inspection at Visit Greater Palm Springs located at 70-100 Highway 111, Rancho Mirage, CA 92270, during normal business hours, or email your request to Sarah Goslin: sarah@visitgreaterps.com. Any changes to the agenda will be posted prior to the meeting at www.visitgreaterpalmsprings.com.

JOINT MEETING
JPA EXECUTIVE COMMITTEE & VISIT GREATER PALM SPRINGS BOARD OF DIRECTORS MINUTES

Call to Order
The meeting was called to order at 8:33 a.m. by Gary Gardner, JPA Chair, at the Omni Rancho Las Palmas Resort & Spa in Rancho Mirage, CA.

Roll Call
The roll call is recorded on the following page.

JANUARY 31, 2023

visit greater palm springs
find your oasis

Location: Omni Rancho Las Palmas Resort & Spa
Room: Salon 1-4
41000 Bob Hope Drive
Rancho Mirage, CA, 92270
Joint Meeting
Tuesday, January 31, 2023
8:30am – 10:00am

		PRESENT	NOT/YTD
CITY OF DESERT HOT SPRINGS	Gary Gardner, Mayor Pro Tem, **Chair**	x	
	Roger Nunez, Council Member		
CITY OF INDIO	Waymond Fermon, Mayor, **Vice Chair**	x	
	Elaine Holmes, Council Member		
CITY OF CATHEDRAL CITY	Rita Lamb, Mayor	x	
	Mark Carnevale, Council Member		
CITY OF INDIAN WELLS	Bruce Whitman, Council Member	x	
	Ty Peabody, Council Member		
CITY OF LA QUINTA	Linda Evans, Mayor	x	
	Steve Sanchez, Mayor Pro Tem		
CITY OF PALM SPRINGS	Jeffrey Bernstein, Council Member	x	
	Ron deHarte, Council Member		
CITY OF PALM DESERT	Jan Harnik, Council Member	x	
	Gina Nestande, Council Member		
CITY OF RANCHO MIRAGE	Steve Downs, Mayor Pro Tem	x	
	Meg Marker, Council Member		
COUNTY OF RIVERSIDE	V. Manuel Perez, Supervisor, 4th District		E
	Joaquin Tijerina, Economic Development Manager	x	

VISIT GPS BOARD OF DIRECTORS ROLL CALL	PRESENT	EXCUSED
Rolf Hoehn, **Chair** - Indian Wells Tennis Garden	x	
Peggy Trott, **Vice Chair -** Kimpton Rowan Palm Springs	x	
Tom Scaramellino, **Secretary -** Westin Rancho Mirage Golf Resort	x	
Aftab Dada, **Treasurer** - Hilton Palm Springs Resort		E

Visit GPS Board of Directors (continued)

	PRESENT	EXCUSED
Kate Anderson, Agua Caliente Band of Cahuilla Indians	X	
Lorraine Becker, Cabot's Pueblo Museum	X	
Sejal Bhakta, Hampton Inn & Suites, Palm Desert and Indio	X	
Celeste Brackley, ACE Hotel & Swim Club	X	
Gary Cardiff, Cardiff Limousine & Transportation	X	
Kenny Cassady, Vacasa	X	
Jay Chesterton, Fantasy Springs Resort Casino	X	
Dermot Connolly, La Quinta Resort & Club	X	
Tim Ellis, Ellis Hospitality Services	X	
Eddy Estrada, Smarter Property Management	E	
David Feltman, VRON Palm Springs	X	
Rob Hampton, Palm Springs Convention Center	X	
Jerry Keller, LULU California Bistro	X	
Jay Mainthia, Indio Super 8 Motel	X	
Kelly McLean, Poppy	X	
Nusrat Mirza, JW Marriott Desert Springs Resort & Spa	X	
Allen Monroe, The Living Desert	X	
Lee Morcus (Emeritus), Kaiser Restaurant Group	**A**	
Michael Murray, Hotel Paseo	**A**	
Liz Ostoich, FARM and Tac/Quila Palm Springs	X	
Brad Poncher, Hospitality Consulting, Strength INN Tourism	X	
Greg Purdy, Palm Springs Aerial Tramway	X	
Tim Pyne, Renaissance Esmeralda Resort & Spa	X	
Bob Schneider, Desert Consulting	X	
Ankit Sehkri, Two Bunch Palms	E	
Barb Smith, Eventis Destination Services	X	
Boris Stark, Palm Desert Vacation Properties	X	
Joe Tormey, CSU San Bernardino Palm Desert Campus	X	
Doug Watson, Strategy | Innovation | Co.	X	

A quorum was reached.

STAFF/ATTORNEY

Scott White, President and CEO
Bill Judson, Vice President Finance and Administration
Colleen Pace, Chief Sales and Marketing Officer
Todd Burke, Vice President of Communications
Davis Meyer, Senior Director of Community Affairs
Julie Sinclair, Director of Brand Communications
Lauren Bruggemans, Director of Sustainability and Community Engagement
Joyce Kiehl, Director of Communications
Gary Orfield, Director of Tourism Development
Stefanie Kilcoyne, Director of Operations
Don Prince, Director of Indian Wells Tourism
Krystal Kusmieruk, Senior Marketing Manager
Danae Sheehan, Partnership Manager
Sarah Goslin, Executive Assistant & Board Administrator
Bob Wilson, Brand Communications Specialist
Lena D. Wade, Legal Counsel

PLEDGE OF ALLEGIANCE

Gary Gardner took a moment to recognize the two Riverside County Sheriff's Deputies Darnell Calhoun and Isaiah Cordero that were killed in action recently.

JPA Vice-Chair Waymond Fermon led the Pledge of Allegiance.

New JPA Members Rita Lamb from City of cathedral City, Bruce Whitman from City of Indian Wells & Jeffrey Bernstein from City of Palm Springs were welcomed and given an opportunity to introduce themselves.

CONFIRMATION OF AGENDA

Chair Gardner asked whether there were any changes to the agenda. Hearing none, the agenda was confirmed as presented.

PUBLIC COMMENT

This Public Comment period is for items that appear within the Consent Calendar or matters that are not listed on the agenda.

Chair Gardner called for public comments. There were no public comments on record.

APPROVAL OF MINUTES (All Vote)

JPA – VGPS BOARD OF DIRECTORS JOINT MEETING MINUTES DATED NOVEMBER 18, 2022 (all vote)

The JPA Executive Committee and VGPS Board of Directors Joint Meeting Minutes dated November 18, 2022, were presented for approval. Chair Gary Gardner asked for a show of hands to approve. Bruce Whitman of City of Indian Wells and Kenny Cassady of Vacasa abstained. All approved. There was no further discussion, and the minutes were approved based on the roll call vote at the beginning of the meeting.

CONSENT CALENDAR (only JPA Executive Committee votes)

- **WARRANTS AND DEMANDS DATED NOVEMBER 2022**
- **WARRANTS AND DEMANDS DATED DECEMBER 2022**

The Warrants and Demands dated November & December 2022 for Pacific Premier Bank, were presented for approval. Mayor Linda Evans with City of La Quinta made a motion to approve. Council Member Waymond Fermon with City of Indio seconded. Bruce Whitman with City of Indian Wells abstained. There was no additional discussion, and the Warrants and Demands were approved according to the roll call taken at the beginning of the meeting.

Airline Update

Scott: PSP had a record of almost 1.5 mil passengers arriving in 2022. American Airlines started route PSP-ORD earlier this year, on September 7th, and had the highest performing load factor across their domestic market. PSP seat projections are up 18% compared to 2019.

Sales & Marketing Update

Colleen: 2022 generated over 25 billion impressions, with out of home impressions up 15% over 2021, and Convention Sales impressions increased by 71% over 2021 due to the addition of several new programs, increased digital ads and more marketing exposure from strategic partners. Marketing Co-Op Programs generated over 14.9 billion impressions, and we worked with 16 different partners.

2023 co-op campaigns being subsidized from a grant from Riverside County.

We have a new partnership with Finn Partners (UK Agency) for our International Marketing – deploying digital, social and print in UK and Ireland in February/March.

Working with Greenhaus Agency to update our Meetings Campaign (new assets, video and media library for our CS clients).

Spring Getaway Campaign will run from March through May and promotes offers on our Getaway Offers landing page.

2022 Digital Marketing saw an increase of website sessions and e-newsletter sign-ups.

We worked with local content creator, Lori Rodgers, on the Love Local Campaign, was launched a couple of weeks ago, featuring six local businesses and will run on social media for the next month. The first video had over 6,500+ views.

We are working with another content creator, Alle Pierce on "Your Guide to Greater Palm Springs" social media videos to inspire visitors to plan their trip to Greater Palm Springs.

We are working with The Journal of Lost Time, who will be in destination for 3 days to capture Greater Palm Springs experiences, with special focus on our Outdoor Adventure Pillar. This will be shared through their online publication which reaches 800k monthly and engages 110k monthly.

PR/Communications

Our coverage included nine pages in Sunset – February/March 2023 Issue – highlighting architecture, spas and restaurants.

New York Times listed VGPS as #6 of 52 places visit in 2023 (globally). Ad value was 2.9M for this article and has 143 unique monthly visitors.

As part of our commitment to the Visit California Tourism Marketing Grant, we hosted a six-day Desert Region road trip with four French journalists. Publications included outdoor adventure publications and general travel/lifestyle. Eleven publications will produce coverage by these 4 journalists.

AllTrails, fitness and travel app for outdoor recreation app, hosted a media FAM in Greater Palm Springs last week. We partnered with AllTrails to extend the visit of five of the journalists to experience our other pillars. Publications included: Ebony, Well + Good, MSN, SELF, and CNN.

We worked with Globe Trotter to create a Custom Palm Springs luggage line launching on February 22nd, continued activation in UK and Japan (their two largest markets).

Convention Sales

PSIFF ran January 4-7, 2023. VGPS hosted another very successful annual PSIFF Fam for 16 Convention Sales clients and 4 Media Journalists.

Article on Palm Springs International Film Festival was on Smart Meetings Magazine homepage featuring our client FAM.

4 VGPS representatives attended PCMA Convening Leaders in January. VGPS sponsored a DEI breakout session and hosted a focus group to better understand planner impressions of GPS, determine planner perception of industry trends, and have better collaboration. The feedback/insights will be used as we recreate our meeting sales campaign.

Partnership

Davis: Champions of Hospitality Awards Gala in November - 32 award recipients, over $81k raised for the Tourism Foundation and over $43k in college scholarships given out. We celebrated our Spirit of Tourism Award winner Tom Scaramellino.

TEAM GPS program continues to grow, we added 200 new TEAM GPS ambassadors in 2022. VGPS encourages partners to contact Erica in partnership for more info or to book a training. Highlighted Cristian Cabrera as one of the TEAM GPS Ambassadors – he was a VGPS intern and now has a full-time position at Ritz-Carlton Rancho Mirage.

VGPS is still sending out the link to the Autism Certification to our board and JPA executive committee and encourages them to take the 30-minute course and learn more about becoming a certified business or city. The JPA Tourism Grant is available to use for the Autism Certification.

Kind Traveler is a regenerative tourism program where travelers can give back to non-profits with every booking they make through the platform. Press release will be coming out soon. We've partner with Caravanserai to provide local Spanish-speaking, small business entrepreneurs business training and a grant up to $7,500 each.

Staff Update

Colleen introduced Todd Burke as our new VP of Communications and Don Prince as our new Director of Indian Wells Tourism

JPA Grant Update

The GPS Tourism Grant is run through the GPS Tourism Foundation and had a 100% participation from our cities.

Update on College of the Desert Hospitality & Culinary Campus

Scott: The most current plans show 12k feet for the Culinary space, 2.5k feet for the Hospitality Management space, and 19k feet of FLEX space – we are keeping an eye on the space to be sure it comes to the 30k feet that has been promised. Scott showed a diagram/blueprint of the planned space.

2023 Goals & Objectives

- **VGPS 2023 Qualitative Priorities include:**

Transportation, Destination Pillars, International Marketing, Communications & PR, CS business, Regional Collaboration (need the standalone CalState Campus in PD), Vacation Rentals and Wayfinding.

Transportation: Fly Market Support - Palm Springs International Airport has continued to experience record passenger growth in 2022 to officially mark the busiest year on record with 2.98 million total passengers for 2022 (16.3% increase from 2019). Our top priorities are to grow off-season nonstop service to major hub airports; Chicago, Atlanta, Salt Lake (up gauge type of plane) and New York. Priorities for seasonal service are New York, Washington D.C. and Atlanta. Specifically for Southwest, we are targeting expansion of Dallas and Chicago beyond their current holiday service.

Marketing Pillar Support: In 2023, we will continue to support our culinary experiences, leveraging the new Michelin/Visit California partnership to gain more media coverage. We will support local restaurants promoting (8) new recommended restaurants and introducing Michelin to a variety of restaurant partners in Greater Palm Springs to gain more ratings and recommendations. - Experience passes in partnership with Bandwango will continue to be deployed throughout the year, including the annual Summer Eats Pass which is deployed immediately following Greater Palm Springs Restaurant Week. Local restaurants will also be featured and promoted throughout new social/video and blog content programming planned for 2023. - Continuing to support and promote arts & culture in our destination is a key part of our 2023 goals. With the launch of the Oasis of Art campaign, we now have a comprehensive campaign that encompasses the Art & Sol video series, artsGPS app, signature events, and murals/public art offerings. We will continue to deploy new content and align our advertising with applicable events throughout the year, including Desert X, Modernism Week, and other signature music and arts festivals as well as nightlife and entertainment events in the destination. - New content will be planned for the Art & Sol video series highlighting local artists, which will be deployed gradually throughout the year and promoted via a dedicated media plan including video display advertising, native content, and social media. - Health & Wellness, Outdoor Adventure and LGBTQ+ will also be a priority to highlight in our content creation, digital efforts, and creative imagery and video.

International Marketing: VGPS recently contracted with Finn Partners, a full-service marketing and PR agency, which will allow us to focus on supporting international recovery by increasing awareness and market share for Greater Palm Springs. Through this new and expanded partnership, we will develop and execute a consumer media plan targeting key markets in the UK and Ireland with digital, social, video, and print/OOH advertising in addition to PR and Travel Trade efforts and in-market activations. We will align this partnership with Brand USA's marketing offerings to maximize our reach and budget.

Communications & PR: New UK PR Agency (Finn Partners). Used to gain more media exposure to support international recovery. - Proactive targeting and pitching to our top "most wanted media" NY Times, Travel & Leisure, Conde Nast, Lonely Planet, National Geographic, LA Times, Seattle Magazine, Wall Street Journal, Afar, and Outside. - Corporate communications and public affairs. Topic and messaging will be shared locally to support organizational priorities such as workforce development and sustainability. - Michelin/VC partnership. Gain coverage elevating Greater Palm Springs as a culinary destination and introduce new restaurant options throughout the valley for Michelin to consider adding to their list.

Convention Sales: With continued recovery of group business as a key priority for our organization, we will grow and evolve our convention sales advertising that resumed last year with the "Meetings Mean More" campaign. We have partnered with Greenhaus Agency to evaluate and evolve the current meetings campaign, which includes an in-depth destination immersion trip, interviews with partners and stakeholders, presentation of key findings, and development of new photography and video assets for use in marketing our destination to meeting planners. These findings and new assets will allow us to further develop our advertising campaign throughout 2023.

Workforce & Team GPS: Provide hospitality employers with connections for internship and job shadow programs through partnership with One Future Coachella Valley and resource toolkit. - Continue to provide and promote scholarships for local students interested in hospitality careers. - Work with the local college hospitality programs to invite students to attend our networking events and fundraisers. - Continue to partner with the CVHS Hospitality Academy. - Conduct focus groups to refine and improve our hospitality careers marketing campaign. - Launch the TEAM GPS Champions Mobile Pass. -Develop three new social media channels (@TeamGreaterPS) to raise engagement and awareness, support local events, and spotlight hospitality and tourism workforce priorities. - Expand training and certifications available through partnership with COD's PaCE program and provide scholarships for hospitality employees to complete Emerging Leaders Certificate training.

DEI, Cultural Tourism, Sustainability & Accessibility: Continue to build out content for sustainability, accessibility, and cultural tourism. - Launch and coordinate phase 3 of our Travel Unity partnership. - Survey/assess the accessibility needs and current assets of our tourism partners. - Begin the process of a sustainability certification. - Include DEI, sustainability, cultural heritage, and accessibility in our TEAM GPS training and partner education. - Provide a cohort of 30 Spanish-speaking tourism related entrepreneurs through partnership with Caravanserai.

Regional Collaboration: We will actively advocate for organizational priorities including a standalone Cal State Campus in Palm Desert, a COD culinary and hospitality training facility and program that meets the needs of our destination, rail service, international air service, shade trees and structures, regional mobility, wayfinding, broadband, solutions for workforce housing and homelessness, and action at the Salton Sea. This includes communicating our priorities to elected officials and lawmakers, highlighting progress and opportunities in presentations to partners and community members, and sharing opportunities for partners or those in the community to support.

Vacation Rentals: We will continue to promote the benefits of vacation rental tourism locally through PR and marketing, provide resources and best practices to vacation rental operators and cities, commission an updated economic impact of vacation rental tourism for 2022, advocate for balanced vacation rental policies, and partner with the major platforms to communicate with vacation rental operators. We will also engage the process for a research study to evaluate the marketing funding and analysis visitors' behavior to quantify the benefits to vacation rental TBID owners. We will explore a grant or co-op for vacation rental operators to help reduce negative impacts, such as noise monitoring or guest education tools. Vacation rentals will continue to be integrated into destination-wide marketing campaigns in addition to dedicated vacation rental advertising programs. These programs include VRBO, AirBNB, digital display, native content, and social media. Additional campaigns will be added to the strategy in 2023 with a new vacation rental summer campaign launching in partnership with VRBO which will have a social media 1st media plan. We will continue to engage the Advisory Group to further enhance, develop and uncover new marketing opportunities. We will also focus on building our asset library with more vacation rental videos and images to utilize in our plan.

Wayfinding: We will partner with CVAG to advocate and explore funding options for I-10 corridor beautification. We will also promote awareness of grant opportunities for new vehicle e-charging stations along the I-10 corridor and advocate for improved wayfinding to vehicle e-charging stations. We will continue to advocate with the cities for additional wayfinding to visitor points of interest throughout the Coachella Valley. We will also work with CVAG and the Coachella Valley Mountains Conservancy to add water and shade locations to our hiking maps as well as encourage All Trails to add these to their guides.

- **Presentation of 2022 Results and 2023 Proposed Goals**

Colleen:
Convention Sales achieved 117% of our Goal in 2022 and are increasing our goal to 185.5k room nights for 2023.
Website results – exceeded our goal by 3%, reached 3.381,633 sessions and our 2023 goal is 2,963,132 based on the changing Google analytics.
Social Media results – exceeded our goal of 23.5 mil impressions to 35.2 mil. 2023 Goal is 42 million impressions.

Media Goals & Results – reached 6,679 and goal is 6,800.

Scott recapped 2022 Partnership & Tourism Foundation Goals – Partnership revenue 2022 reached $241,197 revenue, 2023 goal is $250k Partnership revenue, $150k Foundation Fundraising and $130k other revenue.
Wished Happy Birthday to all Board & JPA Members who celebrate in January, February, and March.

VGPS Board (BOD VOTE only)

- **Approve Patrick Klein from El Paseo and John Bolton from Oak View Group for Board of Directors seats (Tim Ellis)**

Tim Ellis requested John Bolton's appointing be tabled for a later date due to a position change and called for an approval of Patrick Klein for a seat on the Board of Directors. Tim Ellis with Ellis Hospitality made a motion to approve, and Bob Schneider with Desert Consulting seconded.

- **Resolution No. BOD 2023-001 – Amended & Restated VGPS BOD Bylaws for recurring Meetings (Rolf)**

The resolution to amend and restate the Board of Directors Bylaws for recurring meetings was presented for approval, which would allow VGPS to schedule or change Joint BOD & JPA Meetings based on availability of venues and quorum with advance notice to Board & JPA Members and public posting. Lorraine Becker with Cabot's Pueblo Museum made a motion to approve, and Peggy Trott with Kimpton Rowan Palm Springs seconded. All approved. No abstentions.

- **Approve 2023 Goals and Objectives (Rolf)**

Rob Hampton with Palm Springs Convention Center made a motion to approve, and Tim Pyne with Renaissance Esmeralda Resort seconded. All approved.

- **Open comments were made by Waymond Fermon with City of Indio and Jan Harnik with City of Palm Desert on two other topics:**

Waymond Fermon with City of Indio commended our goals and thanked the Board for their support of the city officials with the housing issue across the valley.

Jan Harnik with City of Palm Desert suggests we advocate for the funding of the recently passed (by the Federal Government) IIJKBAL Tree Canopies bill, as it was authorized but wasn't funded, as well as looking into the commission of Phillip Smith to paint art on some of our wind turbines on the west entrance of I-10.

JPA EXECUTIVE COMMITTEE ITEMS (Only the JPA Executive Committee Votes)

- **Approve 2023 Goals and Objectives (Gary)**

Waymond Fermon with City of Indio made a motion to approve, and Mayor Linda Evans with City of La Quinta seconded. All approved. No abstentions.

- **Resolution No. JPA 2023-001 – Reamended & Restated JPA Bylaws for recurring Meetings**

The resolution to amend and restate the JPA Bylaws for recurring meetings was presented for approval, which would allow VGPS to schedule or change Joint BOD & JPA Meetings based on availability of venues and quorum with advance notice to Board & JPA Members and public posting. Mayor Linda Evans with City of La Quinta made a motion to approve, and Waymond Fermon with City of Indio seconded. All approved. No abstentions.

- **Resolution No. JPA 2023-002 – Support of Proposed Chuckwalla National Monument**

Gary Gardner with City of Desert Hot Springs made a motion to approve. Linda Evans with City of La Quinta disapproved of the motion and then spoke from the aspect of the CVCC Group – city councils in their entirety have not supported this due to undefined boundaries and concerns from the utility partners. Linda agrees that having the 214k acres as part of a conservation habitat is a positive for our community, but the City of La Quinta requires further detailed information about offroad recreation and available utilities before they can vote. This proposition will be on the CVCC agenda in a couple of weeks and hope to have some of the concerns answered. Jan Harnik with City of Palm Desert and Waymond Fermon with City of Indio are both in agreement with Linda Evans. Gary Gardner said this will also be on the City of Desert Hot Springs Meeting agenda on February 7th.
Linda Evans with City of La Quinta made a motion to table the discussion until further studies are conducted, and Jan Harnik with City of Palm Desert seconded. All approved.
Adding to the March agenda.

JPA EXECUTIVE COMMITTEE & BOARD OF DIRECTORS UPDATES

- Recognition of Jerry Keller for Richard M. Milanovich Community Leadership Award

- Recognition of Mayor Linda Evans for Desert Sands Educational Foundation's Community Member of the Year
- **Gary Gardner asked for any updates from City Officials.**
  - Rita Lamb - Taste of Jalisco Friday, February 3rd from 4:00 pm through the weekend
  - Jeffrey Bernstein said they are signing their Sister City Agreement and have many upcoming events.
  - Scott White spoke briefly about The Thompson – sounds positive for opening of next Fall.
  - Waymond Fermon – Riverside County National Date Festival starts on February 17th and will run for 10 days. Indio will also host a Presidents Day Parade on the 23rd. Free Concert Series coming up again.
  - Jan Harnik – Fashion Week El Paseo and Palm Desert Food & Wine are both at the end of March
  - Linda Evans – La Quinta Arts festival taking place March 2-5 at Civic Center Park and BNP Tennis Tournament in Indian Wells.
  - Rolf Hoehn announced Dr. George Charity Car Show coming back on March 11th, and BNP does not have vaccination requirements this year.
  - Kate Anderson announced two-part opening for the Agua Caliente Cultural Plaza – The Spa at Séc-he is opening first on Tuesday, April 4th followed by the Agua Caliente Cultural Museum, Gathering Plaza and Oasis Trail later in the year.

FUTURE MEETING DATE

- March 31, 2023 | JW Marriott Desert Springs Resort and Spa

ADJOURNMENT

The meeting was adjourned by Scott White & Gary Gardner at 9:55 a.m.

Prepared by: ______________________________
Sarah Goslin
Executive Assistant & Board Administrator

Visit GPS Board of Directors Rep: ______________________________

Approval Date: ______________________________

visit greater palm springs

70100 highway 111 / rancho mirage, ca 92270

760.770.9000 / 800.967.3767

The following pages reflect the payments issued for the period of January 01, 2023 through January 31, 2023 from Pacific Premier Bank numbered 57894 through W54791.

Scott White, President/CEO
Visit Greater Palm Springs

William Judson, Vice President, Finance and Administration
Visit Greater Palm Springs

Aftab Dada, Treasurer, Board of Directors

Check History Report
Sorted By Check Number
Activity From: 1/1/2023 to 1/31/2023

Visit Greater Palm Springs (CVA)

Bank Code: 4 Pacific Premier Operating

Check Number	Check Date	Vendor Number	Name	Check Amount	Check Type
057894	1/6/2023	AILEVON	Ailevon Pacific Aviation	5,417.00	Auto
057895	1/6/2023	AMC	AMC Institute	8,000.00	Auto
057896	1/6/2023	AMEXBGS	American Express	11,235.24	Auto
057897	1/6/2023	AT&T3	AT&T Mobility	1,420.67	Auto
057898	1/6/2023	BASIC	BASIC PVR	3,797.74	Auto
057899	1/6/2023	BURRTEC	Burrtec Waste & Recycling Svcs	452.06	Auto
057900	1/6/2023	DDIXON	David Lester Dixon	300.00	Auto
057901	1/6/2023	DELAGE	De Lage Landen Fin Svc. Inc.	999.64	Auto
057902	1/6/2023	DELAWAR	Delaware American Life Insurance Company	1,500.00	Auto
057903	1/6/2023	DESADV	Desert Adventures	500.00	Auto
057904	1/6/2023	FINDFOO	FIND Food Bank	230.00	Auto
057905	1/6/2023	FRONTIE	Frontier	178.96	Auto
057906	1/6/2023	GECKO	Gecko Grafix Corporation	1,575.00	Auto
057907	1/6/2023	IMAGE	Image360 - Palm Desert	55.71	Auto
057908	1/6/2023	JNS	JNS Media Specialists	407,672.04	Auto
057909	1/6/2023	LAWRENC	Erin Lawrence	150.00	Auto
057910	1/6/2023	MASA	Medical Air Services Association	347.00	Auto
057911	1/6/2023	NG	David Ng	1,284.08	Auto
057912	1/6/2023	PSAIR	Palm Springs Air Museum, Inc	5,750.00	Auto
057913	1/6/2023	PSCHAMB	Palm Springs Chamber of	550.00	Auto
057914	1/6/2023	SAGE	Sage Checks & Forms	297.55	Auto
057915	1/6/2023	SYNERGY	Synergy Information Solutions	2,940.00	Auto
057916	1/6/2023	TELEPAC	TPx Communications	3,263.62	Auto
057917	1/6/2023	TRULYNO	Truly Nolen Branch 063	87.00	Auto
057918	1/6/2023	UNITEDW	United Way of the Desert	118.00	Auto
057919	1/6/2023	UPS	United Parcel Service	226.18	Auto
057920	1/6/2023	UPS2	UPS Supply Chain Solutions Inc	1.24	Auto
057921	1/6/2023	USTA	US Travel Association	19,268.75	Auto
057922	1/6/2023	VACRENT	Vacation Rental Compliance	5,085.20	Auto
057923	1/6/2023	VINTAGE	Vintage E & S,Inc	19,237.50	Auto
057924	1/6/2023	VSP	Vision Service Plan (CA)	855.42	Auto
057925	1/6/2023	XPRESS	Xpress Graphics & Printing	192.16	Auto
057926	1/13/2023	ACETRAN	ACE Transportation, Inc.	4,755.00	Auto
057927	1/13/2023	AMEXSLW	American Express	899.52	Auto
057928	1/13/2023	AT&T3	AT&T Mobility	1,398.27	Auto
057929	1/13/2023	BAKERTI	Baker Tilly US, LLP	3,825.00	Auto
057930	1/13/2023	BRANDIN	Angela Weimer	115.20	Auto
057931	1/13/2023	CAPLAN	Eric Scott Caplan	1,120.20	Auto
057932	1/13/2023	CNOA	California Narcotic Officers Association	15,000.00	Auto
057933	1/13/2023	COLONIA	Colonial Life	3,099.90	Auto
057934	1/13/2023	DELAGE	De Lage Landen Fin Svc. Inc.	203.03	Auto
057935	1/13/2023	DESADV	Desert Adventures	500.00	Auto
057936	1/13/2023	DESARC	Desert Arc	1,200.00	Auto
057937	1/13/2023	DESTPSP	Destination PSP, Inc.	314.64	Auto
057938	1/13/2023	DORRIS	Chelsea N Dorris	7,200.00	Auto
057939	1/13/2023	HARRELL	Crystal Harrell	150.00	Auto
057940	1/13/2023	IGLTA	IGLTA	3,000.00	Auto
057941	1/13/2023	IMAGE	Image360 - Palm Desert	341.24	Auto
057942	1/13/2023	IRCINC	IRC Corporation	43.70	Auto
057943	1/13/2023	JNS	JNS Media Specialists	63,055.30	Auto
057944	1/13/2023	LINCOLN	The Lincoln National Life	7,898.39	Auto
057945	1/13/2023	METLIFE	Metropolitan Life Insurance	6,484.04	Auto
057946	1/13/2023	MINTPLU	MINT Plus	5,200.00	Auto
057947	1/13/2023	OAG AVI	OAG Aviation Worldwide LLC	2,525.00	Auto

Check History Report
Sorted By Check Number
Activity From: 1/1/2023 to 1/31/2023

Visit Greater Palm Springs (CVA)

Bank Code: 4 Pacific Premier Operating

Check Number	Check Date	Vendor Number	Name	Check Amount	Check Type
057948	1/13/2023	PETTY	Petty Cash	576.11	Auto
057949	1/13/2023	PSUNDER	Michael Fietsam	5,328.44	Auto
057950	1/13/2023	QUADFIN	Quadient Finance USA, Inc.	649.65	Auto
057951	1/13/2023	RITZCRM	The Ritz-Carlton, Rancho Mirage	3,339.44	Auto
057952	1/13/2023	SCANADA	Simpleview Canada LLC	2,622.00	Auto
057953	1/13/2023	SCE	Southern California Edison	3,186.13	Auto
057954	1/13/2023	SEARCHG	SearchWide Global	13,763.65	Auto
057955	1/13/2023	SHIELDS	Shields Date Garden	185.40	Auto
057956	1/13/2023	SIMPLE	Simpleview LLC	600.00	Auto
057957	1/13/2023	SLOVAK	Slovak Baron Empey Murphy &	5,890.90	Auto
057958	1/13/2023	STEELTE	Steel Technology LLC	2,016.00	Auto
057959	1/13/2023	SUNNYLA	Sunnylands Center & Gardens	25.00	Auto
057960	1/13/2023	TRAVELU	Travel Unity	58,320.00	Auto
057961	1/13/2023	TRAVMUS	TravMedia USA LLC	8,990.00	Auto
057962	1/13/2023	TRULYNO	Truly Nolen Branch 063	87.00	Auto
057963	1/13/2023	ULINE	ULINE	256.71	Auto
057964	1/13/2023	UPS	United Parcel Service	2,020.05	Auto
057965	1/13/2023	USTRAVE	U.S. Travel Association	1,075.00	Auto
057966	1/13/2023	WESTIN	OC Mission Hills Project Owner	7,863.22	Auto
057967	1/13/2023	WOODARD	Cory Lee Woodard	1,000.00	Auto
057968	1/13/2023	XPRESS	Xpress Graphics & Printing.	326.70	Auto
057969	1/20/2023	ALLE	Alexandra Pawelski	12,500.00	Auto
057970	1/20/2023	BASIC2	BASIC Benefits	189.72	Auto
057971	1/20/2023	BRANDIN	Angela Weimer	561.60	Auto
057972	1/20/2023	BROWN&B	Brown & Bigelow, Inc	1,414.58	Auto
057973	1/20/2023	CALSAE	CA Society of Assoc. Executive	6,100.00	Auto
057974	1/20/2023	CARDIFF	Cardiff Limousine	7,121.50	Auto
057975	1/20/2023	CTTC	Visit California	18,125.00	Auto
057976	1/20/2023	DELAGE	De Lage Landen Fin Svc. Inc.	999.64	Auto
057977	1/20/2023	DESARCR	Desert Arc Recycling	40.00	Auto
057978	1/20/2023	ENTERP2	EAN Services, LLC	1,990.39	Auto
057979	1/20/2023	FORWORD	Shannon Brooks	2,500.00	Auto
057980	1/20/2023	FRONTIE	Frontier	194.90	Auto
057981	1/20/2023	JNS	JNS Media Specialists	234,828.15	Auto
057982	1/20/2023	MASA	Medical Air Services Association	408.00	Auto
057983	1/20/2023	MMGY	MMGY Global, LLC	23,625.00	Auto
057984	1/20/2023	MORALES	Rogelio M. Morales	600.00	Auto
057985	1/20/2023	MPI INT	MPI International	530.00	Auto
057986	1/20/2023	TELEPAC	TPx Communications	3,288.67	Auto
057987	1/20/2023	TOURISM	Tourism Economics LLC	25,000.00	Auto
057988	1/20/2023	UPS	United Parcel Service	36.00	Auto
057989	1/20/2023	WACBSO	CVBREPS	500.00	Auto
057990	1/20/2023	WINDMIL	Windmill City Screen Printing	670.53	Auto
057991	1/27/2023	AMEXBGS	American Express	5,821.84	Auto
057992	1/27/2023	ARCHER	Greg Archer	200.00	Auto
057993	1/27/2023	BIGWHEE	Big Wheel Tours, Inc.	119.00	Auto
057994	1/27/2023	BRANDIN	Angela Weimer	259.20	Auto
057995	1/27/2023	CARDIFF	Cardiff Limousine	977.10	Auto
057996	1/27/2023	CNOA	California Narcotic Officers Association	15,000.00	Auto
057997	1/27/2023	COLONIA	Colonial Life	3,834.12	Auto
057998	1/27/2023	CSUSB	CSUSB Philanthropic Foundation	7,500.00	Auto
057999	1/27/2023	CVBREPS	Northeast CVB Representatives	400.00	Auto
058000	1/27/2023	CVHARVE	CV Harvest Box	6,658.27	Auto
058001	1/27/2023	CVWATER	Coachella Valley Water Dist.	174.63	Auto

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Check Number	Check Date	Vendor Number	Name	Check Amount	Check Type
058002	1/27/2023	DDIXON	David Lester Dixon	250.00	Auto
058003	1/27/2023	DESADV	Desert Adventures	500.00	Auto
058004	1/27/2023	DESARC	Desert Arc	1,200.00	Auto
058005	1/27/2023	DESTANA	Destination Analysts, Inc	7,800.00	Auto
058006	1/27/2023	DESTPSP	Destination PSP, Inc.	518.94	Auto
058007	1/27/2023	DESTREP	Destination Reps	2,100.00	Auto
058008	1/27/2023	EMBROI	Desert Promotional	22.84	Auto
058009	1/27/2023	IMAGINE	Christopher David Miller	5,681.00	Auto
058010	1/27/2023	JNS	JNS Media Specialists	418,624.49	Auto
058011	1/27/2023	KAMINSK	Kaminsky Productions, Inc.	13,577.45	Auto
058012	1/27/2023	KELLERM	Kellermeyer Bergensons Services, LLC	1,529.00	Auto
058013	1/27/2023	LNRSDS	LNRS Data Services Inc.	5,567.53	Auto
058014	1/27/2023	MPI INT	MPI International	530.00	Auto
058015	1/27/2023	MYLITTL	Howard Scotte, LLC	109.25	Auto
058016	1/27/2023	ODPBUS	ODP Business Solutions, LLC	1,047.64	Auto
058017	1/27/2023	PENA	Xochitl Pena	450.00	Auto
058018	1/27/2023	PSUNDER	Michael Fietsam	780.00	Auto
058019	1/27/2023	ROWAN	The Rowan Palm Springs	1,000.00	Auto
058020	1/27/2023	SHIELDS	Shields Date Garden	460.00	Auto
058021	1/27/2023	THRESHO	Threshold 360, Inc	4,000.00	Auto
058022	1/27/2023	TOTALPL	TotalPlan Business Interiors,	34,361.27	Auto
058023	1/27/2023	TOURISM	Tourism Economics LLC	12,000.00	Auto
058024	1/27/2023	ULINE	ULINE	270.06	Auto
058025	1/27/2023	UNIONSW	Union Bank	10,087.68	Auto
058026	1/27/2023	UPS	United Parcel Service	44.60	Auto
058027	1/27/2023	UPS2	UPS Supply Chain Solutions Inc	38.66	Auto
058028	1/27/2023	USTRAVE	U.S. Travel Association	22,405.00	Auto
058029	1/27/2023	VALLEY	Valley Office Equipment	544.06	Auto
058030	1/27/2023	XPRESS	Xpress Graphics & Printing	375.26	Auto
A08550	1/30/2023	MSR RHS	Mission Square Retirement RHS Plan	1,000.00	Manual
A08552	1/30/2023	MSR457B	Mission Square Retirement	11,489.80	Manual
A09012	1/6/2023	MSR 401	MSR 401(a)	66,000.00	Manual
A09014	1/6/2023	MSR457B	Mission Square Retirement	9,270.81	Manual
A09016	1/6/2023	MSR RHS	Mission Square Retirement RHS Plan	900.00	Manual
A9744A	1/6/2023	CALPERS	CalPERS	83,183.15	Manual
C23384	1/6/2023	KIEHL	Joyce Kiehl	3,591.19	Manual
C23385	1/6/2023	BUCKLIN	Tammy Bucklin	2,793.55	Manual
C23386	1/6/2023	VIAZCAN	Carolina Viazcan	247.77	Manual
C23387	1/6/2023	MACIAS	Melanie Macias	207.07	Manual
C23388	1/6/2023	ESTERLI	Susan Esterling	1,284.66	Manual
C23389	1/10/2023	BUCKLIN	Tammy Bucklin	457.44	Manual
C23390	1/10/2023	WHITE	Scott L. White	2,472.49	Manual
C23391	1/10/2023	SHEEHAN	Danae Sheehan	275.00	Manual
C23392	1/12/2023	SINCLAI	Julie Sinclair	1,318.66	Manual
C23393	1/12/2023	WHITE	Scott L. White	7,115.65	Manual
C23394	1/13/2023	WHITE	Scott L. White	5,962.86	Manual
C23395	1/13/2023	DAY	Angie Day	443.89	Manual
C23396	1/23/2023	CLOUTIE	Andy Cloutier	2,374.00	Manual
C23397	1/23/2023	BRUGGEM	Lauren Bruggemans	1,088.99	Manual
C23398	1/23/2023	TROKEY	William E Trokey	1,524.52	Manual
C23399	1/30/2023	BUCKLIN	Tammy Bucklin	397.95	Manual
C23400	1/30/2023	MACIAS	Melanie Macias	325.00	Manual
C23401	1/30/2023	AED	Suzanne Aed	1,948.83	Manual
C23402	1/30/2023	CLOUTIE	Andy Cloutier	200.00	Manual

Check History Report
Sorted By Check Number
Activity From: 1/1/2023 to 1/31/2023

Visit Greater Palm Springs (CVA)

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Check Number	Check Date	Vendor Number	Name		Check Amount	Check Type
C23403	1/30/2023	RYAN	Mary Ryan		627.16	Manual
W1728	1/19/2023	OMMAC	OMMAC Ltd.		25,000.00	Manual
W3078	1/5/2023	MSI	Marketing Services Intnl GmbH		4,215.05	Manual
W54791	1/27/2023	BLACKDI	Black Diamond		5,667.72	Manual
				Bank 4 Total:	1,918,863.37	
				Report Total:	1,918,863.37	

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The following pages reflect the payments issued from the Pacific Premier Bank Operating Account for the period of February 1, 2023 through February 28, 2023.

Scott White, President/CEO
Visit Greater Palm Springs

William Judson, Vice President of Finance & Administration
Visit Greater Palm Springs

Aftab Dada, Treasurer
Board of Directors

Company nam Visit Greater Palm Springs
Report name: Check register
Bank Operating - Pacific Premier Bank

Date	Vendor	Document no.	Amount
2/22/2023	V00333--Matt Bark		596.09
2/22/2023	V00808--Cameron Vaughan		102.64
2/10/2023	V00011--Ace Transportation	60002	1,080.00
2/10/2023	V00090--CalSAE	60003	4,792.00
2/10/2023	V00093--Cardiff Limousine & Transportation	60004	160.80
2/10/2023	V00663--ConferenceDirect	60005	62,500.00
2/10/2023	V00142--CVENT, Inc	60006	4,000.00
2/10/2023	V00678--Desert Promotional & Embroidery, LLC	60007	60.36
2/10/2023	V00692--Eric Scott Caplan	60008	1,008.60
2/10/2023	V00696--Gary R. Gardner	60009	50.00
2/10/2023	V00212--Gecko Grafix	60010	750.00
2/10/2023	V00713--Jan C Harnik	60011	50.00
2/10/2023	V00735--Lighthouse Services, LLC	60012	273.90
2/10/2023	V00736--Linda Evans Bender	60013	50.00
2/10/2023	V00346--Miramonte Indian Wells Resort & Spa	60014	6,017.52
2/10/2023	V00381--Omni Rancho Las Palmas Resort & Spa	60015	2,500.60
2/10/2023	V00409--PCMA Education Foundation	60016	84,077.50
2/10/2023	V00430--Professional Convention Management Association - PCMA	60017	485.00
2/10/2023	V00745--PS Underground	60018	3,906.78
2/10/2023	V00769--Simpleview	60019	975.00
2/10/2023	V00046--The Printing Place	60020	64.65
2/10/2023	V00800--Vacation Rental Compliance	60021	2,200.00
2/10/2023	V00786--Waymond Fermon	60022	50.00
2/10/2023	V00642--Xpress Graphics	60023	383.11
2/18/2023	V00813--4th Street Lax Ventures LLC	60024	30,000.00
2/17/2023	V00818--A & M Stone & Cabinet LLC	60025	2,000.00
2/17/2023	V00820--Ac-Painting	60026	1,441.00
2/17/2023	V00194--FIND Food Bank	60027	230.00
2/17/2023	V00017--Ailevon, LLC	60027	5,417.00
2/17/2023	V00338--Metropolitan Life Insurance Company	60028	6,864.82
2/17/2023	V00022--American Express - Business Platinum Card	60028	899.52
2/18/2023	V00819--Baker Tilly US, LLP	60029	2,964.07
2/17/2023	V00604--United Way of the Desert	60029	118.00
2/18/2023	V00057--BASIC PVR	60030	4,072.04
2/17/2023	V00622--Vision Service Plan (CA)	60030	1,001.46
2/17/2023	V00642--Xpress Graphics	60031	319.82
2/17/2023	V00073--Brandini	60031	306.00
2/17/2023	V00093--Cardiff Limousine & Transportation	60032	547.20
2/18/2023	V00093--Cardiff Limousine & Transportation	60033	718.20
2/17/2023	V00093--Cardiff Limousine & Transportation	60034	940.80
2/17/2023	V00129--Concur Technologies, Inc.	60035	1,254.51
2/17/2023	V00146--Desert Adventures Red Jeep Tour & Events	60036	500.00
2/17/2023	V00159--Destination PSP	60037	196.64
2/18/2023	V00802--Direct Source Distributing	60038	2,039.89

2/18/2023	V00195--Fired Up Culture	60039	7,600.00
2/17/2023	V00803--Granite & Light LLC	60040	19,500.00
2/18/2023	V00805--Greenhaus, Inc	60041	1,422.76
2/17/2023	V00821--Honyaku USA, Inc	60042	164.70
2/17/2023	V00251--Hydro Flask aka Steel Technology LLC	60043	1,138.32
2/17/2023	V00268--IRC Corporation	60044	65.55
2/18/2023	V00811--IRF - Incentive Research Foundation	60045	4,500.00
2/17/2023	V00274--JNS Media Specialist	60046	8,108.11
2/18/2023	V00274--JNS Media Specialist	60047	8,648.64
2/18/2023	V00274--JNS Media Specialist	60048	16,216.22
2/18/2023	V00274--JNS Media Specialist	60049	12,077.56
2/17/2023	V00274--JNS Media Specialist	60050	64,386.09
2/18/2023	V00816--Kind Traveler	60051	8,500.00
2/17/2023	V00826--Leslie Page Music	60052	500.00
2/17/2023	V00737--Locations760 dba The KIP Group	60053	2,000.00
2/17/2023	V00322--LUX Valet Parking	60054	825.00
2/17/2023	V00804--Major League Soccer	60055	35,635.00
2/18/2023	V00371--Northstar Travel Media, LLC	60056	4,995.00
2/17/2023	V00409--PCMA Education Foundation	60057	2,500.00
2/17/2023	V00801--Peter Millar, LLC	60058	2,630.49
2/18/2023	V00770--Slovak Baron Empey Murphy & Pinkney LLP	60059	13,358.31
2/18/2023	V00810--Superbloom Group LLC	60060	804.38
2/17/2023	V00765--Take Me Forword	60061	6,039.54
2/17/2023	V00782--Tourism Economics	60062	5,000.00
2/18/2023	V00718--TravPro Mobile LLC	60063	10,800.00
2/17/2023	V00718--TravPro Mobile LLC	60064	4,000.00
2/17/2023	V00590--Turning Point AV	60065	1,000.00
2/17/2023	V00606--UPS - United Parcel Service	60066	3,019.11
2/17/2023	V00609--US Travel Association	60067	33,000.00
2/17/2023	V00640--Windmill City Screen Printing	60068	313.55
2/23/2023	V00056--BASIC Benefits	60074	39.57
2/28/2023	V00056--BASIC Benefits	60075	159.25
2/28/2023	V00073--Brandini	60076	1,274.00
2/28/2023	V00834--Bruce B Whitman	60077	50.00
2/28/2023	V00078--Burrtec Waste & Recycling Svcs	60078	5.56
2/28/2023	V00093--Cardiff Limousine & Transportation	60079	578.86
2/28/2023	V00122--Coachella Valley Water District	60080	171.12
2/28/2023	V00124--Colonial Life Premium Processing	60081	3,871.40
2/28/2023	V00822--Conventions Sports & Leisure International LLC	60082	21,000.00
2/28/2023	V00144--De Lage Landen Financial Services, Inc.	60083	999.64
2/28/2023	V00148--Desert Arc	60084	1,450.00
2/17/2023	V00179--Enterprise	60085	1,865.63
2/17/2023	V00179--Enterprise	60086	844.62
2/17/2023	V00179--Enterprise	60087	249.61
2/28/2023	V00179--Enterprise	60088	348.00
2/28/2023	V00179--Enterprise	60089	412.86
2/28/2023	V00692--Eric Scott Caplan	60090	1,266.60
2/28/2023	V00251--Hydro Flask aka Steel Technology LLC	60091	2,276.64
2/28/2023	V00259--Image360	60092	765.56

2/28/2023	V00832--Jeffrey Adam Bernstein	60093	50.00
2/28/2023	V00274--JNS Media Specialist	60094	4,000.00
2/28/2023	V00724--Judd Spicer	60095	300.00
2/28/2023	V00288--Kellermeyer Bergensons Services LLC	60096	1,620.74
2/28/2023	V00314--Living Desert	60097	623.75
2/28/2023	V00827--Masashi Ito	60098	200.00
2/28/2023	V00835--Medical Air Services Association (MASA)	60099	433.00
2/28/2023	V00743--Mel Bell Photography	60100	900.00
2/28/2023	V00817--Molly Moon Crafts	60101	555.00
2/28/2023	V00377--ODP Business Solutions, LLC	60102	1,388.64
2/23/2023	V00412--Petty Cash	60103	74.80
2/28/2023	V00833--Rita Lamb	60104	50.00
2/28/2023	V00480--Shields Date Garden	60105	162.41
2/28/2023	V00500--Southern California Edison	60106	2,574.99
2/28/2023	V00810--Superbloom Group LLC	60107	536.25
2/28/2023	V00765--Take Me Forword	60108	6,039.54
2/28/2023	V00574--TPX Communications	60109	3,353.16
2/28/2023	V00600--Union Bank	60110	11,376.00
2/24/2023	V00789--Black Diamond	2.02302E+14	4,248.19
2/27/2023	V00831--JAG-UFS Logistics, Inc.	3.22286E+14	5,512.86
2/28/2023	V00825--Mission Square Retirement - RHS	3.22286E+14	1,000.00
2/28/2023	V00824--Mission Square Retirement - 457 B	3.22286E+14	10,106.07
2/22/2023	V00824--Mission Square Retirement - 457 B	3.22286E+14	10,044.09
2/22/2023	V00825--Mission Square Retirement - RHS	3.22286E+14	1,000.00
2/22/2023	V00089--CalPERS Fiscal Services Division	Conf 73410445	84,587.40
2/16/2023	V00627--Visit USA Association (UK) Ltd	FMPLK000250	4,296.03
2/16/2023	V00162--Discover America Denmark c/o Atlantic Link	FMPLK000330	1,720.00
2/16/2023	V00809--Globe-Trotter Group Ltd	FMPLK000349	124,353.02
2/10/2023	V00011--Ace Transportation	Voided - 60001	0.00
2/17/2023	V00765--Take Me Forword	Voided - 60061	-6,039.54
Total for Operating			**829,409.17**

Visit Greater Palm Springs
Statement of Activities - Actual vs Budget
As of December 31, 2022

	Year To Date 12/31/2021	Year To Date 12/31/2022		
	Actual	Actual	Budget	Variance*
Revenue				
TBID - Hotels	$ 8,363,899	$ 8,700,178	$ 8,410,880	$ 289,298
TBID - Vacation Rentals	475,424	337,865	907,989	(570,124)
JPA Funding	797,318	1,153,697	1,228,734	(75,037)
City Marketing Partnerships	139,270	129,760	180,000	(50,240)
Tribal Voluntary	80,313	80,115	61,421	18,694
Partnership Fees	132,366	128,662	79,478	49,184
Advertising & Website Revenues	110,499	195,535	37,142	158,393
Joint Share Partnerships	74,732	82,540	74,907	7,633
Grants	-	366,767	279,168	87,599
Net Investment Income	(7,409)	185,771	95,457	90,314
Total Revenue	**$ 10,166,412**	**$ 11,360,890**	**$ 11,355,176**	**$ 5,714**
Expenses				
Labor - Wages	$ 2,068,081	$ 2,676,614	$ 2,778,228	$ (101,614)
Labor - Taxes & Benefits	751,676	1,036,624	984,772	51,852
Marketing Production	113,439	94,505	329,000	(234,495)
Media Placement & Digital Marketing	1,862,631	2,860,307	4,462,422	(1,602,115)
Collateral Material	26,705	29,863	52,538	(22,675)
Familiarization Trips	86,961	170,533	236,248	(65,714)
Tradeshows / Sales Missions	366,557	621,404	693,375	(71,972)
Travel & Lodging	17,276	9,195	22,504	(13,309)
Special Promotions & Representation	200,234	956,153	1,941,765	(985,611)
Collection Fees	38,252	15,069	45,400	(30,332)
Event Hosting	134,175	320,677	465,450	(144,773)
Research	193,431	250,325	316,152	(65,827)
IT - Information Technology	19,009	61,802	71,107	(9,305)
Professional Fee	54,153	218,071	250,798	(32,727)
Overhead-Supplies-Utilities-Fees	472,736	896,898	609,937	286,961
Capital Outlay	7,103	59,847	30,000	29,848
Total Expenses	**$ 6,412,419**	**$ 10,277,887**	**$ 13,289,696**	**$ (3,011,808)**
Total Revenues Less Expenses	**$ 3,753,993**	**$ 1,083,003**	**$ (1,934,520)**	**$ 3,017,522**

*Notes for Budget Variances > $500k

TBID - Vacation Rentals:

- This is a timing variance. The budget anticipated earlier receipt of these assessments collected by the cities on behalf of VGPS.

Media Placement & Digital Marketing:

- This is a timing variance. The execution of the marketing plan has progressed as planned, however, not all invoices have been received for advertising placements made.

Special Promotions & Representation:

- Costs have been lower than anticipated for flight guarantees, activations and workforce development.

John Bolton

Senior Vice President, Oak View Group
General Manager, Acrisure Arena

John Bolton, CVE, currently serves at Senior Vice President for Oak View Group and General Manager of the new $300 Million Dollar Acrisure Arena project located in the Greater Palm Springs Area of Southern California.

Prior to moving to Palm Springs, Bolton served as Vice President of Entertainment for ASM Global, the world's largest venue management company. In this position, Bolton worked with ASM Global Arenas and Stadiums in the presentation of some 32,000 live events annually. Additionally, he utilized his previous venue marketing experience to provide marketing and public relations support to more than 140 ASM Global arena marketing professionals. Prior to his Vice President role with ASM Global, he served as Regional Vice President for venues in Puerto Rico and the West Coast United States as well as National Director of Marketing for ASM Global.

Prior to his corporate positions, Bolton was entrusted to oversee the final phases of construction and grand opening of one of ASM Global/SMG's premier arenas – Tulsa's BOK Center. Through his vision, this previously underserved market became a "must play" stop for national touring artists and family shows. His effort led to a nomination for *Pollstar's* Best New Major Concert Venue and subsequent nominations for *Pollstar's* Arena of the Year every year he managed the venue (2009 – 2012). In 2011, Bolton and the BOK Center were awarded the prestigious IAVM Venue Excellence Award.

Bolton has been awarded numerous other industry honors including Venue Executive of the Year by *Pollstar* Magazine and the International Entertainment Buyers Association. He is also a three-time winner of *Venues Today* Hall of Headlines Award (2008, 2013, and 2015).

Bolton served as Chair of the Board of Directors (2013-14) for the International Association of Venue Managers (IAVM) as well as Chair of the Board of Directors (2020-2021) for the International Entertainment Buyers Association (IEBA).

Locally, the Coachella Valley Chamber of Commerce awarded their 2021 President's Award to Bolton for his work facilitating the new Acrisure Arena project for the Coachella Valley in Southern California.

VISIT GREATER PALM SPRINGS

Audit Communications

Year ended June 30, 2022

VISIT GREATER PALM SPRINGS

Audit Communications

Year ended June 30, 2022

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Davis Farr
CERTIFIED PUBLIC ACCOUNTANTS

Davis Farr LLP
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REQUIRED AUDIT COMMUNICATIONS

JPA Executive Committee
Visit Greater Palm Springs
Rancho Mirage, California

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information Visit Greater Palm Springs (VGPS) for the year ended June 30, 2022. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated November 13, 2022, our responsibility, as described by professional standards, is to form and express an opinions about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, as part of our audit, we considered the internal control of VGPS solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, and our firm have complied with all relevant ethical requirements regarding independence.

We identified self-review threats to independence as a result of non-attest services provided. The non-attest service included preparing the financial statements. To mitigate the risk, management has compared the draft financial statements and footnotes to the underlying accounting records to verify accuracy and has reviewed a disclosure checklist to ensure footnotes are complete and accurate. Additionally, we utilize a quality control reviewer to perform a second review of journal entries and the financial statements. We believe these safeguards are sufficient to reduce the independence threats to an acceptable level.

Significant Risks Identified

We identified GASB 87 Lease Implementation as a significant risk area. We reviewed lease activity for the VGPS to determine the impact of lease activity. As a result of our review, there was one item noted within our reporting of uncorrected and corrected misstatements within the letter.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by VGPS is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during 2022. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements include:

- Management's estimate of transactions related to net pension and OPEB liabilities based on actuarial information.

We evaluated the key factors and assumptions used to develop the estimate and determined that it is reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting VGPS's financial statements were:

- The disclosure of pensions in note 7 to the financial statements
- The disclosure of OPEB in note 6 to the financial statements.

The financial statement disclosures are neutral, consistent, and clear.

Significant Unusual Transactions

For purposes of this communication, professional standards require us to communicate to you significant unusual transactions identified during our audit. There were no unusual transactions noted as a result of our audit procedures.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards also require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. Uncorrected misstatements or matters underlying those uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even though the uncorrected misstatements are immaterial to the financial statements currently under audit. Management has determined that the effect of the following uncorrected adjustment is immaterial, both individually and in the aggregate, to the financial statements as a whole: an entry to record a right to use asset and lease payable due to the implementation of GASB 87.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the VGPS's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management in a letter dated March 20, 2023.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with VGPS, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting VGPS, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as VGPS's auditors.

This report is intended solely for the information and use of the Executive Committee and management of VGPS and is not intended to be and should not be used by anyone other than these specified parties.

Davis Farr LLP

Irvine, California
March 20, 2023

DavisFarr
CERTIFIED PUBLIC ACCOUNTANTS

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Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

JPA Executive Committee
Visit Greater Palm Springs
Rancho Mirage, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Visit Greater Palm Springs (VGPS), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively VGPS's basic financial statements, and have issued our report thereon dated March 20, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered VGPS's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of VGPS's internal control. Accordingly, we do not express an opinion on the effectiveness of VGPS's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect, and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of VGPS's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of weaknesses, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify the following deficiency in internal control to be a significant deficiency:

(1) Procurement Policy

During our vendor testing, we noted documentation was not available to demonstrate the vendor went through the competitive bidding process as required by the procurement policy.

Recommendation

We recommend VGPS update the procurement policy to address documentation retention and that VGPS adhere to the formalized policy.

Management Response

Management agrees with this recommendation.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether VGPS's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

VGPS's Response to Findings

VGPS's response to the finding identified in our audit is described in the previous section. VGPS's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of VGPS's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Davis Farr LLP

Irvine, California
March 20, 2023

GASB Statement No. 96: *Subscription-Based Information Technology Arrangements*

This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for governments. This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset-an intangible asset- and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The standards for SBITAs are based on the standards established in Statement No.87, *Leases*, as amended.

The standard will be effective for the fiscal year ending June 30, 2023.

GASB Statement No. 100: *Accounting Changes and Error Corrections*—an amendment of GASB Statement No. 62

The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This Statement defines *accounting changes* as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements.

The standard will be effective for the fiscal year ending June 30, 2023.

GASB Statement No. 101: *Compensated Absences*

The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences.

The standard will be effective for the fiscal year ending June 30, 2024.

VISIT GREATER PALM SPRINGS

Annual Financial Report

Year ended June 30, 2022

VISIT GREATER PALM SPRINGS

Annual Financial Report

Year ended June 30, 2022

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FINANCIAL SECTION

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Independent Auditor's Report

JPA Executive Committee
Visit Greater Palm Springs
Rancho Mirage, California

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Visit Greater Palm Springs (VGPS), as of and for the year June 30, 2022, and the related notes to the financial statements, which collectively comprise VGPS's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of VGPS, as of June 30, 2022, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis, budgetary comparison information* and *pension and other post-employment benefit schedules* be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Report on Summarized Comparative Information

We have previously audited VGPS's 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated May 6, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2021 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 20, 2023 on our consideration of VGPS's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering VGPS's internal control over financial reporting and compliance.

Davis Farr LLP

Irvine, California
March 20, 2023

This discussion and analysis of Visit Greater Palm Springs (Visit GPS) financial performance for the year ended June 30, 2022 provides a comparison of the current year to prior year ending results in a narrative format. It includes an analysis of Visit GPS's financial position and results of operations to assist in evaluating the Visit GPS's financial performance, as well as a discussion of significant changes that have occurred in funding. In addition, it describes the major changes in assets and liabilities. The discussion and analysis concludes with a description of currently known facts, decisions, and conditions that are expected to have a significant effect on the financial position or results of operations. We encourage readers to read the information presented here in conjunction with our financial statements.

FINANCIAL HIGHLIGHTS

The global COVID-19 pandemic significantly negatively affected the local tourism economy between March 2020 and March 2021. Over 90% of Visit GPS's revenues are based on the lodging revenues in Coachella Valley, so the decline in travel directly impacted the organization.

The magnitude of the subsequent rebound in travel surpassed all expectations. Visit GPS experienced record setting revenues levels throughout the July 2021 to June 2022 fiscal year. As a result, revenues far exceeded expenses. Net fund balances increased dramatically.

The highlights below reflect the results of this rebound year from the travel restrictions experienced from the COVID-19 pandemic in the prior year:

- Total revenues increased by $17,095,754 (124.35%) primarily due to increased Tourism Business Improvement District (TBID) assessment collections.
- Vacation rental properties began paying a 1% TBID assessment on gross short-term rental revenues effective July 1, 2021, producing additional revenues $2,911,457.
- Total assets increased $14,014,501 (62.6%) from a combination of increased cash and investments, higher receivables, and increased prepaid items.
- Liabilities were reduced by Paycheck Protection Program loan obligations of $2,283,999 forgiven during the year.
- The net position increased from $13,695,593 to $27,784,870 during the year. This $14,089,277 (102.87%) increase resulted from record setting revenue levels combined with expenses less than budgeted.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of Visit GPS as a whole and presents a long-term view of the Visit GPS's finances. The following Fund financial statements for government activities presents how Visit GPS services were financed in the current year as well as what balances carry over for future spending. Fund financial statements report Visit GPS's operation in more detail than the government-wide statements by providing information about Visit GPS's General Fund and TBID funds. This report also contains notes to the financial statements, which is additional information to the basic financial statements.

REPORTING VISIT GPS AS A WHOLE

The Statement of Net Position and the Statement of Activities

The Statement of Net Position and the Statement of Activities report information as a comparison to the previous fiscal year for Visit GPS as a whole. These statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the year's revenue and expenses (changes in net position) are taken into account regardless of the timing of related cash flows. Therefore, revenues and expenses are reported in this statement for some items that may result in cash flows in future fiscal periods. Our analysis of these statements is reflected in Table 1 and 2 following.

REPORTING VISIT GPS'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds. Some funds are required to be established by State law and by JPA Executive Committee direction. However, management established other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain resources. Visit GPS maintains two governmental funds: the General Fund and TBID. The primary sources of funding are from the Tourism Business Improvement District; the history of which can be found below.

The second most significant source of funding is from Coachella Valley cities and the County of Riverside. This funding is based on a formula applied to local lodging revenues. The Agua Caliente Band of Cahuilla Indians makes a voluntary contribution on a quarterly basis.

The final source of funding is private funds. This includes revenue received through partnership, event hosting, advertising cooperatives, joint share participation with stakeholders, and interest.

Governmental funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of Visit GPS's general operations and the basic services provided. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance Visit GPS's programs.

The General Fund is comprised of public funding and private funds. The General Fund combines these two funding sources as there are not restrictions on how these funds are disbursed. TBID funds are accounted for separately and used for programs benefiting lodging establishments that are assessed and pay TBID.

2008 TBID Funds – In June 2008, Visit GPS requested that the County of Riverside form the Palm Springs Desert Resort Communities Tourism Business Improvement District (TBID). This funding source was assessed on hotels with 50 or more rooms within the defined eight cities and specified areas in the unincorporated part of the County of Riverside. An assessment of two percent on gross room sales was approved and was collected by the County of Riverside and remitted to Visit GPS.

2013 TMD Funds – The Tourism Marketing District Assessment was created in June 2013 with collection beginning on August 1, 2013. This funding source was assessed on hotels with 50 or more rooms within the defined eight cities and specified areas in the unincorporated part of the County of Riverside. An assessment of one percent on gross room sales was collected by Visit GPS. The purpose of this funding source was to promote the assessed businesses as tourism visitor destinations and to fund projects, programs, and activities through an enhanced sales and marketing/media plan that specifically benefits the assessed businesses by generating room night sales.

2016 TBID Funds – On June 17, 2016, the Joint Powers Authority Executive Committee of Visit GPS held a public hearing and voted to establish a three percent Tourism Business Improvement District (TBID) assessment on gross short-term rental revenue to replace the current two percent Business Improvement District and the one percent Tourism Marketing District Assessment.

2021 TBID Funds - Coachella Valley vacation rental lodging owners and representatives successfully petitioned to be included in the TBID effective July 1, 2021. All vacation rentals located within the TBID boundaries began contributing 1% of gross rental revenue for short-term stays as of this date.

VISIT GPS AS A TRUSTEE

Reporting Visit GPS's Fiduciary Responsibilities

Visit GPS is the trustee, or fiduciary, for its employee pension plan and the Greater Palm Springs Tourism Foundation. The fiduciary activities are reported separately in the fiduciary fund financial statements. These activities are excluded from the other financial statements, as Visit GPS cannot use these assets to finance its operations. Visit GPS is responsible for ensuring that the assets reported in these funds are used for their intended purposes. The basic fiduciary fund financial statements follow Visit GPS financial statements in this report.

OTHER PROVIDED INFORMATION

Notes to 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. The notes to the financial statements can be found in this report immediately following the financial statements.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning Visit GPS’s budgetary performance of the two governmental funds. Additional information is presented concerning Visit GPS’s progress toward funding its obligation to provide pension benefits to its employees. The required supplementary information can be found following the notes to the financial statements.

Table 1
Comparison of Net Position
June 30, 2022 and June 30, 2021

	Governmental Activities			
	2022	**2021**	**$ Change**	**% Change**
Assets				
Current and Restricted Assets	$ 34,538,284	$ 20,464,161	$ 14,074,123	68.77%
Capital Assets (net of depreciation)	1,862,985	1,922,607	(59,622)	-3.10%
Total Assets	36,401,269	22,386,768	14,014,501	62.60%
Deferred Outflows of Resources	1,243,422	571,451	671,971	117.59%
Liabilities				
Current Liabilities	3,266,532	1,786,550	1,479,982	82.84%
Long-Term Obligations (includes OPEB)	5,108,899	6,096,034	(987,135)	-16.19%
Total Liabilities	8,375,431	7,882,584	492,847	6.25%
Deferred Inflows of Resources	1,484,390	1,380,042	104,348	7.56%
Net Position				
Net Investment in Capital Assets	1,862,985	1,922,607	(59,622)	-3.10%
Restricted for Tourism Related Activities	28,202,853	17,034,370	11,168,483	65.56%
Unrestricted	(2,280,968)	(5,261,384)	2,980,416	-56.65%
Total Net Position	$ 27,784,870	$ 13,695,593	$ 14,089,277	102.87%

Current and Restricted Assets

An increase in cash and investments during the year accounted for the majority of the increase in current and restricted assets. This resulted from revenues exceeding the amount of expenses by $12,278,709 for the year as shown in Table 3 below.

Capital Assets

As of June 30, 2022, Visit GPS had $1,862,985 in net capital assets which includes $2,403,701 of accumulated depreciation. Visit GPS purchased air conditioning units for the building, artificial grass to replace real grass for the building's landscaping, computer servers, desks, and cabinets during the year at a total cost of $94,837. The depreciation expense of $154,459 during the year exceeded the cost of asset acquisitions resulting in an overall net asset value decrease. Additional information regarding Visit GPS's capital assets can be found in Note 4 to the financial statements.

Current Liabilities

Visit GPS received a $1,759,375 grant from Riverside County for the Tourism Recovery Program in June 2022. These funds were not expended prior to June 30, 2022 creating an increase to Visit GPS liabilities.

Long-Term Obligations

The Paycheck Protection Program loans of $2,283,999 Visit GPS received in prior years were forgiven in the current year. This resulted in a net decrease in long-term obligations.

Table 2
Comparison Changes in Net Position
Fiscal Years Ending June 30, 2022 and June 30, 2021

	2022	2021	$ Change	% Change
Revenues				
Public Source Revenue - City/County	$ 3,057,785	$ 1,604,336	$ 1,453,449	90.60%
Public Source Revenue - TBID	25,020,816	10,782,793	14,238,023	132.04%
Private Revenues - Charges for Services	779,344	1,274,450	(495,106)	-38.85%
Other Revenues	1,986,094	86,706	1,899,388	2190.61%
Total Revenues	30,844,039	13,748,285	17,095,754	124.35%
Expenses				
Administration - Including Government Expense of OPEB	2,079,513	1,270,487	809,026	63.68%
Partnerships	1,071,619	549,011	522,608	95.19%
Marketing	7,338,998	6,278,366	1,060,632	16.89%
Tourism Development	2,586,307	490,909	2,095,398	426.84%
Convention Sales and Services	3,678,325	2,208,305	1,470,020	66.57%
Total Expenses	16,754,762	10,797,078	5,957,684	55.18%
Change in Net Position	$ 14,089,277	$ 2,951,207	$ 11,138,070	377.41%

Table 3
Combined Governmental Fund Activity Comparison to Prior Year
Fiscal Years Ending June 30, 2022 and June 30, 2021

	Governmental Activities			
	2022	**2021**	**$ Change**	**% Change**
Revenues by Type				
City Funding	$ 3,057,785	$ 1,604,336	$ 1,453,449	90.60%
TBID	25,020,816	10,813,574	14,207,242	131.38%
Private Revenue	481,439	1,361,156	(879,717)	-64.63%
Total Revenues	28,560,040	13,779,066	14,780,974	107.27%
Expenditures by Type				
Labor	6,682,823	5,421,773	1,261,050	23.26%
Advertising and Brand Production	616,448	287,634	328,814	114.32%
Placement	3,898,114	3,070,434	827,680	26.96%
Digital Marketing	289,940	180,115	109,825	60.97%
Collateral Material	52,693	5,396	47,297	876.52%
Familiarization Trips	214,630	62,213	152,417	244.99%
Trade Shows/Sales Missions	736,901	90,494	646,407	714.31%
Travel and Lodging	22,924	4,461	18,463	413.88%
Special Promotions	1,368,456	319,358	1,049,098	328.50%
Collection Fees	159,758	-	159,758	
Event Hosting	436,428	16,000	420,428	2627.68%
Research	365,885	193,914	171,971	88.68%
IT - Information Technology	45,659	92,959	(47,300)	-50.88%
Professional Fees	181,708	256,780	(75,072)	-29.24%
Overhead	1,114,126	476,713	637,413	133.71%
Capital Outlay	94,838	-	94,838	
Total Expenditures	16,281,331	10,478,244	5,803,087	55.38%
Change in Fund Balance	$ 12,278,709	$ 3,300,822	$ 8,977,887	271.99%

This table provides a comparison of the fund level activity as derived from governmental funds.

Revenue by Type

Most of the organization's revenues are tied to Coachella Valley lodging revenues. The global COVID-19 pandemic had a significant negative impact on the local tourism industry from March 2020 to March 2021. Pent-up demand for travel rapidly escalated revenues after this time period creating record setting revenue levels in the current year.

Private revenue was higher in the prior year due to the organization being awarded a $750,000 grant by the County of Riverside to fund marketing efforts designed to promote the economic recovery for the Coachella Valley hospitality industry.

Expenditure by Type

Work furloughs were in place for most of the prior year. There were none in the current year. To the contrary, additional staffing was required to meet demands resulting in increased labor costs.

With people regaining the ability and interest in travel post pandemic, advertising and marketing efforts were escalated to drive demand for Greater Palm Springs destination. This increased advertising production costs, ad placements, digital marketing, and collateral materials.

The group meetings market lagged behind the leisure travel market rebound. This segment did improve steadily throughout the year, however, and investments were made to recapture business lost during the pandemic. This resulted in increased costs for familiarization trips, trade shows and travel.

During the year, Visit GPS initiated a program providing grants to local cities for tourism enhancement projects. The $570,000 cost of this program increased Special Promotions expenses. International representation was reestablished during the year as international travel resumed post pandemic. This also increased Special Promotions expenses.

The local cities with vacation rentals collect the related TBID assessments from the property owners effective July 1, 2022. The cities remit these collections to Visit GPS less a 5% collection fee.

Visit GPS resumed support for local tourism events as these were allowed post pandemic. This increased Event Hosting expenses.

Research was reduced in the prior year for the lack of need to test advertising effectiveness, study visitor profiles or study the economic impact of tourism. These types of research projects resumed in the current year.

Information Technology expenses decreased compared to the prior year due to fewer website modifications being required.

Fewer legal activities compared to the prior year led to reduced Professional Fees expenses.

Employees returning to full-time work and an increase in staffing resulted in an increase to Overhead expenses. Most overhead expenses were impacted, such as, employee training, auto mileage, office supplies, building expenses, recruiting expenses, professional dues, postage & shipping, and employee relations. Several computers were also replaced.

Final Analysis

The significant upswing in travel post pandemic had been forecasted by most. None of the available forecasts had predicted the full magnitude of the increase in travel and the lodging rates travelers would be willing to pay. As a result, revenues were much higher than were budgeted. Fund balances increased significantly during the year.

Visit GPS has continued to benefit from strong demand for Coachella Valley lodging. While the number of leisure travelers has currently leveled off, the group meetings market has continued to increase. This has resulted in continued record setting revenue levels. The financial health of the organization has never been stronger.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of Visit GPS's finances for all those with an interest. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to the Vice President of Finance & Administration at info@visitgreaterps.com or by U.S. mail: Visit Greater Palm Springs 70100 Highway 111, Rancho Mirage, California 92270.

VISIT GREATER PALM SPRINGS

Statement of Net Position

June 30, 2022
(with comparative information for prior year)

	Governmental Activities 2022	Governmental Activities 2021
Assets:		
Cash and investments (note 2)	$ 29,563,175	17,323,559
Restricted cash and investments (note 2)	411,441	461,260
Receivables (note 3)	2,862,632	1,502,457
Interest receivable	17,776	8,141
Due from other governments	930,685	410,357
Prepaid items	729,135	173,080
Stores inventories	23,440	22,624
Net pension asset (note 7)	-	562,683
Capital assets not being depreciated (note 4)	45,200	45,200
Capital assets being depreciated, net (note 4)	1,817,785	1,877,407
Total Assets	36,401,269	22,386,768
Deferred Outflows of Resources:		
Deferred outflows related to OPEB (note 6)	449,020	350,092
Deferred outflows related to pension (note 7)	794,402	221,359
Total Deferred Outflows of Resources	1,243,422	571,451
Liabilities:		
Accounts payable	1,013,864	386,410
Due to other governments	30,147	88,307
Accrued expense	246,184	228,663
Unearned revenue	1,976,337	115,923
Deposits payable	-	15,785
Due to Pension trust	-	73,347
Noncurrent liabilities:		
Due within one year:		
Compensated absences, current portion (note 5)	172,703	142,720
Loan payable, current portion (note 5)	-	735,395
Due in more than one year:		
Compensated absences, noncurrent portion (note 5)	339,438	306,412
Loan payable, noncurrent portion (note 5)	-	1,548,604
Total OPEB liability (note 6)	4,077,878	4,241,018
Net pension liability (note 7)	518,880	-
Total Liabilities	8,375,431	7,882,584
Deferred Inflows of Resources:		
Deferred inflows related to OPEB (note 6)	980,154	536,080
Deferred inflows related to pensions (note 7)	504,236	843,962
Total Deferred Inflows of Resources	1,484,390	1,380,042
Net Position:		
Investment in capital assets	1,862,985	1,922,607
Restricted for:		
Tourism related activities	28,202,853	17,034,370
Unrestricted	(2,280,968)	(5,261,384)
Total Net Position	$ 27,784,870	13,695,593

See accompanying notes to the basic financial statements.

VISIT GREATER PALM SPRINGS

Statement of Activities

Year ended June 30, 2022
(with comparative information for prior year)

		Program Revenue	Net (Expense) Revenues and Changes in Net Position	
Function/Programs	Expenses	Charges for Services and Sales	2022	2021
Governmental Activities:				
Administration	$ 2,079,513	-	(2,079,513)	(1,270,487)
Partnership	1,071,619	260,432	(811,187)	(365,083)
Marketing	7,338,998	331,233	(7,007,765)	(5,187,844)
Tourism development	2,586,307	97,695	(2,488,612)	(490,909)
Convention sales	3,678,325	89,984	(3,588,341)	(2,208,305)
Total	$ 16,754,762	779,344	(15,975,418)	(9,522,628)
	General revenues:			
	City funding		3,057,785	1,604,336
	Assessments		25,020,816	10,782,793
	Investment income (loss)		(297,905)	86,706
	PPP loan forgiveness		2,283,999	-
	Total general revenues		30,064,695	12,473,835
	Change in net position		14,089,277	2,951,207
	Net position, beginning of year		13,695,593	10,744,386
	Net position, end of year		$ 27,784,870	13,695,593

See accompanying notes to the basic financial statements.

VISIT GREATER PALM SPRINGS

Balance Sheet - Governmental Funds

June 30, 2022
(with comparative information for prior year)

	General Fund	TBID Special Revenue Fund	Totals 2022	Totals 2021
Assets:				
Cash and investments	$ 3,712,164	25,851,011	29,563,175	17,323,559
Restricted cash and investments	411,441	-	411,441	461,260
Receivables	526,004	2,336,628	2,862,632	1,502,457
Interest receivable	2,562	15,214	17,776	8,141
Due from other governments	930,685	-	930,685	410,357
Prepaid items	729,135	-	729,135	173,080
Stores inventories	23,440	-	23,440	22,624
Total Assets	$ 6,335,431	28,202,853	34,538,284	19,901,478
Liabilities:				
Accounts payable	$ 1,013,864	-	1,013,864	386,410
Due to other governments	30,147	-	30,147	88,307
Accrued expense	246,184	-	246,184	228,663
Unearned revenue	1,976,337	-	1,976,337	115,923
Deposits payable	-	-	-	15,785
Pension plan payable	-	-	-	73,347
Total Liabilities	3,266,532	-	3,266,532	908,435
Fund Balances:				
Nonspendable	752,575	-	752,575	195,704
Restricted for:				
OPEB	411,441	-	411,441	461,995
Tourism related activities	-	28,202,853	28,202,853	17,034,370
Unassigned	1,904,883	-	1,904,883	1,300,974
Total Fund Balances	3,068,899	28,202,853	31,271,752	18,993,043
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 6,335,431	28,202,853	34,538,284	19,901,478

See accompanying notes to the basic financial statements.

VISIT GREATER PALM SPRINGS

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position

June 30, 2022

Fund balances of governmental funds		$ 31,271,752
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 as assets in governmental funds.		
Cost of capital assets	4,266,686	
Accumulated depreciation	(2,403,701)	
		1,862,985
Deferred outflows related to OPEB		449,020
Deferred outflows related to pensions		794,402
Deferred inflows related to OPEB		(980,154)
Deferred inflows related to pensions		(504,236)
Long-term obligations at year end consist of:		
Compensated absences	(512,141)	
Total OPEB liability	(4,077,878)	
Net pension (liability)/asset	(518,880)	
		(5,108,899)
Net position of governmental activities		$ 27,784,870

See accompanying notes to the basic financial statements.

VISIT GREATER PALM SPRINGS

Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds

Year ended June 30, 2022 (with comparative information for prior year)

	General Fund	TBID Special Revenue Fund	Total 2022	Total 2021
Revenues:				
City funding	$ 3,057,785	-	3,057,785	1,604,336
Assessments	-	25,020,816	25,020,816	10,813,574
Membership dues	209,923	-	209,923	125,382
Advertising	381,895	1,895	383,790	325,265
Promotional participation	185,631	-	185,631	823,803
Investment income (loss)	(71,869)	(226,036)	(297,905)	86,706
Total Revenues	3,763,365	24,796,675	28,560,040	13,779,066
Expenditures:				
Administration	1,222,401	722,021	1,944,422	1,211,807
Partnership	904,072	136,538	1,040,610	526,038
Marketing	137,362	7,049,041	7,186,403	6,169,377
Tourism development	65,753	2,462,398	2,528,151	466,808
Convention sales	228,713	3,258,194	3,486,907	2,104,214
Capital outlay	94,838	-	94,838	-
Total Expenditures	2,653,139	13,628,192	16,281,331	10,478,244
Excess (deficiency) of revenues over (under) expenditures	1,110,226	11,168,483	12,278,709	3,300,822
Other Financing Sources (Uses):				
Issuance of loan	-	-	-	1,142,000
Net changes in fund balance	1,110,226	11,168,483	12,278,709	4,442,822
Fund Balances at Beginning of Year	1,958,673	17,034,370	18,993,043	14,550,221
Fund Balances at End of Year	$ 3,068,899	28,202,853	31,271,752	18,993,043

See accompanying notes to the basic financial statements.

VISIT GREATER PALM SPRINGS

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of Governmental Funds to the Statement of Activities

Year ended June 30, 2022

Net changes in fund balances - total governmental funds		$ 12,278,709
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures; however, for governmental activities, those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expense in the Statement of Activities.		
Depreciation expense	(154,459)	
Capital outlay	94,837	
		(59,622)
Some revenues in the statement of activities related to the forgiveness of the PPP loan is not reported as revenues in the governmental funds.		2,283,999
In the Statement of Activities, certain operating expenses, such as compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used.		(63,009)
Governmental funds report pension contributions as expenditures. However, in the Statement of Net Position, pension expense is measured as the change in net pension liability and the amortization of deferred outflows and inflows related to pensions. This amount represents the net change in pension related amounts.		(168,794)
Governmental funds report OPEB contributions as expenditures. However, in the Statement of Net Position, OPEB expense is measured as the change in total OPEB liability and the amortization of deferred amounts.		(182,006)
Change in net position of governmental activities		$ 14,089,277

See accompanying notes to the basic financial statements.

VISIT GREATER PALM SPRINGS

Statement of Fiduciary Net Position

June 30, 2022

	Trust Fund	Custodial Fund
	Defined Benefit Pension Plan	Tourism Foundation
Assets:		
Cash and investments (note 2)	$ 7,395,621	593,399
Interest receivable	9,502	-
Pledges receivable	-	750
Total Assets	$ 7,405,123	594,149
Liabilities:		
Accounts payable	$ -	273
Total Liabilities	-	273
Net Position:		
Restricted for pensions	7,405,123	-
Restricted for tourism foundation	-	593,876
Total Net Position	$ 7,405,123	593,876

See accompanying notes to the basic financial statements.

VISIT GREATER PALM SPRINGS

Statement of Changes in Fiduciary Net Position

Year ended June 30, 2022

	Trust Fund	Custodial Fund
	Defined Benefit Pension Plan	Tourism Foundation
Additions:		
Employer and employee contributions	$ 407,953	-
Contributions	-	663,495
Special events	-	27,705
Investment income (loss)	(953,071)	-
Total Additions	(545,118)	691,200
Deductions:		
Benefit payments	428,362	-
Grants	-	141,797
Administrative expenses	73,435	813
Total Deductions	501,797	142,610
Change in Net Position	(1,046,915)	548,590
Net Position - beginning	8,452,038	45,286
Net Position - ending	$ 7,405,123	593,876

See accompanying notes to the basic financial statements.

(1) Summary of Significant Accounting Policies

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

(a) Reporting Entity

The Visit Greater Palm Springs, a public entity formed under California Government Code, is comprised of various government member organizations pursuant to a Joint Powers Agreement (Agreement). The Agreement was entered into by the member organizations, February 8, 1989, to jointly encourage, promote, and enhance all aspects of the hospitality, convention and tourism industries in the Coachella Valley and to attract visitors from a world-wide market. The member organizations are currently comprised of: Cathedral City, Desert Hot Springs, Indian Wells, Indio, La Quinta, Palm Desert, Palm Springs, Rancho Mirage, and Riverside County. Each member organization makes contributions to VGPS based on the members' transient occupancy tax, which is based on gross sales as defined in the Agreement. The Agreement provides for a two-tiered contribution system based upon transient occupancy tax reported from convention and non-convention properties within the member cities.

In November 2008, the Board of Supervisors of the County of Riverside adopted Ordinance 883 which established the Palm Springs Desert Resort Communities Tourism Business Improvement District (TBID) and the levying of annual assessments. The TBID was established to promote tourism within the desert communities and to fund related programs that will benefit the hotel and motel businesses within the desert communities. The boundaries of the TBID match the operational boundaries of VGPS.

The Tourism Marketing District Assessment (TMD) was created in June 2013 with collection beginning on August 1, 2013. This funding source was assessed on hotels in excess of 50 rooms within the defined eight cities and specified areas in the unincorporated part of the County of Riverside. An assessment of one percent on gross room sales was collected by VGPS through June 2016.

On June 17, 2016, the Joint Powers Authority Executive Committee of VGPS held a public hearing and voted to establish a three percent (3%) Tourism Business Improvement District (TBID) assessment of gross short-term rental revenue to replace the current two percent (2%) Business Improvement District and the one percent (1%) Tourism Marketing District Assessment. Coachella Valley vacation rental lodging owners and representatives successfully petitioned to be included in the TBID effective July 1, 2021. All vacation rentals located within the TBID boundaries began contributing 1% of gross rental revenue of short-term stays as of July 2021.

The Greater Palm Springs Tourism Foundation (Foundation) was established in May 2017 to provide support for diverse programming related to the hospitality, convention, and tourism industries with funds raised from individuals, businesses,

(1) Summary of Significant Accounting Policies (Continued)

organizations and other foundations. Initiatives encompass providing education and leadership training, college scholarships, and volunteer and mentor development.

The Foundation is not a component of VGPS and is reported as a custodial fund in the accompanying financial statement.

(b) Basis of Accounting and Measurement Focus

Government-Wide Financial Statements – The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. This is the same approach used in the preparation of proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared.

The government-wide statement of activities presents a comparison between expenses, both direct and indirect of VGPS and for each governmental function and exclude fiduciary activity. Direct expenses are those that are specifically associated with a service, program, or department and are therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipients of the goods or services offered by the programs and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program or business segment is self-financing or draws from the general revenues of VGPS. Eliminations have been made to minimize the double counting of internal activities.

Net position is reported as restricted when constraints placed on net position use are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The net position restricted for other activities result from special revenue funds and the restrictions on their net position use.

Fund Financial Statements – Fund financial statements report detailed information about VGPS, including fiduciary funds. Each fund is presented in a separate column and the total governmental activities represent a consolidation of all governmental funds.

Governmental Funds – All governmental funds are accounted for using the flow of current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (revenues and other financing sources) and uses (expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore,

(1) Summary of Significant Accounting Policies (Continued)

include reconciliations with brief explanations to better identify the relationship between the government-wide financial statements, prepared using the economic resources measurement focus and the accrual basis of accounting, and the governmental fund financial statements, prepared using the flow of current financial resources measurement focus and the modified accrual basis of accounting.

Fiduciary Funds – Fiduciary funds are accounted for using the flow of economic resources measurement focus and the accrual basis of accounting. Fiduciary funds are excluded from the government-wide financial statements because they do not represent resources of VGPS.

Revenues – Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter, to be used to pay liabilities of the current fiscal year. Generally, available is defined as collectible within 120 days.

Expenses/Expenditures – On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable, and typically paid within 90 days. Principal and interest on long- term obligations, which has not matured, are recognized when paid in the governmental funds as expenditures. Allocations of costs, such as depreciation and amortization, are not recognized in the governmental funds but are recognized in the entity-wide statements.

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

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

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

(1) Summary of Significant Accounting Policies (Continued)

When both restricted and unrestricted resources are combined in a fund, expenditures are considered to be paid first from restricted resources, and then from unrestricted resources.

(c) Fund Classifications

The accounting system is organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. VGPS's funds are grouped into two fund categories: governmental and fiduciary.

Governmental Funds – Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are VGPS's major governmental funds:

General Fund – The General Fund is the chief operating fund for all governmental entities. It is used to account for the ordinary operations of VGPS. The primary revenue sources are the city/county funding and member dues. All transactions except those accounted for in another fund are accounted for in this fund.

Tourism Business Improvement District (TBID) Fund – This Special Revenue Fund is used to account for all financial activities associated with the collection of the assessments and the use of such assessments as outlined in the TBID Agreement.

Fiduciary Funds – Fiduciary funds are used to account for assets held in trustee or agent capacity for others that cannot be used to support VGPS's own programs.

Defined Benefit Pension Plan Trust Fund – This fund is used to account for the activities of the Visit Greater Palm Springs Defined Benefit Trust, which accumulates resources for pension benefit payments to qualified VGPS employees.

Tourism Foundation Custodial Fund – This fund is used to account for the assets held by the Tourism Foundation fund which VGPS has fiduciary responsibility.

(d) Cash and Cash Equivalents

All cash and investments are held in VGPS's cash management pool. VGPS considers all highly liquid investments with a maturity of three months or less to be cash equivalents. Therefore, for purposes of the statement of cash flows, VGPS

(1) Summary of Significant Accounting Policies (Continued)

considers the entire pooled cash and investment balance to be cash and cash equivalents.

(e) Fair Value

VGPS categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. As of June 30, 2022, VGPS had no investments with recurring fair value measurements.

In determining fair value, VGPS's custodians use various methods including market and income approaches. Based on these approaches, VGPS's custodians utilize certain assumptions that market participants would use in pricing the asset or liability. VGPS's custodians utilize valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs.

Various inputs are used in determining the value of VGPS's investments and other financial instruments. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. These inputs are summarized in the three broad levels: Level 1 – quoted prices in active markets for identical investments, Level 2 – other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.) and Level 3 – significant unobservable inputs (including VGPS's own assumptions in determining the fair value of instruments).

(f) Investments

Investments are reported at fair value, which is the amount at which financial instruments could be exchanged in a current transaction between willing parties. Investments are measured at fair value on a recurring basis. Recurring fair value measurements are those that Governmental Accounting Standards Board (GASB) Statements require or permit in the statement of net position at the end of each reporting period.

(g) Prepaid Items

Prepaid items represent amounts paid in advance of receiving goods or services.

(h) Stores Inventories

Stores inventories consist of expendable supplies held for consumption and recorded as an expense when used rather than when purchased. Inventories are stated at cost and are tracked monthly by VGPS.

(1) Summary of Significant Accounting Policies (Continued)

(i) Capital Assets

The accounting and reporting treatment applied to the capital assets associated with a fund are determined by its measurement focus. Capital assets are long-lived assets of VGPS. VGPS maintains a capitalization threshold of $5,000 for tangible assets and $50,000 for intangible assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized but are expensed as incurred.

When purchased, assets are recorded as expenditures in the governmental funds and capitalized in the government-wide statement of net position. The valuation basis for capital assets is historical cost, or where historical cost is not available, estimated historical cost based on replacement cost. Donated capital assets are recorded at acquisition value.

Depreciation is calculated on the straight-line method over the following estimated useful lives of the assets:

Buildings	20 - 39 years
Improvements	15 years
Equipment	3 – 10 years

(j) Interfund Activity

Interfund transfers and interfund receivables and payables are eliminated during the consolidation process in the entity-wide financial statements.

(k) Compensated Absences

Compensated absences are accrued as a liability as the benefits are earned. The entire compensated absence liability is reported on the government-wide statement of net position. For governmental funds, the current portion of unpaid compensated absences is recognized upon the occurrence of relevant events such as employee resignations and retirements that occur prior to year-end that have not yet been paid with expendable available financial resources. These amounts are reported in the fund from which the employees who have accumulated leave are paid.

(l) Pensions

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

(1) Summary of Significant Accounting Policies (Continued)

The following timeframes are used for pension reporting:

Valuation Date	June 30, 2022
Measurement Date	June 30, 2022
Measurement Period	July 1, 2021 to June 30, 2022

(m) Other Post-Employment Benefits

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, and information about the plan (OPEB Plan), have been determined by an independent actuary. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms.

Generally accepted accounting principles require that the reported results must pertain to the liability information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date	June 30, 2021
Measurement Date	June 30, 2021
Measurement Period	July 1, 2020 to June 30, 2021

(n) Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense) until then. VGPS has two items that qualify for reporting in this category, deferred outflows related to pensions and OPEB.

In addition to liabilities, the Statement of Net Position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period and will not be recognized as an inflow (revenue) until that time. VGPS has two items that qualify for reporting in this category, deferred inflow related to pensions and OPEB. A third item, unavailable revenue, is reported only in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

(o) Fund Balance

Fund balances are reported in the fund statements in the following classifications:

Nonspendable Fund Balance – this includes amounts that cannot be spent because they are either not spendable in form (such as inventory) or legally or contractually required to be maintained intact (such as endowments).

(1) Summary of Significant Accounting Policies (Continued)

Restricted Fund Balance – this includes amounts that can be spent only for specific purposes stipulated by legal requirements imposed by other governments, external resource providers, or creditors. Board of Directors imposed restrictions do not create restricted fund balance unless the legal document that initially authorized the revenue (associated with that portion of fund balance) also included language that specified the limited use for which the authorized revenues were to be expended.

Committed Fund Balance – this includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Board of Directors. Those committed amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (for example, resolution, ordinance, minutes action, etc.) that it employed to previously commit those amounts. If the Board action that limits the use of the funds was separate from the action that initially created the revenues that form the basis for the fund balance, then the resulting fund balance is considered to be committed, not restricted.

VGPS considers a resolution to constitute a formal action of the Board of Directors for the purposes of establishing committed fund balance.

Assigned Fund Balance – this includes amounts that are intended to be used for specific purposes as indicated either by the Board of Directors or by persons to whom the Board has delegated the authority to assign amounts for specific purposes.

Unassigned Fund Balance – this includes the remaining spendable amounts which are not included in one of the other classifications.

It is VGPS's policy that restricted resources will be applied first, followed by (in order of application) committed, assigned, and unassigned resources, in the absence of a formal policy adopted by the Board of Directors.

(p) Estimates

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

(q) Comparative Information

Selected information regarding the prior year has been included in the accompanying financial statements. This information has been included for comparison purposes only and does not represent a complete presentation in accordance with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the government's prior year financial statements, from which selected financial data was derived. VGPS has reclassified certain prior year information to conform with current year presentations.

(2) Cash and Investments

Cash and investments are classified in the accompanying financial statements as follows:

Statement of Net Position	
Cash and investments	$ 29,563,175
Restricted cash and investments	411,441
Statement of Fiduciary Net Position	
Cash and investments	7,989,020
Total cash and investments	$ 37,963,636

Cash and investments as of June 30, 2022, consist of the following:

Cash on hand and in banks	$ 2,617,982
Investments	35,345,654
Total cash and investments	$ 37,963,636

Investments Authorized by VGPS's Investment Policy

The table below identifies the investment types that are authorized for VGPS by the California Government Code and VGPS's policy, whichever is more restricted.

The table also identifies certain provisions of the California Government Code that address interest rate risk that are governed by the provisions of debt agreements of VGPS, rather than the general provisions of the California Government Code.

Authorized Investments	Maximum Maturity	Percentage of Portfolio	Investment In One Issuer
U.S. Treasury Securities	5 years	60%	None
Federal Agency Securities	5 years	60%	None
Banker's Acceptances	180 days	40%	20%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	5%
Medium-Term Corporate Notes	5 years	20%	None
Bank Demands	N/A	5%	None
Repurchase Agreements	1 year	20%	None
Money Market Mutual Funds	N/A	10%	None
Local Agency Investment Fund	N/A	None	None
Managed Pools	N/A	None	20%
Mortgage Pass-Through Securities	5 years	10%	None
Placement Certificates of Deposit	5 years	30%	None

(2) Cash and Investments (Continued)

Investments Authorized by Trust Agreements

Restricted cash and investments are governed by provisions of the OPEB trust agreement, rather than the general provisions of the California Government Code or VGPS's investment policy.

Authorized Investments	Maximum Maturity	Percentage of Portfolio	Investment In One Issuer
Equity securities	None	50.00%	None
Fixed income	None	50.00%	None
Alternative hedge funds	None	0.00%	None

Investments held in pension trust are governed by provisions of the pension trust agreement, rather than the general provisions of the California Government Code or VGPS's investment policy.

Authorized Investments	Maximum Maturity	Target Percentage of Portfolio	Investment In One Issuer
Equity securities	None	45.00%	None
Fixed income	None	47.50%	None
Alternative hedge funds	None	7.50%	None

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that VGPS 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.

(2) Cash and Investments (Continued)

Information about the sensitivity of the fair values of VGPS's investments to market interest rate fluctuations are provided by the following table that shows the distribution of VGPS's investments by maturity as of June 30, 2022.

Investment Type	Fair Value	12 Months Or Less
State Investment Pool (LAIF)	$ 8,977,651	8,977,651
CalTrust Pooled Investment Fund	18,986,754	18,986,754
Restricted Investments:		
Equity securities	198,358	198,358
Fixed income	202,044	202,044
Held in Pension Trust:		
Equity securities	3,395,134	3,395,134
Fixed income	3,384,992	3,384,992
Alternative hedge funds	200,721	200,721
Total	$ 35,345,654	35,345,654

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 VGPS's Investment Policy, or debt agreements, and the S&P ratings as of June 30, 2022 for each investment type.

VGPS's rating as of the year ended June 30, 2022 for each investment type are as follows:

Investment Type	Total	Minimum Legal Rating	Not Rated
State Investment Pool (LAIF)	$ 8,977,651	N/A	8,977,651
CalTrust Pooled Investment Fund	18,986,754	N/A	18,986,754
Restricted Investments:			
Equity securities	198,358	N/A	198,358
Fixed income	202,044	N/A	202,044
Held in Pension Trust:			
Equity securities	3,395,134	N/A	3,395,134
Fixed income	3,384,992	N/A	3,384,992
Alternative hedge funds	200,721	N/A	200,721
Total	$ 35,345,654		35,345,654

(2) Cash and Investments (Continued)

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of 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 possession of another party. The California Government Code and VGPS's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The fair value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agencies.

California law also allows financial institutions to secure deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured deposits.

Investment Pools

Local Agency Investment Fund (LAIF) – VGPS is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of VGPS's investment in the Pool is reported in the accompanying financial statement at amounts based upon VGPS'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 is recorded on the amortized cost basis. LAIF is not registered with the Securities and Exchange Commission and is not rated.

Investment Trust of California (CalTrust) – VGPS is a voluntary participant in the Investment Trust of California (CalTrust). Organized as a Joint Powers Authority (JPA), CalTrust is a program established by public agencies in California for the purpose of pooling and investing local agency funds. A Board of Trustees supervises and administers the investment program of the Trust. CalTrust invests in fixed income securities eligible for investment pursuant to California Government Code Sections 53601, et. Seq. and 53635, et. Seq. VGPS reports its investment in CalTrust at the fair value amount provided by CalTrust, which is the same as the value of the pool shares.

(2) Cash and Investments (Continued)

Fair Value Measurement

VGPS categorizes its fair value investments within the fair value hierarchy established by generally accepted accounting principles. VGPS has the following recurring fair value measurements as of June 30, 2022:

Investment Type	Fair Value Hierarchy Level 1	Level 2	Level 3	Total
Restricted Investments:				
Equity securities	$ 198,358	-	-	198,358
Fixed income	202,044	-	-	202,044
Held in Pension Trust:				
Equity securities	3,395,134	-	-	3,395,134
Fixed income	3,384,992	-	-	3,384,992
Alternative hedge funds	200,721	-	-	200,721
Total Investments subject to fair value measurement	$ 7,381,249	-	-	7,381,249

(3) Receivables

Receivables at June 30, 2022, consisted of service, tribal, VGPS sources, and the Tourism Business Improvement District (TBID) Assessment funds due from lodging properties.

Tribal Assessments	$ 65,846
Other local sources	460,158
TBID Assessments	2,336,628
Total receivables	$ 2,862,632

(4) Capital Assets

Capital assets are as follows for the year ended June 30, 2022:

	Balance at July 1, 2021	Additions	Deletions	Balance at June 30, 2022
Capital assets not being depreciated:				
Fine art	$ 45,200	-	-	45,200
Total capital assets not being depreciated	45,200	-	-	45,200
Capital assets being depreciated:				
Land improvements	211,825	5,301	-	217,126
Building and improvements	2,856,781	47,905	-	2,904,686
Furniture and equipment	964,706	41,631	-	1,006,337
Vehicles	93,337	-	-	93,337
Total capital assets being depreciated	4,126,649	94,837	-	4,221,486
Less accumulated depreciation:				
Land improvements	(128,415)	(10,702)	-	(139,117)
Buildings and improvements	(1,210,303)	(76,975)	-	(1,287,278)
Furniture and equipment	(867,420)	(48,115)	-	(915,535)
Vehicles	(43,104)	(18,667)	-	(61,771)
Total accumulated depreciation	(2,249,242)	(154,459)	-	(2,403,701)
Total capital assets being depreciated, net	1,877,407	(59,622)	-	1,817,785
Capital assets, net	$ 1,922,607	(59,622)	-	1,862,985

Depreciation expense was charged to the following functions:

Administration	$ 27,288
Partnership	10,297
Marketing	49,770
Travel industry sales	13,901
Convention sales	53,203
Total depreciation	$ 154,459

(5) Long-Term Liabilities

The change in long-term liabilities during the year were as follows

	Balance at July 1, 2021	Additions	Deletions	Balance at June 30, 2022	Due in One Year
Loan payable	$ 2,283,999	-	(2,283,999)	-	-
Compensated absences	449,132	392,398	(329,389)	512,141	172,703
Total	$ 2,733,131	392,398	(2,613,388)	512,141	172,703

Loan Payable

On May 13, 2020, VGPS received loan proceeds in the amount of $1,141,999 under the Paycheck Protection Program (PPP). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act (CARES Act), provides for loans to qualifying businesses in amounts up to 2.5 times of the average monthly payroll expenses of the qualifying business. The loans and accrued interest are forgivable after 24 weeks if the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels. The amount of loan forgiveness will be reduced if the borrower terminates employees or reduces salaries during the 24 week period. In August 2021, VGPS applied for forgiveness of the first round PPP loan. The loan was forgiven on September 16, 2021 and recognized as revenue in the Statement of Activities.

On March 2, 2021, VGPS received loan proceeds in the amount of $1,142,000 under the second round of the PPP. VGPS has until September 6, 2021 to incur eligible payroll, benefits, rent and utilities expenses, and maintain payroll levels that will allow this PPP loan to be forgiven. The amount of loan forgiveness will be reduced if the borrower terminates employees or reduces salaries during the 24-week period. In June 2022, VGPS applied for forgiveness of the second round PPP loan. The loan was forgiven on June 27, 2022 and recognized as revenue in the Statement of Activities.

(6) Other Post-Employment Benefits (OPEB)

Plan Description

VGPS's defined benefit OPEB plan (Plan) provides healthcare benefits to eligible retirees. VGPS sponsors healthcare coverage under the California Public Employees Medical and Hospital Care Act (PEMHCA), commonly referred to as PERS Health. PEMHCA provides health insurance through a variety of Health Maintenance Organization (HMO) and Preferred Provider Organization (PPO) options.

The Visit Greater Palm Springs Retiree Healthcare Plan is a single-employer defined benefit healthcare plan administered by VGPS which provides healthcare benefits to eligible retirees and their spouses in accordance with benefit provisions, which are established and may be amended by VGPS. Assets are accumulated in a trust; however, the trust does not meet the

(6) Other Post-Employment Benefits (OPEB) (Continued)

criteria in paragraph 4 of Statement 75. As a result, the trust assets are reported in the General Fund as restricted cash and investments.

Benefits Provided

Employees who have obtained age 55, have at least 10 years of service, and participate in the Greater Palm Springs Defined Benefit Pension Plan are eligible for a VGPS-paid contribution. VGPS contributes towards individual medical, dental and vision policies for qualified retirees up to Medicare eligibility. Once a retiree is Medicare eligible, VGPS will pay a Medicare supplemental plan and Medicare Part D. The monthly contribution is 50% of the total premium (medical, dental, and vision) for those with 10 years of service, increasing by increments of 5% per each additional year of service, until 20 years, where the contribution is 100%. Spouse benefits are available. In addition, VGPS contributes the PEMHCA administrative fee. VGPS-paid benefits are provided for the lifetime of the retiree.

Plan Membership

At July 1, 2021 (valuation date), membership consisted of the following:

Active members	21
Inactive plan members or beneficiaries currently receiving benefit payments	6
Total plan members	27

Contributions

The contribution requirements of the plan members and VGPS are established by and may be amended by VGPS. VGPS funds the plan benefits on a pay-as-you-go basis. Participants are required to contribute to the cost of benefits under the plan. VGPS pays 50% of the benefit premium as a base contribution plus an additional five percent of the benefit premium for each full year of continuous paid service with VGPS in excess of 10 years of service.

GASB requires governments to account for other post-employment benefits (OPEB) on an accrual basis, rather than a pay-as-you-go basis. The effect is the recognition of an actuarially determined expense when a future retiree earns their post-employment benefits, rather than when they use their post-employment benefits.

Total OPEB Liability

VGPS's total OPEB liability was measured as of June 30, 2021 and was determined by an actuarial valuation as June 30, 2021.

(6) Other Post-Employment Benefits (OPEB) (Continued)

Changes in the total OPEB Liability were as follows:

	Total OPEB Liability
Balance at June 30, 2020	$ 4,241,018
Changes recognized for the measurement period:	
Service cost	342,235
Interest	111,919
Differences between actual and expected experience	(787,745)
Changes of assumptions	200,891
Benefit payments	(30,440)
Net Changes	(163,140)
Balance at June 30, 2021 *(Measurement Date June 30, 2021)*	$ 4,077,878

Actuarial Assumptions

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

Actuarial Cost Method	Entry Age, Level Percent of Pay
Actuarial Assumptions:	
Salary increases	3.00 percent
Inflation rate	2.50 percent
Discount rate	1.92 percent
Healthcare cost trend rate	5.20 percent for 2021 through 2034; 5.00 percent for 2035 through 2049; 4.50 percent for 2050 through 2064; and 4.00 percent for 2065 and later years

Pre-retirement mortality rates were based on the CalPERS Public Agency Miscellaneous and Schools Pre-Retirement Mortality, with fully generational mortality improvement using 80% of MP-2020. Post-retirement mortality rates were based on the CalPERS Public Agency Post-Retirement Morality with fully generational mortality improvement using 80% of MP-2020 (2021 CalPERS Experience Study).

Actuarial assumptions used in the June 30, 2021 valuation were based on a review of Plan experience during the period of July 1, 2019 to June 30, 2021.

Discount Rate

GASB requires a discount rate that reflects the following:

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

(6) Other Post-Employment Benefits (OPEB) (Continued)

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

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

Reporting Date	Measurement Date	Long-Term Expected Return on Plan Investments (if any)	Fidelity GO AA 20 Years Municipal Index	Discount Rate
June 30, 2022	June 30, 2021	4.00%	1.92%	1.92%

Sensitivity of the Total OPEB liability to changes in the discount rate

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

	1% Decrease (0.92%)	Discount Rate (1.92%)	1% Increase (2.92%)
Total OPEB Liability	$ 4,773,945	$ 4,077,878	$ 3,522,107

Sensitivity of the Total OPEB liability to changes in the healthcare cost trend rates

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

	1% Decrease (4.20% current, 3.00% ultimate, 3.00% Medicare)	Trend Rate (5.20% current, 4.00% ultimate, 4.00% Medicare)	1% Increase (6.20% current, 5.00% ultimate, 5.00% Medicare)
Total OPEB Liability	$ 3,455,931	$ 4,077,878	$ 4,867,656

Amortization of Deferred Outflows and Deferred Inflows of Resources

Under GASB 75, actuarial 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 amortization period differs depending on the source of the gain or loss:

Net difference between projected and actual earnings	5-year straight-line amortization

(6) Other Post-Employment Benefits (OPEB) (Continued)

All other amounts	Straight-line amortization 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.

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

VGPS's OPEB expense was $239,939 for the fiscal year ended June 30, 2022. As of fiscal year ended June 30, 2022, VGPS's deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources are:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions subsequent to the measurement period	$ 55,639	-
Differences between expected and actual experience	-	(827,736)
Changes in assumptions	393,381	(152,418)
Total	$ 449,020	$ (980,154)

The $55,639 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2021 measurement date will be recognized as a reduction of the total OPEB liability during the fiscal year ending June 30, 2023. Other amounts reported as deferred outflows of resources related to OPEB will be recognized as expense as follow:

Fiscal Year Ended June 30:	Deferred Outflows/(Inflows) of Resources
2023	$ (214,215)
2024	(214,216)
2025	(104,992)
2026	(53,350)
2027	-

(7) Defined Benefit Pension Plan

General Information about the Pension Plans

Plan Description

VGPS sponsors a defined benefit pension plan, the Visit Greater Palm Springs Defined Benefit Trust (the Trust), a single-employer plan, which provides retirement benefits to plan members and beneficiaries. The Plan is authorized under Section 31694(a) of the California Government Code for the sole purpose of providing funding for eligible employees. Eligible employees must be 21 years of age, have worked at least one plan year (July through June), and worked over 1,000 hours during a plan year. The plan calls for benefits to be paid to eligible employees at retirement, based primarily upon years of service with VGPS and compensation rates near retirement.

(7) Defined Benefit Pension Plan (Continued)

Benefits Provided

VGPS provides retirement benefits to plan members. Benefits are based on years of credited service, equal to one year of full time employment with the retirement formula of 2.0% at 52 for existing "classic" members and 2% at 62 for "new" members. The cost of living adjustments for the plan are applied as specified by the Public Employees' Retirement Law.

The Plan's provisions and benefits in effect at June 30, 2022 are summarized as follows:

Hire Date	Classic - Prior to January 1, 2013	New - On or after January 1, 2013
Benefit formula	2% @ 52	1.0-2.5% @ 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life
Retirement age	52-67	52-67
Monthly benefits, as a % of eligible compensation	2.00%	2.00%

Members covered by Benefit Terms

At June 30, 2022 (Valuation Date), the following members were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	9
Inactive employees entitled to but not yet receiving benefits	13
Active employees	21
Total	43

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

The June 30, 2022 pension liability was based on the following actuarial methods and assumptions.

Valuation Date	June 30, 2022
Measurement Date	June 30, 2022
Actuarial Cost Method	Entry-Age, Level Percent of Pay
Actuarial Assumptions:	
Discount Rate	6.00%
Inflation	3.00%
Payroll Growth	2.80%
Investment Rate of Return	6.00%

The mortality table used was developed based on CalPERS specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from 2021 that can be found on the CalPERS website.

(7) Defined Benefit Pension Plan (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 6.00 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that VGPS's contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

In determining the long-term expected 6.00 percent rate of return on pension plan investments, VGPS considered both the short and long-term market return expectations as well as the expected pension fund cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the pension funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 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 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 equivalent to the single equivalent rate calculated above and rounded down to the nearest on quarter of one percent.

The table below reflects the long-term expected rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation.

Asset Class	Asset Allocation	Real Rate of Return
Small Cap	5%	4.6%
Large Cap	30%	4.1%
U.S. Fixed	50%	1.5%
Developed Non-U.S. Equity	10%	5.2%
Emerging Market Equity	5%	5.9%
Total	100%	

(7) Defined Benefit Pension Plan (Continued)

Changes in the Net Pension Liability

The changes in the net pension liability are as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(asset) (c) = (a) - (b)
Balance at June 30, 2021	$ 7,889,354	8,452,037	(562,683)
Changes recognized for the measurement period:			
Service cost	369,716	-	369,716
Interest	487,960	-	487,960
Differences between actual and expected experience	(479,671)	-	(479,671)
Changes of assumptions	85,005	-	85,005
Contributions - employer	-	407,953	(407,953)
Net investment income (loss)	-	(953,070)	953,070
Benefit payments	(428,361)	(428,361)	-
Administrative expense	-	(73,436)	73,436
Net Changes	34,649	(1,046,914)	1,081,563
Balance at June 30, 2022 *(Measurement Date June 30, 2022)*	$ 7,924,003	7,405,123	518,880

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

The following presents the net pension liability of the Plan as of the Measurement Date, calculated using the discount rate of 6.00 percent, as well as what the net pension liability would be if it were calculated using a discount that is 1 percentage-point lower (5.00 percent) or 1 percentage point higher (7.00 percent) than the current rate.

	1% Decrease (5.00%)	Discount Rate (6.00%)	1% Increase (7.00%)
Net Pension Liability/(Asset)	$ 1,567,864	$ 518,880	$ (361,300)

Amortization of Deferred Outflows and Deferred Inflows of Resources

Under GASB 68, actuarial gains and losses related to changes in total pension liability and fiduciary net pension 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.

(7) Defined Benefit Pension Plan (Continued)

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

Net difference between projected and actual earnings	5-year straight-line amortization
All other amounts	Straight-line amortization 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.

Deferred outflows of resources and deferred inflows of resources relating to Differences Between Expected and Actual Experience, Changes of Assumptions and employer-specific amounts are amortized over the Expected Average Remaining Service Lifetime (EARSL) of members provided with pensions through the Plan. The EARSL for the Plan for the measurement date ending June 30, 2022 is 5 years.

Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2022, VGPS recognized a pension expense of $576,747 for the Plan. As of June 30, 2022, VGPS reports deferred outflows of resources and deferred inflows of resources related to pensions as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 44,343	(504,236)
Change in assumptions	66,526	-
Net differences between projected and actual earnings on plan investments	683,533	-
Total	$ 794,402	(504,236)

Amounts reported as deferred outflows and deferred inflows of resources in the previous chart will be recognized in future pension expense as follows:

Fiscal Year Ending June 30	Deferred Outflows/(Inflows) of Resources
2023	$ 20,001
2024	(16,808)
2025	48,558
2026	238,415
2027	-
Thereafter	-

(8) Risk Management

VGPS is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. VGPS has purchased outside insurance coverage at the following amounts:

- General Aggregate coverage up to $4,000,000 per loss.
- Employment Practices Liability coverage up to $2,000,000 per loss.
- Workers' Compensation coverage up to $1,000,000 per occurrence. The States covered are California, Kansas, Washington D.C., New York, South Carolina, Virginia, and Pennsylvania. As of June 30, 2022, there were no employees in Florida or Illinois.
- Business Auto coverage up to $1,000,000 per occurrence.
- Crime and Cyber coverage up to $1,000,000 per occurrence.
- General Liability coverage up to $4,000,000 in General Aggregate and Products/Complete Operations Aggregate, $2,000,000 in Personal and Advertising Insurance, $1,000,000 in damages to premises rented to VGPS, and $10,000 in Medical Expenses – Any One Person.
- Commercial Property Insurance for VGPS's real property up to $7,088,500 and business personal property up to $589,100.

Settled claims have not exceeded any of the coverage amounts in any of the last three fiscal years, and there were no reductions in VGPS's insurance coverage during the year ending June 30, 2022. Liabilities are recorded when it is probable that a loss has been incurred, and the amount of the loss can be reasonably estimated net of the respective insurance coverage.

(9) Related Party Transactions

Due to the nature of the organization, it is not uncommon for VGPS to have business transactions with companies that are owned by officers of VGPS. The total related party transactions for the fiscal year ending June 30, 2022, were $48,997.

REQUIRED SUPPLEMENTARY INFORMATION

VISIT GREATER PALM SPRINGS

Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - General Fund

Year ended June 30, 2022

	Budgeted Amounts			Variance- Positive
	Original	Final	Actual	(Negative)
Revenues:				
City and County funding	$ 2,006,946	2,006,946	3,057,785	1,050,839
Membership dues	205,000	205,000	209,923	4,923
Advertising	260,360	260,360	381,895	121,535
Promotional participation	246,860	246,860	185,631	(61,229)
Event hosting	31,500	31,500	-	(31,500)
Interest income (loss)	19,394	19,394	(71,869)	(91,263)
Total Revenues	2,770,060	2,770,060	3,763,365	993,305
Expenditures:				
Administration	955,604	955,604	1,222,401	(266,797)
Partnership	816,971	816,971	904,072	(87,101)
Marketing	809,663	809,663	137,362	672,301
Tourism development	184,364	184,364	65,753	118,611
Convention sales	-	-	228,713	(228,713)
Capital outlay	200,000	200,000	94,838	105,162
Total Expenditures	2,966,602	2,966,602	2,653,139	313,463
Excess (deficiency) of revenues over (under) expenditures	(196,542)	(196,542)	1,110,226	1,306,768
Net changes in fund balance	(196,542)	(196,542)	1,110,226	1,306,768
Fund Balance at Beginning of Year	1,958,673	1,958,673	1,958,673	-
Fund Balance at End of Year	$ 1,762,131	1,762,131	3,068,899	1,306,768

See accompanying notes to the required supplementary information.

VISIT GREATER PALM SPRINGS

Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - TBID Fund

Year ended June 30, 2022

	Budgeted Amounts			
	Original	Final	Actual	Variance-Positive (Negative)
Revenues:				
Assessments	$ 15,851,962	15,851,962	25,020,816	9,168,854
Advertising	5,640	5,640	1,895	(3,745)
Interest income (loss)	-	-	(226,036)	(226,036)
Total Revenues	15,857,602	15,857,602	24,796,675	8,939,073
Expenditures:				
Administration	879,454	879,454	722,021	157,433
Partnership	303,952	303,952	136,538	167,414
Marketing	8,659,667	8,659,667	7,049,041	1,610,626
Tourism development	2,465,120	2,465,120	2,462,398	2,722
Convention sales	3,552,867	3,552,867	3,258,194	294,673
Total Expenditures	9,579,206	15,861,060	13,628,192	2,232,868
Net changes in fund balance	6,278,396	(3,458)	11,168,483	11,171,941
Fund Balance at Beginning of Year	17,034,370	17,034,370	17,034,370	-
Fund Balance at End of Year	$ 23,312,766	17,030,912	28,202,853	11,171,941

See accompanying notes to the required supplementary information.

VISIT GREATER PALM SPRINGS

Schedule of Changes in Total OPEB Liability and Related Ratios

Last 10 Years*

Measurement Period	2021	2020	2019	2018	2017
Total OPEB Liability					
Service cost	$ 342,235	360,506	345,633	372,363	372,833
Interest on the total OPEB liability	111,919	117,488	138,929	117,182	92,674
Difference between expected and actual experience	(787,745)	-	(568,874)	-	-
Changes in assumptions	200,891	385,365	22,758	(321,770)	-
Benefit payments	(23,796)	(25,908)	(20,667)	(23,297)	(27,885)
Implicit rate subsidy	(6,644)	(4,736)	(23,596)	(26,598)	(31,836)
Net change in total OPEB Liability	(163,140)	832,715	(105,817)	117,880	405,786
Total OPEB Liability - beginning	4,241,018	3,408,303	3,514,120	3,396,240	2,990,454
Total OPEB liability - ending	$ 4,077,878	4,241,018	3,408,303	3,514,120	3,396,240
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%
Covered-employee payroll	$ 2,574,432	3,597,687	2,760,812	2,133,195	2,889,507
Total OPEB liability as a percentage of covered-employee payroll	158.40%	117.88%	123.45%	164.74%	117.54%

Notes to Schedule:

Changes in assumptions. The discount rate was changed from 3.13 percent (net of administrative expense) to 1.92 percent for the measurement period ended June 30, 2021.

The discount rate was changed from 3.13 percent (net of administrative expense) to 2.45 percent for the measurement period ended June 30, 2020.

The discount rate was changed from 3.62 percent (net of administrative expense) to 3.13 percent for the measurement period ended June 30, 2019.

*Historical information is required only for measurement periods for which GASB 75 is applicable.

Future years' information will be displayed up to 10 years as information becomes available.

VISIT GREATER PALM SPRINGS
Required Supplementary Information
Schedule of Changes in Net Pension Liability and Related Ratios
Last 10 Years*

Measurement Period	6/30/2022	6/30/2021	6/30/2020	6/30/2019
TOTAL PENSION LIABILITY				
Service Cost	$ 369,716	348,146	455,984	365,543
Interest	487,960	449,978	429,311	388,873
Changes of Benefit Terms	-	-	-	-
Difference Between Expected and Actual Experience	(479,671)	(72,645)	(231,292)	221,723
Changes of Assumptions	85,005	-	-	-
Benefit Payments, Including Refunds of Employee Contributions	(428,361)	(323,732)	(187,160)	(142,088)
Net Change in Total Pension Liability	34,649	401,747	466,843	834,051
Total Pension Liability - Beginning	7,889,354	7,487,607	7,020,764	6,186,713
Total Pension Liability - Ending (a)	$ 7,924,003	7,889,354	7,487,607	7,020,764
PLAN FIDUCIARY NET POSITION				
Contributions - Employer	407,953	600,000	355,191	646,954
Contributions - Employee	-	73,347	85,327	53,046
Net Investment Income	(953,070)	1,172,466	362,359	342,657
Benefit Payments, Including Refunds of Employee Contributions	(428,361)	(323,732)	(187,160)	(142,088)
Administrative Expenses	(73,436)	(63,879)	(52,563)	(40,618)
Net Change in Fiduciary Net Position	(1,046,914)	1,458,202	563,154	859,951
Plan Fiduciary Net Position - Beginning	8,452,037	6,993,835	6,430,681	5,570,730
Plan Fiduciary Net Position - Ending (b)	$ 7,405,123	8,452,037	6,993,835	6,430,681
Plan Net Position Liability/(asset) - Ending (a) - (b)	$ 518,880	(562,683)	493,772	590,083
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	93.45%	107.13%	93.41%	91.60%
Covered Payroll	$ 2,126,920	1,907,781	2,119,576	2,672,577
Plan Net Pension Liability as a Percentage of Covered Payroll	24.40%	-29.49%	23.30%	22.08%

* Measurement date 6/30/2014 (fiscal year 2015) was the first year of implementation, therefore, only eight years are presented.

Notes to Schedule:

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

Changes in Assumptions: GASB 68, paragraph 68 states that the long-term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense. The discount rate of 7.50% used for the June 30, 2014 measurement date was net of administrative expenses. The discount rate of 7.65% used for the June 30, 2015 measurement period is without reduction of pension plan administration expense.

In 2018, The discount rate reduced from 7.00% to 6.00%.

VISIT GREATER PALM SPRINGS
Required Supplementary Information
Schedule of Changes in Net Pension Liability and Related Ratios
Last 10 Years* (Continued)

Measurement Period	6/30/2018	6/30/2017	6/30/2016	6/30/2015
TOTAL PENSION LIABILITY				
Service Cost	332,424	356,296	467,445	479,976
Interest	380,610	372,622	441,236	364,593
Changes of Benefit Terms	-	-	(722,084)	934,925
Difference Between Expected and Actual Experience	(47,183)	(52,460)	(356,446)	(147,798)
Changes of Assumptions	663,355	-	-	-
Benefit Payments, Including Refunds of Employee Contributions	(494,706)	(582,254)	(816,129)	(232,401)
Net Change in Total Pension Liability	834,500	94,204	(985,978)	1,399,295
Total Pension Liability - Beginning	5,352,213	5,258,009	6,243,987	4,844,692
Total Pension Liability - Ending (a)	6,186,713	5,352,213	5,258,009	6,243,987
PLAN FIDUCIARY NET POSITION				
Contributions - Employer	770,000	494,908	511,452	700,000
Contributions - Employee	22,754	24,852	-	-
Net Investment Income	277,791	352,969	55,874	136,590
Benefit Payments, Including Refunds of Employee Contributions	(494,706)	(582,254)	(816,129)	(232,401)
Administrative Expenses	(38,309)	(38,766)	(40,693)	(34,481)
Net Change in Fiduciary Net Position	537,530	251,709	(289,496)	569,708
Plan Fiduciary Net Position - Beginning	5,033,200	4,781,491	5,070,987	4,501,279
Plan Fiduciary Net Position - Ending (b)	5,570,730	5,033,200	4,781,491	5,070,987
Plan Net Position Liability - Ending (a) - (b)	615,983	319,013	476,518	$ 1,173,000
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	90.04%	94.04%	90.94%	81.21%
Covered Payroll	2,485,550	2,649,924	2,944,454	3,060,059
Plan Net Pension Liability as a Percentage of Covered Payroll	24.78%	12.04%	16.18%	38.33%

VISIT GREATER PALM SPRINGS
Required Supplementary Information
Schedule of Pension Plan Contributions
Last 10 Years*

Fiscal Year	6/30/2022	6/30/2021	6/30/2020	6/30/2019
Actuarially determined contribution	$ 407,854	482,982	590,793	477,794
Contributions in relation to the actuarially determined contributions	(407,953)	(600,000)	(355,191)	(646,954)
Contribution deficiency (excess)	$ (99)	(117,018)	235,602	(169,160)
Covered payroll	$ 2,126,920	1,907,781	2,119,576	2,672,577
Contributions as a percentage of covered payroll	19.18%	31.45%	16.76%	24.21%

* Measurement date 6/30/2014 (fiscal year 2015) was the first year of implementation, therefore, only eight years are presented.

Notes to Schedule:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2022 were derived from the June 30, 2022, Funding Valuation Report.

Valuation Date	6/30/2022
Timing	Actuarially determined contribution for FYE 2022 was calculated based on the 6/30/22 actuarial valuation
Key Methods and Assumptions Used to Determine Contributions:	
Actuarial cost method	Entry Age, Level Percent of Pay
Asset valuation method	Fair value of assets
Amortization method	For details, see June 30, 2022 Funding Valuation Report.
Discount rate	6.00%
Price inflation	3.00%
Salary increases	2.80% plus merit component based on years of service
Mortality	Mortality rates are based on recent CalPERS experience study, performed in 2021.

VISIT GREATER PALM SPRINGS
Required Supplementary Information
Schedule of Pension Plan Contributions
Last 10 Years* (Continued)

Fiscal Year	6/30/2018	6/30/2017	6/30/2016	6/30/2015
Actuarially determined contribution	402,541	439,314	600,173	571,855
Contributions in relation to the actuarially determined contributions	(770,000)	(494,908)	(511,452)	(700,000)
Contribution deficiency (excess)	(367,459)	(55,594)	88,721	(128,145)
Covered payroll	2,485,550	2,649,924	2,944,454	3,060,059
Contributions as a percentage of covered payroll	30.98%	18.68%	17.37%	22.88%

VISIT GREATER PALM SPRINGS
Required Supplementary Information
Schedule of Pension Money Weighted Rate of Return
Last 10 Years*

Fiscal Year	2022	2021	2020	2019	2018	2017	2016	2015
Annual Money Weighted Rate of Return, net of investment expense	-11.49%	16.69%	33.14%	34.49%	4.51%	12.58%	-4.70%	3.78%

Historical information required only for measurement periods for which GASB 68 is applicable

* Measurement date 6/30/2014 (fiscal year 2015) was the first year of implementation, therefore, only eight years are presented.

(1) Budgets and Budgetary Data

VGPS is only required to adopt an annual budget for the General Fund and the TBID special revenue fund. These budgets are presented on the modified accrual basis of accounting which is consistent with generally accepted accounting principles (GAAP).

Once the budgets are approved, they can be amended by approval of VGPS Governing Board.

The appropriated budget is prepared by fund and department. VGPS's President may make transfers of appropriations between accounts and departments. Transfers of appropriations between funds requires the approval of a majority of the Board of Directors. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is at the fund level.

A comparison of budget and actual has been presented for the General Fund and the TBID special revenue fund used by VGPS. With respect to revenues, a favorable variance indicates actual revenues received exceeded the legally adopted budget and an unfavorable variance indicates that actual revenues received were less than the amount budgeted. With respect to expenditures, a favorable variance indicates actual costs were less than the amount budgeted and an unfavorable variance indicates actual expenditures exceeded the legally adopted budget.

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VISIT GPS BOARD OF DIRECTORS

Resolution No. <u>BOD 2023-002</u>

A RESOLUTION OF THE BOARD OF DIRECTORS OF VISIT GREATER PALM SPRINGS APPROVING THE APPROPRIATION OF FUNDS TO THE GREATER PALM SPRINGS TOURISM FOUNDATION IN SUPPORT OF THE TOURISM GRANT PROGRAM AND TEAM GPS TRAINING PROGRAM

WHEREAS, Visit Greater Palm Springs ("VISIT GPS") is a joint powers authority operating under the Joint Exercise of Powers Act (California Government Code Sections 6500 *et seq*.), located in the County of Riverside, State of California; and

WHEREAS, Visit GPS members ("Visit GPS Members") include the cities of Cathedral City, Desert Hot Springs, Indian Wells, Indio, La Quinta, Palm Desert, Palm Springs and Rancho Mirage and the County of Riverside; and

WHEREAS, pursuant to section 3 of the Joint Powers Agreement, dated January 20, 2016, the purpose of Visit GPS is to encourage, promote, and to do such other things as might be necessary to enhance, to the greatest extent possible, all aspects of the hospitality, convention and tourism industry in the Coachella Valley and to attract visitors from national and international markets, all to the benefit of Visit GPS Members and their constituents; and

WHEREAS, pursuant to section 12(a) of the Joint Powers Agreement, each Visit GPS Member shall pay to the JPA the applicable contribution amounts as set forth in the formula set forth therein; and

WHEREAS, pursuant to section 15(s) of the Joint Powers Agreement, Visit GPS has the power to provide financial assistance and subsidies to other public agencies, non-profit organizations and the private section for purposes consistent with the purpose and intent of the JPA; and

WHEREAS, a joint powers authority may appropriate funds to a non-profit foundation if the joint powers authority finds that (i) the contribution serves a valid public purpose, and (ii) the expenditure falls within the enumerated powers of the joint powers authority (*see e.g.,* California State Auditor, "Metropolitan Water District of Southern California: Its Administrative Controls Need to Be Improved to Ensure an Appropriate Level of Checks and Balances Over Public Resources," (Report #2003-136, June 2004), at 15-18; *City and County of San Francisco v. Patterson*, 202 Cal. App. 3d 95, 103-04, 248 (1988)); and

WHEREAS, the Greater Palm Springs Tourism Foundation ("Foundation"), a 501(c)(3), was formed on June 15, 2017; the purpose of the Foundation as set forth in section 1 of the Foundation's bylaws is:

…to support issues pertaining to the tourism industry, including, but not limited to, raising funds from the general public and other sources to carry on programs directly and to provide support and services related to the hospitality, convention, and tourism industries in the Greater Palm Springs region, including but not limited to providing education, leadership, scholarships, seminars, relief funds, promotion of special events, volunteer and mentor development, and cultural enhancement; and

WHEREAS, the Foundation has developed two programs that serve a public purpose which Visit GPS has determined it will support:

1. Tourism Grant Program, in collaboration with Visit GPS, that will provide matching financial assistance to Visit GPS Members only, for eligible events, new attractions or enhancement of the visitor experience, as determined by the Foundation. The Visit GPS Member applying for the grant must match or exceed the amount for which it is applying, and each Visit GPS Member will be eligible for up to 50% of their JPA contribution to a maximum of $100,000; and

2. The Greater Palm Springs Hospitality Training Program (TEAM GPS Training Program), in collaboration with The Desert Community College District, Partnership and Community Education (PaCE), which provides professional development and workforce training by partnering with the business community to equip employees and incumbent workers with skills to meet the needs of Coachella Valley businesses; and

WHEREAS, the Visit GPS Board of Directors ("Board of Directors") serves as the advisory body to the JPA Executive Committee on issues pertaining to Visit GPS in order to jointly encourage, promote and to do such other things as might be necessary to enhance, to the greatest extent possible, all aspects of the hospitality, convention and tourism industries in the Coachella Valley and to attract visitors to the area from a world-wide market, all to the benefit of the member organizations and their constituents; and

WHEREAS, the Board of Directors finds that the Foundation's Tourism Grant Program and TEAM GPS Training Program both serve a public purpose and the allocation of JPA funds in support of these programs falls within the enumerated powers of the JPA.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Visit Greater Palm Springs as follows:

Section 1. RECITALS

That the above recitals are true and correct and are hereby incorporated herein by this reference.

Section 2. APPROPRIATION OF FUNDS TO THE FOUNDATION

That the amount of $720,868 be allocated to the Foundation, restricted to the Tourism Grant Program in the amount of $640,868 and TEAM GPS Training Program in the amount of $80,000; and authorizing the President and CEO of Visit GPS, with the assistance of General Counsel, to negotiate and execute an agreement memorializing the same.

<u>Section 3</u>. SEVERABILITY

That the Board of Directors declares that, should any provision, section, paragraph, sentence or word of this Resolution be rendered or declared invalid by any final court action in a court of competent jurisdiction or by reason of any preemptive legislations, the remaining provisions, sections, paragraphs, sentences or words of this Resolution as hereby adopted shall remain in full force and effect.

<u>Section 4</u>. REPEAL OF CONFLICTING PROVISIONS

That all provisions of any prior resolutions that are in conflict with the provisions of this Resolution are hereby repealed.

<u>Section 5</u>. EFFECTIVE DATE

That this Resolution shall take effect immediately upon its adoption.

<u>Section 6</u>. CERTIFICATION

That the Clerk of the Board of Directors shall certify the roll call vote adopting this Resolution.

PASSED, APPROVED AND ADOPTED at a regular meeting of the Board of Directors of Visit Greater Palm Springs held on March 31, 2023, by the following roll call vote:

AYES:
NAYES:
ABSENT:
ABSTAIN:

____
Rolf Hoehn, Vice Chair
Visit GPS Board of Directors

ATTEST:

____
Secretary
Visit GPS Board of Directors

APPROVED AS TO FORM:

____
Lena D. Wade, General Counsel

VISIT GREATER PALM SPRINGS

Audit Communications

Year ended June 30, 2022

VISIT GREATER PALM SPRINGS

Audit Communications

Year ended June 30, 2022

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DavisFarr
CERTIFIED PUBLIC ACCOUNTANTS

Davis Farr LLP
18201 Von Karman Avenue | Suite 1100 | Irvine, CA 92612
Main: 949.474.2020 | Fax: 949.263.5520

REQUIRED AUDIT COMMUNICATIONS

JPA Executive Committee
Visit Greater Palm Springs
Rancho Mirage, California

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information Visit Greater Palm Springs (VGPS) for the year ended June 30, 2022. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated November 13, 2022, our responsibility, as described by professional standards, is to form and express an opinions about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, as part of our audit, we considered the internal control of VGPS solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, and our firm have complied with all relevant ethical requirements regarding independence.

We identified self-review threats to independence as a result of non-attest services provided. The non-attest service included preparing the financial statements. To mitigate the risk, management has compared the draft financial statements and footnotes to the underlying accounting records to verify accuracy and has reviewed a disclosure checklist to ensure footnotes are complete and accurate. Additionally, we utilize a quality control reviewer to perform a second review of journal entries and the financial statements. We believe these safeguards are sufficient to reduce the independence threats to an acceptable level.

Significant Risks Identified

We identified GASB 87 Lease Implementation as a significant risk area. We reviewed lease activity for the VGPS to determine the impact of lease activity. As a result of our review, there was one item noted within our reporting of uncorrected and corrected misstatements within the letter.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by VGPS is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during 2022. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements include:

- Management's estimate of transactions related to net pension and OPEB liabilities based on actuarial information.

We evaluated the key factors and assumptions used to develop the estimate and determined that it is reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting VGPS's financial statements were:

- The disclosure of pensions in note 7 to the financial statements
- The disclosure of OPEB in note 6 to the financial statements.

The financial statement disclosures are neutral, consistent, and clear.

Significant Unusual Transactions

For purposes of this communication, professional standards require us to communicate to you significant unusual transactions identified during our audit. There were no unusual transactions noted as a result of our audit procedures.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards also require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. Uncorrected misstatements or matters underlying those uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even though the uncorrected misstatements are immaterial to the financial statements currently under audit. Management has determined that the effect of the following uncorrected adjustment is immaterial, both individually and in the aggregate, to the financial statements as a whole: an entry to record a right to use asset and lease payable due to the implementation of GASB 87.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the VGPS's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management in a letter dated March 20, 2023.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with VGPS, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting VGPS, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as VGPS's auditors.

This report is intended solely for the information and use of the Executive Committee and management of VGPS and is not intended to be and should not be used by anyone other than these specified parties.

Davis Farr LLP

Irvine, California
March 20, 2023

DavisFarr
CERTIFIED PUBLIC ACCOUNTANTS

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Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

JPA Executive Committee
Visit Greater Palm Springs
Rancho Mirage, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Visit Greater Palm Springs (VGPS), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively VGPS's basic financial statements, and have issued our report thereon dated March 20, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered VGPS's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of VGPS's internal control. Accordingly, we do not express an opinion on the effectiveness of VGPS's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect, and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of VGPS's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of weaknesses, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify the following deficiency in internal control to be a significant deficiency:

(1) <u>Procurement Policy</u>

During our vendor testing, we noted documentation was not available to demonstrate the vendor went through the competitive bidding process as required by the procurement policy.

Recommendation

We recommend VGPS update the procurement policy to address documentation retention and that VGPS adhere to the formalized policy.

Management Response

Management agrees with this recommendation.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether VGPS's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

VGPS's Response to Findings

VGPS's response to the finding identified in our audit is described in the previous section. VGPS's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of VGPS's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Davis Farr LLP

Irvine, California
March 20, 2023

VISIT GREATER PALM SPRINGS

New Accounting Standards Not Yet Effective

Year ended June 30, 2022

GASB Statement No. 96: *Subscription-Based Information Technology Arrangements*

This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for governments. This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset-an intangible asset-and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The standards for SBITAs are based on the standards established in Statement No.87, *Leases*, as amended.

The standard will be effective for the fiscal year ending June 30, 2023.

GASB Statement No. 100: *Accounting Changes and Error Corrections*—an amendment of GASB Statement No. 62

The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This Statement defines *accounting changes* as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements.

The standard will be effective for the fiscal year ending June 30, 2023.

GASB Statement No. 101: *Compensated Absences*

The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences.

The standard will be effective for the fiscal year ending June 30, 2024.

VISIT GREATER PALM SPRINGS

Annual Financial Report

Year ended June 30, 2022

VISIT GREATER PALM SPRINGS

Annual Financial Report

Year ended June 30, 2022

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FINANCIAL SECTION

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Independent Auditor's Report

JPA Executive Committee
Visit Greater Palm Springs
Rancho Mirage, California

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Visit Greater Palm Springs (VGPS), as of and for the year June 30, 2022, and the related notes to the financial statements, which collectively comprise VGPS's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of VGPS, as of June 30, 2022, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis, budgetary comparison information* and *pension and other post-employment benefit schedules* be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Report on Summarized Comparative Information

We have previously audited VGPS's 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated May 6, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2021 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 20, 2023 on our consideration of VGPS's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering VGPS's internal control over financial reporting and compliance.

Davis Farr LLP

Irvine, California
March 20, 2023

This discussion and analysis of Visit Greater Palm Springs (Visit GPS) financial performance for the year ended June 30, 2022 provides a comparison of the current year to prior year ending results in a narrative format. It includes an analysis of Visit GPS's financial position and results of operations to assist in evaluating the Visit GPS's financial performance, as well as a discussion of significant changes that have occurred in funding. In addition, it describes the major changes in assets and liabilities. The discussion and analysis concludes with a description of currently known facts, decisions, and conditions that are expected to have a significant effect on the financial position or results of operations. We encourage readers to read the information presented here in conjunction with our financial statements.

FINANCIAL HIGHLIGHTS

The global COVID-19 pandemic significantly negatively affected the local tourism economy between March 2020 and March 2021. Over 90% of Visit GPS's revenues are based on the lodging revenues in Coachella Valley, so the decline in travel directly impacted the organization.

The magnitude of the subsequent rebound in travel surpassed all expectations. Visit GPS experienced record setting revenues levels throughout the July 2021 to June 2022 fiscal year. As a result, revenues far exceeded expenses. Net fund balances increased dramatically.

The highlights below reflect the results of this rebound year from the travel restrictions experienced from the COVID-19 pandemic in the prior year:

- Total revenues increased by $17,095,754 (124.35%) primarily due to increased Tourism Business Improvement District (TBID) assessment collections.
- Vacation rental properties began paying a 1% TBID assessment on gross short-term rental revenues effective July 1, 2021, producing additional revenues $2,911,457.
- Total assets increased $14,014,501 (62.6%) from a combination of increased cash and investments, higher receivables, and increased prepaid items.
- Liabilities were reduced by Paycheck Protection Program loan obligations of $2,283,999 forgiven during the year.
- The net position increased from $13,695,593 to $27,784,870 during the year. This $14,089,277 (102.87%) increase resulted from record setting revenue levels combined with expenses less than budgeted.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of Visit GPS as a whole and presents a long-term view of the Visit GPS's finances. The following Fund financial statements for government activities presents how Visit GPS services were financed in the current year as well as what balances carry over for future spending. Fund financial statements report Visit GPS's operation in more detail than the government-wide statements by providing information about Visit GPS's General Fund and TBID funds. This report also contains notes to the financial statements, which is additional information to the basic financial statements.

REPORTING VISIT GPS AS A WHOLE

The Statement of Net Position and the Statement of Activities

The Statement of Net Position and the Statement of Activities report information as a comparison to the previous fiscal year for Visit GPS as a whole. These statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the year's revenue and expenses (changes in net position) are taken into account regardless of the timing of related cash flows. Therefore, revenues and expenses are reported in this statement for some items that may result in cash flows in future fiscal periods. Our analysis of these statements is reflected in Table 1 and 2 following.

REPORTING VISIT GPS'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds. Some funds are required to be established by State law and by JPA Executive Committee direction. However, management established other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain resources. Visit GPS maintains two governmental funds: the General Fund and TBID. The primary sources of funding are from the Tourism Business Improvement District; the history of which can be found below.

The second most significant source of funding is from Coachella Valley cities and the County of Riverside. This funding is based on a formula applied to local lodging revenues. The Agua Caliente Band of Cahuilla Indians makes a voluntary contribution on a quarterly basis.

The final source of funding is private funds. This includes revenue received through partnership, event hosting, advertising cooperatives, joint share participation with stakeholders, and interest.

Governmental funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of Visit GPS’s general operations and the basic services provided. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance Visit GPS’s programs.

The General Fund is comprised of public funding and private funds. The General Fund combines these two funding sources as there are not restrictions on how these funds are disbursed. TBID funds are accounted for separately and used for programs benefiting lodging establishments that are assessed and pay TBID.

2008 TBID Funds – In June 2008, Visit GPS requested that the County of Riverside form the Palm Springs Desert Resort Communities Tourism Business Improvement District (TBID). This funding source was assessed on hotels with 50 or more rooms within the defined eight cities and specified areas in the unincorporated part of the County of Riverside. An assessment of two percent on gross room sales was approved and was collected by the County of Riverside and remitted to Visit GPS.

2013 TMD Funds – The Tourism Marketing District Assessment was created in June 2013 with collection beginning on August 1, 2013. This funding source was assessed on hotels with 50 or more rooms within the defined eight cities and specified areas in the unincorporated part of the County of Riverside. An assessment of one percent on gross room sales was collected by Visit GPS. The purpose of this funding source was to promote the assessed businesses as tourism visitor destinations and to fund projects, programs, and activities through an enhanced sales and marketing/media plan that specifically benefits the assessed businesses by generating room night sales.

2016 TBID Funds – On June 17, 2016, the Joint Powers Authority Executive Committee of Visit GPS held a public hearing and voted to establish a three percent Tourism Business Improvement District (TBID) assessment on gross short-term rental revenue to replace the current two percent Business Improvement District and the one percent Tourism Marketing District Assessment.

2021 TBID Funds - Coachella Valley vacation rental lodging owners and representatives successfully petitioned to be included in the TBID effective July 1, 2021. All vacation rentals located within the TBID boundaries began contributing 1% of gross rental revenue for short-term stays as of this date.

VISIT GPS AS A TRUSTEE

Reporting Visit GPS's Fiduciary Responsibilities

Visit GPS is the trustee, or fiduciary, for its employee pension plan and the Greater Palm Springs Tourism Foundation. The fiduciary activities are reported separately in the fiduciary fund financial statements. These activities are excluded from the other financial statements, as Visit GPS cannot use these assets to finance its operations. Visit GPS is responsible for ensuring that the assets reported in these funds are used for their intended purposes. The basic fiduciary fund financial statements follow Visit GPS financial statements in this report.

OTHER PROVIDED INFORMATION

Notes to 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. The notes to the financial statements can be found in this report immediately following the financial statements.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning Visit GPS’s budgetary performance of the two governmental funds. Additional information is presented concerning Visit GPS’s progress toward funding its obligation to provide pension benefits to its employees. The required supplementary information can be found following the notes to the financial statements.

Table 1
Comparison of Net Position
June 30, 2022 and June 30, 2021

	Governmental Activities			
	2022	**2021**	**$ Change**	**% Change**
Assets				
Current and Restricted Assets	$ 34,538,284	$ 20,464,161	$ 14,074,123	68.77%
Capital Assets (net of depreciation)	1,862,985	1,922,607	(59,622)	-3.10%
Total Assets	36,401,269	22,386,768	14,014,501	62.60%
Deferred Outflows of Resources	1,243,422	571,451	671,971	117.59%
Liabilities				
Current Liabilities	3,266,532	1,786,550	1,479,982	82.84%
Long-Term Obligations (includes OPEB)	5,108,899	6,096,034	(987,135)	-16.19%
Total Liabilities	8,375,431	7,882,584	492,847	6.25%
Deferred Inflows of Resources	1,484,390	1,380,042	104,348	7.56%
Net Position				
Net Investment in Capital Assets	1,862,985	1,922,607	(59,622)	-3.10%
Restricted for Tourism Related Activities	28,202,853	17,034,370	11,168,483	65.56%
Unrestricted	(2,280,968)	(5,261,384)	2,980,416	-56.65%
Total Net Position	$ 27,784,870	$ 13,695,593	$ 14,089,277	102.87%

Current and Restricted Assets

An increase in cash and investments during the year accounted for the majority of the increase in current and restricted assets. This resulted from revenues exceeding the amount of expenses by $12,278,709 for the year as shown in Table 3 below.

Capital Assets

As of June 30, 2022, Visit GPS had $1,862,985 in net capital assets which includes $2,403,701 of accumulated depreciation. Visit GPS purchased air conditioning units for the building, artificial grass to replace real grass for the building's landscaping, computer servers, desks, and cabinets during the year at a total cost of $94,837. The depreciation expense of $154,459 during the year exceeded the cost of asset acquisitions resulting in an overall net asset value decrease. Additional information regarding Visit GPS's capital assets can be found in Note 4 to the financial statements.

Current Liabilities

Visit GPS received a $1,759,375 grant from Riverside County for the Tourism Recovery Program in June 2022. These funds were not expended prior to June 30, 2022 creating an increase to Visit GPS liabilities.

Long-Term Obligations

The Paycheck Protection Program loans of $2,283,999 Visit GPS received in prior years were forgiven in the current year. This resulted in a net decrease in long-term obligations.

Table 2
Comparison Changes in Net Position
Fiscal Years Ending June 30, 2022 and June 30, 2021

	2022	2021	$ Change	% Change
Revenues				
Public Source Revenue - City/County	$ 3,057,785	$ 1,604,336	$ 1,453,449	90.60%
Public Source Revenue - TBID	25,020,816	10,782,793	14,238,023	132.04%
Private Revenues - Charges for Services	779,344	1,274,450	(495,106)	-38.85%
Other Revenues	1,986,094	86,706	1,899,388	2190.61%
Total Revenues	30,844,039	13,748,285	17,095,754	124.35%
Expenses				
Administration - Including Government Expense of OPEB	2,079,513	1,270,487	809,026	63.68%
Partnerships	1,071,619	549,011	522,608	95.19%
Marketing	7,338,998	6,278,366	1,060,632	16.89%
Tourism Development	2,586,307	490,909	2,095,398	426.84%
Convention Sales and Services	3,678,325	2,208,305	1,470,020	66.57%
Total Expenses	16,754,762	10,797,078	5,957,684	55.18%
Change in Net Position	$ 14,089,277	$ 2,951,207	$ 11,138,070	377.41%

Table 3
Combined Governmental Fund Activity Comparison to Prior Year
Fiscal Years Ending June 30, 2022 and June 30, 2021

	Governmental Activities			
	2022	**2021**	**$ Change**	**% Change**
Revenues by Type				
City Funding	$ 3,057,785	$ 1,604,336	$ 1,453,449	90.60%
TBID	25,020,816	10,813,574	14,207,242	131.38%
Private Revenue	481,439	1,361,156	(879,717)	-64.63%
Total Revenues	28,560,040	13,779,066	14,780,974	107.27%
Expenditures by Type				
Labor	6,682,823	5,421,773	1,261,050	23.26%
Advertising and Brand Production	616,448	287,634	328,814	114.32%
Placement	3,898,114	3,070,434	827,680	26.96%
Digital Marketing	289,940	180,115	109,825	60.97%
Collateral Material	52,693	5,396	47,297	876.52%
Familiarization Trips	214,630	62,213	152,417	244.99%
Trade Shows/Sales Missions	736,901	90,494	646,407	714.31%
Travel and Lodging	22,924	4,461	18,463	413.88%
Special Promotions	1,368,456	319,358	1,049,098	328.50%
Collection Fees	159,758	-	159,758	
Event Hosting	436,428	16,000	420,428	2627.68%
Research	365,885	193,914	171,971	88.68%
IT - Information Technology	45,659	92,959	(47,300)	-50.88%
Professional Fees	181,708	256,780	(75,072)	-29.24%
Overhead	1,114,126	476,713	637,413	133.71%
Capital Outlay	94,838	-	94,838	
Total Expenditures	16,281,331	10,478,244	5,803,087	55.38%
Change in Fund Balance	$ 12,278,709	$ 3,300,822	$ 8,977,887	271.99%

This table provides a comparison of the fund level activity as derived from governmental funds.

Revenue by Type

Most of the organization's revenues are tied to Coachella Valley lodging revenues. The global COVID-19 pandemic had a significant negative impact on the local tourism industry from March 2020 to March 2021. Pent-up demand for travel rapidly escalated revenues after this time period creating record setting revenue levels in the current year.

Private revenue was higher in the prior year due to the organization being awarded a $750,000 grant by the County of Riverside to fund marketing efforts designed to promote the economic recovery for the Coachella Valley hospitality industry.

Expenditure by Type

Work furloughs were in place for most of the prior year. There were none in the current year. To the contrary, additional staffing was required to meet demands resulting in increased labor costs.

With people regaining the ability and interest in travel post pandemic, advertising and marketing efforts were escalated to drive demand for Greater Palm Springs destination. This increased advertising production costs, ad placements, digital marketing, and collateral materials.

The group meetings market lagged behind the leisure travel market rebound. This segment did improve steadily throughout the year, however, and investments were made to recapture business lost during the pandemic. This resulted in increased costs for familiarization trips, trade shows and travel.

During the year, Visit GPS initiated a program providing grants to local cities for tourism enhancement projects. The $570,000 cost of this program increased Special Promotions expenses. International representation was reestablished during the year as international travel resumed post pandemic. This also increased Special Promotions expenses.

The local cities with vacation rentals collect the related TBID assessments from the property owners effective July 1, 2022. The cities remit these collections to Visit GPS less a 5% collection fee.

Visit GPS resumed support for local tourism events as these were allowed post pandemic. This increased Event Hosting expenses.

Research was reduced in the prior year for the lack of need to test advertising effectiveness, study visitor profiles or study the economic impact of tourism. These types of research projects resumed in the current year.

Information Technology expenses decreased compared to the prior year due to fewer website modifications being required.

Fewer legal activities compared to the prior year led to reduced Professional Fees expenses.

Employees returning to full-time work and an increase in staffing resulted in an increase to Overhead expenses. Most overhead expenses were impacted, such as, employee training, auto mileage, office supplies, building expenses, recruiting expenses, professional dues, postage & shipping, and employee relations. Several computers were also replaced.

Final Analysis

The significant upswing in travel post pandemic had been forecasted by most. None of the available forecasts had predicted the full magnitude of the increase in travel and the lodging rates travelers would be willing to pay. As a result, revenues were much higher than were budgeted. Fund balances increased significantly during the year.

Visit GPS has continued to benefit from strong demand for Coachella Valley lodging. While the number of leisure travelers has currently leveled off, the group meetings market has continued to increase. This has resulted in continued record setting revenue levels. The financial health of the organization has never been stronger.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of Visit GPS's finances for all those with an interest. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to the Vice President of Finance & Administration at info@visitgreaterps.com or by U.S. mail: Visit Greater Palm Springs 70100 Highway 111, Rancho Mirage, California 92270.

VISIT GREATER PALM SPRINGS

Statement of Net Position

June 30, 2022
(with comparative information for prior year)

	Governmental Activities 2022	Governmental Activities 2021
Assets:		
Cash and investments (note 2)	$ 29,563,175	17,323,559
Restricted cash and investments (note 2)	411,441	461,260
Receivables (note 3)	2,862,632	1,502,457
Interest receivable	17,776	8,141
Due from other governments	930,685	410,357
Prepaid items	729,135	173,080
Stores inventories	23,440	22,624
Net pension asset (note 7)	-	562,683
Capital assets not being depreciated (note 4)	45,200	45,200
Capital assets being depreciated, net (note 4)	1,817,785	1,877,407
Total Assets	36,401,269	22,386,768
Deferred Outflows of Resources:		
Deferred outflows related to OPEB (note 6)	449,020	350,092
Deferred outflows related to pension (note 7)	794,402	221,359
Total Deferred Outflows of Resources	1,243,422	571,451
Liabilities:		
Accounts payable	1,013,864	386,410
Due to other governments	30,147	88,307
Accrued expense	246,184	228,663
Unearned revenue	1,976,337	115,923
Deposits payable	-	15,785
Due to Pension trust	-	73,347
Noncurrent liabilities:		
Due within one year:		
Compensated absences, current portion (note 5)	172,703	142,720
Loan payable, current portion (note 5)	-	735,395
Due in more than one year:		
Compensated absences, noncurrent portion (note 5)	339,438	306,412
Loan payable, noncurrent portion (note 5)	-	1,548,604
Total OPEB liability (note 6)	4,077,878	4,241,018
Net pension liability (note 7)	518,880	-
Total Liabilities	8,375,431	7,882,584
Deferred Inflows of Resources:		
Deferred inflows related to OPEB (note 6)	980,154	536,080
Deferred inflows related to pensions (note 7)	504,236	843,962
Total Deferred Inflows of Resources	1,484,390	1,380,042
Net Position:		
Investment in capital assets	1,862,985	1,922,607
Restricted for:		
Tourism related activities	28,202,853	17,034,370
Unrestricted	(2,280,968)	(5,261,384)
Total Net Position	$ 27,784,870	13,695,593

See accompanying notes to the basic financial statements.

VISIT GREATER PALM SPRINGS

Statement of Activities

Year ended June 30, 2022
(with comparative information for prior year)

Function/Programs	Expenses	Program Revenue: Charges for Services and Sales	Net (Expense) Revenues and Changes in Net Position: 2022	Net (Expense) Revenues and Changes in Net Position: 2021
Governmental Activities:				
Administration	$ 2,079,513	-	(2,079,513)	(1,270,487)
Partnership	1,071,619	260,432	(811,187)	(365,083)
Marketing	7,338,998	331,233	(7,007,765)	(5,187,844)
Tourism development	2,586,307	97,695	(2,488,612)	(490,909)
Convention sales	3,678,325	89,984	(3,588,341)	(2,208,305)
Total	$ 16,754,762	779,344	(15,975,418)	(9,522,628)
General revenues:				
City funding			3,057,785	1,604,336
Assessments			25,020,816	10,782,793
Investment income (loss)			(297,905)	86,706
PPP loan forgiveness			2,283,999	-
Total general revenues			30,064,695	12,473,835
Change in net position			14,089,277	2,951,207
Net position, beginning of year			13,695,593	10,744,386
Net position, end of year			$ 27,784,870	13,695,593

See accompanying notes to the basic financial statements.

VISIT GREATER PALM SPRINGS

Balance Sheet - Governmental Funds

June 30, 2022
(with comparative information for prior year)

	General Fund	TBID Special Revenue Fund	Totals 2022	Totals 2021
Assets:				
Cash and investments	$ 3,712,164	25,851,011	29,563,175	17,323,559
Restricted cash and investments	411,441	-	411,441	461,260
Receivables	526,004	2,336,628	2,862,632	1,502,457
Interest receivable	2,562	15,214	17,776	8,141
Due from other governments	930,685	-	930,685	410,357
Prepaid items	729,135	-	729,135	173,080
Stores inventories	23,440	-	23,440	22,624
Total Assets	$ 6,335,431	28,202,853	34,538,284	19,901,478
Liabilities:				
Accounts payable	$ 1,013,864	-	1,013,864	386,410
Due to other governments	30,147	-	30,147	88,307
Accrued expense	246,184	-	246,184	228,663
Unearned revenue	1,976,337	-	1,976,337	115,923
Deposits payable	-	-	-	15,785
Pension plan payable	-	-	-	73,347
Total Liabilities	3,266,532	-	3,266,532	908,435
Fund Balances:				
Nonspendable	752,575	-	752,575	195,704
Restricted for:				
OPEB	411,441	-	411,441	461,995
Tourism related activities	-	28,202,853	28,202,853	17,034,370
Unassigned	1,904,883	-	1,904,883	1,300,974
Total Fund Balances	3,068,899	28,202,853	31,271,752	18,993,043
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 6,335,431	28,202,853	34,538,284	19,901,478

See accompanying notes to the basic financial statements.

VISIT GREATER PALM SPRINGS

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position

June 30, 2022

Fund balances of governmental funds		$ 31,271,752
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 as assets in governmental funds.		
Cost of capital assets	4,266,686	
Accumulated depreciation	(2,403,701)	
		1,862,985
Deferred outflows related to OPEB		449,020
Deferred outflows related to pensions		794,402
Deferred inflows related to OPEB		(980,154)
Deferred inflows related to pensions		(504,236)
Long-term obligations at year end consist of:		
Compensated absences	(512,141)	
Total OPEB liability	(4,077,878)	
Net pension (liability)/asset	(518,880)	
		(5,108,899)
Net position of governmental activities		$ 27,784,870

See accompanying notes to the basic financial statements.

VISIT GREATER PALM SPRINGS

Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds

Year ended June 30, 2022 (with comparative information for prior year)

	General Fund	TBID Special Revenue Fund	Total 2022	Total 2021
Revenues:				
City funding	$ 3,057,785	-	3,057,785	1,604,336
Assessments	-	25,020,816	25,020,816	10,813,574
Membership dues	209,923	-	209,923	125,382
Advertising	381,895	1,895	383,790	325,265
Promotional participation	185,631	-	185,631	823,803
Investment income (loss)	(71,869)	(226,036)	(297,905)	86,706
Total Revenues	3,763,365	24,796,675	28,560,040	13,779,066
Expenditures:				
Administration	1,222,401	722,021	1,944,422	1,211,807
Partnership	904,072	136,538	1,040,610	526,038
Marketing	137,362	7,049,041	7,186,403	6,169,377
Tourism development	65,753	2,462,398	2,528,151	466,808
Convention sales	228,713	3,258,194	3,486,907	2,104,214
Capital outlay	94,838	-	94,838	-
Total Expenditures	2,653,139	13,628,192	16,281,331	10,478,244
Excess (deficiency) of revenues over (under) expenditures	1,110,226	11,168,483	12,278,709	3,300,822
Other Financing Sources (Uses):				
Issuance of loan	-	-	-	1,142,000
Net changes in fund balance	1,110,226	11,168,483	12,278,709	4,442,822
Fund Balances at Beginning of Year	1,958,673	17,034,370	18,993,043	14,550,221
Fund Balances at End of Year	$ 3,068,899	28,202,853	31,271,752	18,993,043

See accompanying notes to the basic financial statements.

VISIT GREATER PALM SPRINGS

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of Governmental Funds to the Statement of Activities

Year ended June 30, 2022

Net changes in fund balances - total governmental funds		$ 12,278,709
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures; however, for governmental activities, those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expense in the Statement of Activities.		
Depreciation expense	(154,459)	
Capital outlay	94,837	
		(59,622)
Some revenues in the statement of activities related to the forgiveness of the PPP loan is not reported as revenues in the governmental funds.		2,283,999
In the Statement of Activities, certain operating expenses, such as compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used.		(63,009)
Governmental funds report pension contributions as expenditures. However, in the Statement of Net Position, pension expense is measured as the change in net pension liability and the amortization of deferred outflows and inflows related to pensions. This amount represents the net change in pension related amounts.		(168,794)
Governmental funds report OPEB contributions as expenditures. However, in the Statement of Net Position, OPEB expense is measured as the change in total OPEB liability and the amortization of deferred amounts.		(182,006)
Change in net position of governmental activities		$ 14,089,277

See accompanying notes to the basic financial statements.

VISIT GREATER PALM SPRINGS

Statement of Fiduciary Net Position

June 30, 2022

	Trust Fund	Custodial Fund
	Defined Benefit Pension Plan	Tourism Foundation
Assets:		
Cash and investments (note 2)	$ 7,395,621	593,399
Interest receivable	9,502	-
Pledges receivable	-	750
Total Assets	$ 7,405,123	594,149
Liabilities:		
Accounts payable	$ -	273
Total Liabilities	-	273
Net Position:		
Restricted for pensions	7,405,123	-
Restricted for tourism foundation	-	593,876
Total Net Position	$ 7,405,123	593,876

See accompanying notes to the basic financial statements.

VISIT GREATER PALM SPRINGS

Statement of Changes in Fiduciary Net Position

Year ended June 30, 2022

	Trust Fund	Custodial Fund
	Defined Benefit Pension Plan	Tourism Foundation
Additions:		
Employer and employee contributions	$ 407,953	-
Contributions	-	663,495
Special events	-	27,705
Investment income (loss)	(953,071)	-
Total Additions	(545,118)	691,200
Deductions:		
Benefit payments	428,362	-
Grants	-	141,797
Administrative expenses	73,435	813
Total Deductions	501,797	142,610
Change in Net Position	(1,046,915)	548,590
Net Position - beginning	8,452,038	45,286
Net Position - ending	$ 7,405,123	593,876

See accompanying notes to the basic financial statements.

(1) Summary of Significant Accounting Policies

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

(a) Reporting Entity

The Visit Greater Palm Springs, a public entity formed under California Government Code, is comprised of various government member organizations pursuant to a Joint Powers Agreement (Agreement). The Agreement was entered into by the member organizations, February 8, 1989, to jointly encourage, promote, and enhance all aspects of the hospitality, convention and tourism industries in the Coachella Valley and to attract visitors from a world-wide market. The member organizations are currently comprised of: Cathedral City, Desert Hot Springs, Indian Wells, Indio, La Quinta, Palm Desert, Palm Springs, Rancho Mirage, and Riverside County. Each member organization makes contributions to VGPS based on the members' transient occupancy tax, which is based on gross sales as defined in the Agreement. The Agreement provides for a two-tiered contribution system based upon transient occupancy tax reported from convention and non-convention properties within the member cities.

In November 2008, the Board of Supervisors of the County of Riverside adopted Ordinance 883 which established the Palm Springs Desert Resort Communities Tourism Business Improvement District (TBID) and the levying of annual assessments. The TBID was established to promote tourism within the desert communities and to fund related programs that will benefit the hotel and motel businesses within the desert communities. The boundaries of the TBID match the operational boundaries of VGPS.

The Tourism Marketing District Assessment (TMD) was created in June 2013 with collection beginning on August 1, 2013. This funding source was assessed on hotels in excess of 50 rooms within the defined eight cities and specified areas in the unincorporated part of the County of Riverside. An assessment of one percent on gross room sales was collected by VGPS through June 2016.

On June 17, 2016, the Joint Powers Authority Executive Committee of VGPS held a public hearing and voted to establish a three percent (3%) Tourism Business Improvement District (TBID) assessment of gross short-term rental revenue to replace the current two percent (2%) Business Improvement District and the one percent (1%) Tourism Marketing District Assessment. Coachella Valley vacation rental lodging owners and representatives successfully petitioned to be included in the TBID effective July 1, 2021. All vacation rentals located within the TBID boundaries began contributing 1% of gross rental revenue of short-term stays as of July 2021.

The Greater Palm Springs Tourism Foundation (Foundation) was established in May 2017 to provide support for diverse programming related to the hospitality, convention, and tourism industries with funds raised from individuals, businesses,

(1) Summary of Significant Accounting Policies (Continued)

organizations and other foundations. Initiatives encompass providing education and leadership training, college scholarships, and volunteer and mentor development.

The Foundation is not a component of VGPS and is reported as a custodial fund in the accompanying financial statement.

(b) Basis of Accounting and Measurement Focus

Government-Wide Financial Statements – The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. This is the same approach used in the preparation of proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared.

The government-wide statement of activities presents a comparison between expenses, both direct and indirect of VGPS and for each governmental function and exclude fiduciary activity. Direct expenses are those that are specifically associated with a service, program, or department and are therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipients of the goods or services offered by the programs and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program or business segment is self-financing or draws from the general revenues of VGPS. Eliminations have been made to minimize the double counting of internal activities.

Net position is reported as restricted when constraints placed on net position use are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The net position restricted for other activities result from special revenue funds and the restrictions on their net position use.

Fund Financial Statements – Fund financial statements report detailed information about VGPS, including fiduciary funds. Each fund is presented in a separate column and the total governmental activities represent a consolidation of all governmental funds.

Governmental Funds – All governmental funds are accounted for using the flow of current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (revenues and other financing sources) and uses (expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore,

(1) Summary of Significant Accounting Policies (Continued)

include reconciliations with brief explanations to better identify the relationship between the government-wide financial statements, prepared using the economic resources measurement focus and the accrual basis of accounting, and the governmental fund financial statements, prepared using the flow of current financial resources measurement focus and the modified accrual basis of accounting.

Fiduciary Funds – Fiduciary funds are accounted for using the flow of economic resources measurement focus and the accrual basis of accounting. Fiduciary funds are excluded from the government-wide financial statements because they do not represent resources of VGPS.

Revenues – Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter, to be used to pay liabilities of the current fiscal year. Generally, available is defined as collectible within 120 days.

Expenses/Expenditures – On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable, and typically paid within 90 days. Principal and interest on long- term obligations, which has not matured, are recognized when paid in the governmental funds as expenditures. Allocations of costs, such as depreciation and amortization, are not recognized in the governmental funds but are recognized in the entity-wide statements.

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

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

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

(1) Summary of Significant Accounting Policies (Continued)

When both restricted and unrestricted resources are combined in a fund, expenditures are considered to be paid first from restricted resources, and then from unrestricted resources.

(c) Fund Classifications

The accounting system is organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. VGPS's funds are grouped into two fund categories: governmental and fiduciary.

Governmental Funds – Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are VGPS's major governmental funds:

General Fund – The General Fund is the chief operating fund for all governmental entities. It is used to account for the ordinary operations of VGPS. The primary revenue sources are the city/county funding and member dues. All transactions except those accounted for in another fund are accounted for in this fund.

Tourism Business Improvement District (TBID) Fund – This Special Revenue Fund is used to account for all financial activities associated with the collection of the assessments and the use of such assessments as outlined in the TBID Agreement.

Fiduciary Funds – Fiduciary funds are used to account for assets held in trustee or agent capacity for others that cannot be used to support VGPS's own programs.

Defined Benefit Pension Plan Trust Fund – This fund is used to account for the activities of the Visit Greater Palm Springs Defined Benefit Trust, which accumulates resources for pension benefit payments to qualified VGPS employees.

Tourism Foundation Custodial Fund – This fund is used to account for the assets held by the Tourism Foundation fund which VGPS has fiduciary responsibility.

(d) Cash and Cash Equivalents

All cash and investments are held in VGPS's cash management pool. VGPS considers all highly liquid investments with a maturity of three months or less to be cash equivalents. Therefore, for purposes of the statement of cash flows, VGPS

(1) Summary of Significant Accounting Policies (Continued)

considers the entire pooled cash and investment balance to be cash and cash equivalents.

(e) Fair Value

VGPS categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. As of June 30, 2022, VGPS had no investments with recurring fair value measurements.

In determining fair value, VGPS's custodians use various methods including market and income approaches. Based on these approaches, VGPS's custodians utilize certain assumptions that market participants would use in pricing the asset or liability. VGPS's custodians utilize valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs.

Various inputs are used in determining the value of VGPS's investments and other financial instruments. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. These inputs are summarized in the three broad levels: Level 1 – quoted prices in active markets for identical investments, Level 2 – other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.) and Level 3 – significant unobservable inputs (including VGPS's own assumptions in determining the fair value of instruments).

(f) Investments

Investments are reported at fair value, which is the amount at which financial instruments could be exchanged in a current transaction between willing parties. Investments are measured at fair value on a recurring basis. Recurring fair value measurements are those that Governmental Accounting Standards Board (GASB) Statements require or permit in the statement of net position at the end of each reporting period.

(g) Prepaid Items

Prepaid items represent amounts paid in advance of receiving goods or services.

(h) Stores Inventories

Stores inventories consist of expendable supplies held for consumption and recorded as an expense when used rather than when purchased. Inventories are stated at cost and are tracked monthly by VGPS.

(1) Summary of Significant Accounting Policies (Continued)

(i) Capital Assets

The accounting and reporting treatment applied to the capital assets associated with a fund are determined by its measurement focus. Capital assets are long-lived assets of VGPS. VGPS maintains a capitalization threshold of $5,000 for tangible assets and $50,000 for intangible assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized but are expensed as incurred.

When purchased, assets are recorded as expenditures in the governmental funds and capitalized in the government-wide statement of net position. The valuation basis for capital assets is historical cost, or where historical cost is not available, estimated historical cost based on replacement cost. Donated capital assets are recorded at acquisition value.

Depreciation is calculated on the straight-line method over the following estimated useful lives of the assets:

Buildings	20 - 39 years
Improvements	15 years
Equipment	3 – 10 years

(j) Interfund Activity

Interfund transfers and interfund receivables and payables are eliminated during the consolidation process in the entity-wide financial statements.

(k) Compensated Absences

Compensated absences are accrued as a liability as the benefits are earned. The entire compensated absence liability is reported on the government-wide statement of net position. For governmental funds, the current portion of unpaid compensated absences is recognized upon the occurrence of relevant events such as employee resignations and retirements that occur prior to year-end that have not yet been paid with expendable available financial resources. These amounts are reported in the fund from which the employees who have accumulated leave are paid.

(l) Pensions

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

(1) Summary of Significant Accounting Policies (Continued)

The following timeframes are used for pension reporting:

Valuation Date	June 30, 2022
Measurement Date	June 30, 2022
Measurement Period	July 1, 2021 to June 30, 2022

(m) Other Post-Employment Benefits

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, and information about the plan (OPEB Plan), have been determined by an independent actuary. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms.

Generally accepted accounting principles require that the reported results must pertain to the liability information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date	June 30, 2021
Measurement Date	June 30, 2021
Measurement Period	July 1, 2020 to June 30, 2021

(n) Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense) until then. VGPS has two items that qualify for reporting in this category, deferred outflows related to pensions and OPEB.

In addition to liabilities, the Statement of Net Position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period and will not be recognized as an inflow (revenue) until that time. VGPS has two items that qualify for reporting in this category, deferred inflow related to pensions and OPEB. A third item, unavailable revenue, is reported only in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

(o) Fund Balance

Fund balances are reported in the fund statements in the following classifications:

Nonspendable Fund Balance – this includes amounts that cannot be spent because they are either not spendable in form (such as inventory) or legally or contractually required to be maintained intact (such as endowments).

(1) Summary of Significant Accounting Policies (Continued)

Restricted Fund Balance – this includes amounts that can be spent only for specific purposes stipulated by legal requirements imposed by other governments, external resource providers, or creditors. Board of Directors imposed restrictions do not create restricted fund balance unless the legal document that initially authorized the revenue (associated with that portion of fund balance) also included language that specified the limited use for which the authorized revenues were to be expended.

Committed Fund Balance – this includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Board of Directors. Those committed amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (for example, resolution, ordinance, minutes action, etc.) that it employed to previously commit those amounts. If the Board action that limits the use of the funds was separate from the action that initially created the revenues that form the basis for the fund balance, then the resulting fund balance is considered to be committed, not restricted.

VGPS considers a resolution to constitute a formal action of the Board of Directors for the purposes of establishing committed fund balance.

Assigned Fund Balance – this includes amounts that are intended to be used for specific purposes as indicated either by the Board of Directors or by persons to whom the Board has delegated the authority to assign amounts for specific purposes.

Unassigned Fund Balance – this includes the remaining spendable amounts which are not included in one of the other classifications.

It is VGPS's policy that restricted resources will be applied first, followed by (in order of application) committed, assigned, and unassigned resources, in the absence of a formal policy adopted by the Board of Directors.

(p) Estimates

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

(q) Comparative Information

Selected information regarding the prior year has been included in the accompanying financial statements. This information has been included for comparison purposes only and does not represent a complete presentation in accordance with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the government's prior year financial statements, from which selected financial data was derived. VGPS has reclassified certain prior year information to conform with current year presentations.

(2) Cash and Investments

Cash and investments are classified in the accompanying financial statements as follows:

Statement of Net Position	
Cash and investments	$ 29,563,175
Restricted cash and investments	411,441
Statement of Fiduciary Net Position	
Cash and investments	7,989,020
Total cash and investments	$ 37,963,636

Cash and investments as of June 30, 2022, consist of the following:

Cash on hand and in banks	$ 2,617,982
Investments	35,345,654
Total cash and investments	$ 37,963,636

Investments Authorized by VGPS's Investment Policy

The table below identifies the investment types that are authorized for VGPS by the California Government Code and VGPS's policy, whichever is more restricted.

The table also identifies certain provisions of the California Government Code that address interest rate risk that are governed by the provisions of debt agreements of VGPS, rather than the general provisions of the California Government Code.

Authorized Investments	Maximum Maturity	Percentage of Portfolio	Investment In One Issuer
U.S. Treasury Securities	5 years	60%	None
Federal Agency Securities	5 years	60%	None
Banker's Acceptances	180 days	40%	20%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	5%
Medium-Term Corporate Notes	5 years	20%	None
Bank Demands	N/A	5%	None
Repurchase Agreements	1 year	20%	None
Money Market Mutual Funds	N/A	10%	None
Local Agency Investment Fund	N/A	None	None
Managed Pools	N/A	None	20%
Mortgage Pass-Through Securities	5 years	10%	None
Placement Certificates of Deposit	5 years	30%	None

(2) Cash and Investments (Continued)

Investments Authorized by Trust Agreements

Restricted cash and investments are governed by provisions of the OPEB trust agreement, rather than the general provisions of the California Government Code or VGPS's investment policy.

Authorized Investments	Maximum Maturity	Percentage of Portfolio	Investment In One Issuer
Equity securities	None	50.00%	None
Fixed income	None	50.00%	None
Alternative hedge funds	None	0.00%	None

Investments held in pension trust are governed by provisions of the pension trust agreement, rather than the general provisions of the California Government Code or VGPS's investment policy.

Authorized Investments	Maximum Maturity	Target Percentage of Portfolio	Investment In One Issuer
Equity securities	None	45.00%	None
Fixed income	None	47.50%	None
Alternative hedge funds	None	7.50%	None

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that VGPS 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.

(2) Cash and Investments (Continued)

Information about the sensitivity of the fair values of VGPS's investments to market interest rate fluctuations are provided by the following table that shows the distribution of VGPS's investments by maturity as of June 30, 2022.

Investment Type	Fair Value	12 Months Or Less
State Investment Pool (LAIF)	$ 8,977,651	8,977,651
CalTrust Pooled Investment Fund	18,986,754	18,986,754
Restricted Investments:		
Equity securities	198,358	198,358
Fixed income	202,044	202,044
Held in Pension Trust:		
Equity securities	3,395,134	3,395,134
Fixed income	3,384,992	3,384,992
Alternative hedge funds	200,721	200,721
Total	$ 35,345,654	35,345,654

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 VGPS's Investment Policy, or debt agreements, and the S&P ratings as of June 30, 2022 for each investment type.

VGPS's rating as of the year ended June 30, 2022 for each investment type are as follows:

Investment Type	Total	Minimum Legal Rating	Not Rated
State Investment Pool (LAIF)	$ 8,977,651	N/A	8,977,651
CalTrust Pooled Investment Fund	18,986,754	N/A	18,986,754
Restricted Investments:			
Equity securities	198,358	N/A	198,358
Fixed income	202,044	N/A	202,044
Held in Pension Trust:			
Equity securities	3,395,134	N/A	3,395,134
Fixed income	3,384,992	N/A	3,384,992
Alternative hedge funds	200,721	N/A	200,721
Total	$ 35,345,654		35,345,654

(2) Cash and Investments (Continued)

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of 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 possession of another party. The California Government Code and VGPS's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The fair value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agencies.

California law also allows financial institutions to secure deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured deposits.

Investment Pools

Local Agency Investment Fund (LAIF) – VGPS is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of VGPS's investment in the Pool is reported in the accompanying financial statement at amounts based upon VGPS'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 is recorded on the amortized cost basis. LAIF is not registered with the Securities and Exchange Commission and is not rated.

Investment Trust of California (CalTrust) – VGPS is a voluntary participant in the Investment Trust of California (CalTrust). Organized as a Joint Powers Authority (JPA), CalTrust is a program established by public agencies in California for the purpose of pooling and investing local agency funds. A Board of Trustees supervises and administers the investment program of the Trust. CalTrust invests in fixed income securities eligible for investment pursuant to California Government Code Sections 53601, et. Seq. and 53635, et. Seq. VGPS reports its investment in CalTrust at the fair value amount provided by CalTrust, which is the same as the value of the pool shares.

(2) Cash and Investments (Continued)

Fair Value Measurement

VGPS categorizes its fair value investments within the fair value hierarchy established by generally accepted accounting principles. VGPS has the following recurring fair value measurements as of June 30, 2022:

	Fair Value Hierarchy			
Investment Type	Level 1	Level 2	Level 3	Total
Restricted Investments:				
Equity securities	$ 198,358	-	-	198,358
Fixed income	202,044	-	-	202,044
Held in Pension Trust:				
Equity securities	3,395,134	-	-	3,395,134
Fixed income	3,384,992	-	-	3,384,992
Alternative hedge funds	200,721	-	-	200,721
Total Investments subject to fair value measurement	$ 7,381,249	-	-	7,381,249

(3) Receivables

Receivables at June 30, 2022, consisted of service, tribal, VGPS sources, and the Tourism Business Improvement District (TBID) Assessment funds due from lodging properties.

Tribal Assessments	$ 65,846
Other local sources	460,158
TBID Assessments	2,336,628
Total receivables	$ 2,862,632

(4) Capital Assets

Capital assets are as follows for the year ended June 30, 2022:

	Balance at July 1, 2021	Additions	Deletions	Balance at June 30, 2022
Capital assets not being depreciated:				
Fine art	$ 45,200	-	-	45,200
Total capital assets not being depreciated	45,200	-	-	45,200
Capital assets being depreciated:				
Land improvements	211,825	5,301	-	217,126
Building and improvements	2,856,781	47,905	-	2,904,686
Furniture and equipment	964,706	41,631	-	1,006,337
Vehicles	93,337	-	-	93,337
Total capital assets being depreciated	4,126,649	94,837	-	4,221,486
Less accumulated depreciation:				
Land improvements	(128,415)	(10,702)	-	(139,117)
Buildings and improvements	(1,210,303)	(76,975)	-	(1,287,278)
Furniture and equipment	(867,420)	(48,115)	-	(915,535)
Vehicles	(43,104)	(18,667)	-	(61,771)
Total accumulated depreciation	(2,249,242)	(154,459)	-	(2,403,701)
Total capital assets being depreciated, net	1,877,407	(59,622)	-	1,817,785
Capital assets, net	$ 1,922,607	(59,622)	-	1,862,985

Depreciation expense was charged to the following functions:

Administration	$ 27,288
Partnership	10,297
Marketing	49,770
Travel industry sales	13,901
Convention sales	53,203
Total depreciation	$ 154,459

(5) Long-Term Liabilities

The change in long-term liabilities during the year were as follows

	Balance at July 1, 2021	Additions	Deletions	Balance at June 30, 2022	Due in One Year
Loan payable	$ 2,283,999	-	(2,283,999)	-	-
Compensated absences	449,132	392,398	(329,389)	512,141	172,703
Total	$ 2,733,131	392,398	(2,613,388)	512,141	172,703

Loan Payable

On May 13, 2020, VGPS received loan proceeds in the amount of $1,141,999 under the Paycheck Protection Program (PPP). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act (CARES Act), provides for loans to qualifying businesses in amounts up to 2.5 times of the average monthly payroll expenses of the qualifying business. The loans and accrued interest are forgivable after 24 weeks if the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels. The amount of loan forgiveness will be reduced if the borrower terminates employees or reduces salaries during the 24 week period. In August 2021, VGPS applied for forgiveness of the first round PPP loan. The loan was forgiven on September 16, 2021 and recognized as revenue in the Statement of Activities.

On March 2, 2021, VGPS received loan proceeds in the amount of $1,142,000 under the second round of the PPP. VGPS has until September 6, 2021 to incur eligible payroll, benefits, rent and utilities expenses, and maintain payroll levels that will allow this PPP loan to be forgiven. The amount of loan forgiveness will be reduced if the borrower terminates employees or reduces salaries during the 24-week period. In June 2022, VGPS applied for forgiveness of the second round PPP loan. The loan was forgiven on June 27, 2022 and recognized as revenue in the Statement of Activities.

(6) Other Post-Employment Benefits (OPEB)

Plan Description

VGPS's defined benefit OPEB plan (Plan) provides healthcare benefits to eligible retirees. VGPS sponsors healthcare coverage under the California Public Employees Medical and Hospital Care Act (PEMHCA), commonly referred to as PERS Health. PEMHCA provides health insurance through a variety of Health Maintenance Organization (HMO) and Preferred Provider Organization (PPO) options.

The Visit Greater Palm Springs Retiree Healthcare Plan is a single-employer defined benefit healthcare plan administered by VGPS which provides healthcare benefits to eligible retirees and their spouses in accordance with benefit provisions, which are established and may be amended by VGPS. Assets are accumulated in a trust; however, the trust does not meet the

(6) Other Post-Employment Benefits (OPEB) (Continued)

criteria in paragraph 4 of Statement 75. As a result, the trust assets are reported in the General Fund as restricted cash and investments.

Benefits Provided

Employees who have obtained age 55, have at least 10 years of service, and participate in the Greater Palm Springs Defined Benefit Pension Plan are eligible for a VGPS-paid contribution. VGPS contributes towards individual medical, dental and vision policies for qualified retirees up to Medicare eligibility. Once a retiree is Medicare eligible, VGPS will pay a Medicare supplemental plan and Medicare Part D. The monthly contribution is 50% of the total premium (medical, dental, and vision) for those with 10 years of service, increasing by increments of 5% per each additional year of service, until 20 years, where the contribution is 100%. Spouse benefits are available. In addition, VGPS contributes the PEMHCA administrative fee. VGPS-paid benefits are provided for the lifetime of the retiree.

Plan Membership

At July 1, 2021 (valuation date), membership consisted of the following:

Active members	21
Inactive plan members or beneficiaries currently receiving benefit payments	6
Total plan members	27

Contributions

The contribution requirements of the plan members and VGPS are established by and may be amended by VGPS. VGPS funds the plan benefits on a pay-as-you-go basis. Participants are required to contribute to the cost of benefits under the plan. VGPS pays 50% of the benefit premium as a base contribution plus an additional five percent of the benefit premium for each full year of continuous paid service with VGPS in excess of 10 years of service.

GASB requires governments to account for other post-employment benefits (OPEB) on an accrual basis, rather than a pay-as-you-go basis. The effect is the recognition of an actuarially determined expense when a future retiree earns their post-employment benefits, rather than when they use their post-employment benefits.

Total OPEB Liability

VGPS's total OPEB liability was measured as of June 30, 2021 and was determined by an actuarial valuation as June 30, 2021.

(6) Other Post-Employment Benefits (OPEB) (Continued)

Changes in the total OPEB Liability were as follows:

	Total OPEB Liability
Balance at June 30, 2020	$ 4,241,018
Changes recognized for the measurement period:	
Service cost	342,235
Interest	111,919
Differences between actual and expected experience	(787,745)
Changes of assumptions	200,891
Benefit payments	(30,440)
Net Changes	(163,140)
Balance at June 30, 2021 *(Measurement Date June 30, 2021)*	$ 4,077,878

Actuarial Assumptions

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

Actuarial Cost Method	Entry Age, Level Percent of Pay
Actuarial Assumptions:	
Salary increases	3.00 percent
Inflation rate	2.50 percent
Discount rate	1.92 percent
Healthcare cost trend rate	5.20 percent for 2021 through 2034; 5.00 percent for 2035 through 2049; 4.50 percent for 2050 through 2064; and 4.00 percent for 2065 and later years

Pre-retirement mortality rates were based on the CalPERS Public Agency Miscellaneous and Schools Pre-Retirement Mortality, with fully generational mortality improvement using 80% of MP-2020. Post-retirement mortality rates were based on the CalPERS Public Agency Post-Retirement Morality with fully generational mortality improvement using 80% of MP-2020 (2021 CalPERS Experience Study).

Actuarial assumptions used in the June 30, 2021 valuation were based on a review of Plan experience during the period of July 1, 2019 to June 30, 2021.

Discount Rate

GASB requires a discount rate that reflects the following:

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

(6) Other Post-Employment Benefits (OPEB) (Continued)

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

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

Reporting Date	Measurement Date	Long-Term Expected Return on Plan Investments (if any)	Fidelity GO AA 20 Years Municipal Index	Discount Rate
June 30, 2022	June 30, 2021	4.00%	1.92%	1.92%

Sensitivity of the Total OPEB liability to changes in the discount rate

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

	1% Decrease (0.92%)	Discount Rate (1.92%)	1% Increase (2.92%)
Total OPEB Liability	$ 4,773,945	$ 4,077,878	$ 3,522,107

Sensitivity of the Total OPEB liability to changes in the healthcare cost trend rates

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

	1% Decrease (4.20% current, 3.00% ultimate, 3.00% Medicare)	Trend Rate (5.20% current, 4.00% ultimate, 4.00% Medicare)	1% Increase (6.20% current, 5.00% ultimate, 5.00% Medicare)
Total OPEB Liability	$ 3,455,931	$ 4,077,878	$ 4,867,656

Amortization of Deferred Outflows and Deferred Inflows of Resources

Under GASB 75, actuarial 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 amortization period differs depending on the source of the gain or loss:

Net difference between projected and actual earnings	5-year straight-line amortization

(6) Other Post-Employment Benefits (OPEB) (Continued)

All other amounts	Straight-line amortization 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.

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

VGPS's OPEB expense was $239,939 for the fiscal year ended June 30, 2022. As of fiscal year ended June 30, 2022, VGPS's deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources are:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions subsequent to the measurement period	$ 55,639	-
Differences between expected and actual experience	-	(827,736)
Changes in assumptions	393,381	(152,418)
Total	$ 449,020	$ (980,154)

The $55,639 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2021 measurement date will be recognized as a reduction of the total OPEB liability during the fiscal year ending June 30, 2023. Other amounts reported as deferred outflows of resources related to OPEB will be recognized as expense as follow:

Fiscal Year Ended June 30:	Deferred Outflows/(Inflows) of Resources
2023	$ (214,215)
2024	(214,216)
2025	(104,992)
2026	(53,350)
2027	-

(7) Defined Benefit Pension Plan

General Information about the Pension Plans

Plan Description

VGPS sponsors a defined benefit pension plan, the Visit Greater Palm Springs Defined Benefit Trust (the Trust), a single-employer plan, which provides retirement benefits to plan members and beneficiaries. The Plan is authorized under Section 31694(a) of the California Government Code for the sole purpose of providing funding for eligible employees. Eligible employees must be 21 years of age, have worked at least one plan year (July through June), and worked over 1,000 hours during a plan year. The plan calls for benefits to be paid to eligible employees at retirement, based primarily upon years of service with VGPS and compensation rates near retirement.

(7) Defined Benefit Pension Plan (Continued)

Benefits Provided

VGPS provides retirement benefits to plan members. Benefits are based on years of credited service, equal to one year of full time employment with the retirement formula of 2.0% at 52 for existing "classic" members and 2% at 62 for "new" members. The cost of living adjustments for the plan are applied as specified by the Public Employees' Retirement Law.

The Plan's provisions and benefits in effect at June 30, 2022 are summarized as follows:

Hire Date	Classic - Prior to January 1, 2013	New - On or after January 1, 2013
Benefit formula	2% @ 52	1.0-2.5% @ 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life
Retirement age	52-67	52-67
Monthly benefits, as a % of eligible compensation	2.00%	2.00%

Members covered by Benefit Terms

At June 30, 2022 (Valuation Date), the following members were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	9
Inactive employees entitled to but not yet receiving benefits	13
Active employees	21
Total	43

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

The June 30, 2022 pension liability was based on the following actuarial methods and assumptions.

Valuation Date	June 30, 2022
Measurement Date	June 30, 2022
Actuarial Cost Method	Entry-Age, Level Percent of Pay
Actuarial Assumptions:	
Discount Rate	6.00%
Inflation	3.00%
Payroll Growth	2.80%
Investment Rate of Return	6.00%

The mortality table used was developed based on CalPERS specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from 2021 that can be found on the CalPERS website.

(7) Defined Benefit Pension Plan (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 6.00 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that VGPS's contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

In determining the long-term expected 6.00 percent rate of return on pension plan investments, VGPS considered both the short and long-term market return expectations as well as the expected pension fund cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the pension funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 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 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 equivalent to the single equivalent rate calculated above and rounded down to the nearest on quarter of one percent.

The table below reflects the long-term expected rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation.

Asset Class	Asset Allocation	Real Rate of Return
Small Cap	5%	4.6%
Large Cap	30%	4.1%
U.S. Fixed	50%	1.5%
Developed Non-U.S. Equity	10%	5.2%
Emerging Market Equity	5%	5.9%
Total	100%	

(7) Defined Benefit Pension Plan (Continued)

Changes in the Net Pension Liability

The changes in the net pension liability are as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(asset) (c) = (a) - (b)
Balance at June 30, 2021	$ 7,889,354	8,452,037	(562,683)
Changes recognized for the measurement period:			
Service cost	369,716	-	369,716
Interest	487,960	-	487,960
Differences between actual and expected experience	(479,671)	-	(479,671)
Changes of assumptions	85,005	-	85,005
Contributions - employer	-	407,953	(407,953)
Net investment income (loss)	-	(953,070)	953,070
Benefit payments	(428,361)	(428,361)	-
Administrative expense	-	(73,436)	73,436
Net Changes	34,649	(1,046,914)	1,081,563
Balance at June 30, 2022 *(Measurement Date June 30, 2022)*	$ 7,924,003	7,405,123	518,880

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

The following presents the net pension liability of the Plan as of the Measurement Date, calculated using the discount rate of 6.00 percent, as well as what the net pension liability would be if it were calculated using a discount that is 1 percentage-point lower (5.00 percent) or 1 percentage point higher (7.00 percent) than the current rate.

	1% Decrease (5.00%)	Discount Rate (6.00%)	1% Increase (7.00%)
Net Pension Liability/(Asset)	$ 1,567,864	$ 518,880	$ (361,300)

Amortization of Deferred Outflows and Deferred Inflows of Resources

Under GASB 68, actuarial gains and losses related to changes in total pension liability and fiduciary net pension 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.

(7) Defined Benefit Pension Plan (Continued)

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

Net difference between projected and actual earnings	5-year straight-line amortization
All other amounts	Straight-line amortization 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.

Deferred outflows of resources and deferred inflows of resources relating to Differences Between Expected and Actual Experience, Changes of Assumptions and employer-specific amounts are amortized over the Expected Average Remaining Service Lifetime (EARSL) of members provided with pensions through the Plan. The EARSL for the Plan for the measurement date ending June 30, 2022 is 5 years.

Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2022, VGPS recognized a pension expense of $576,747 for the Plan. As of June 30, 2022, VGPS reports deferred outflows of resources and deferred inflows of resources related to pensions as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 44,343	(504,236)
Change in assumptions	66,526	-
Net differences between projected and actual earnings on plan investments	683,533	-
Total	$ 794,402	(504,236)

Amounts reported as deferred outflows and deferred inflows of resources in the previous chart will be recognized in future pension expense as follows:

Fiscal Year Ending June 30	Deferred Outflows/(Inflows) of Resources
2023	$ 20,001
2024	(16,808)
2025	48,558
2026	238,415
2027	-
Thereafter	-

(8) Risk Management

VGPS is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. VGPS has purchased outside insurance coverage at the following amounts:

- General Aggregate coverage up to $4,000,000 per loss.
- Employment Practices Liability coverage up to $2,000,000 per loss.
- Workers' Compensation coverage up to $1,000,000 per occurrence. The States covered are California, Kansas, Washington D.C., New York, South Carolina, Virginia, and Pennsylvania. As of June 30, 2022, there were no employees in Florida or Illinois.
- Business Auto coverage up to $1,000,000 per occurrence.
- Crime and Cyber coverage up to $1,000,000 per occurrence.
- General Liability coverage up to $4,000,000 in General Aggregate and Products/Complete Operations Aggregate, $2,000,000 in Personal and Advertising Insurance, $1,000,000 in damages to premises rented to VGPS, and $10,000 in Medical Expenses – Any One Person.
- Commercial Property Insurance for VGPS's real property up to $7,088,500 and business personal property up to $589,100.

Settled claims have not exceeded any of the coverage amounts in any of the last three fiscal years, and there were no reductions in VGPS's insurance coverage during the year ending June 30, 2022. Liabilities are recorded when it is probable that a loss has been incurred, and the amount of the loss can be reasonably estimated net of the respective insurance coverage.

(9) Related Party Transactions

Due to the nature of the organization, it is not uncommon for VGPS to have business transactions with companies that are owned by officers of VGPS. The total related party transactions for the fiscal year ending June 30, 2022, were $48,997.

REQUIRED SUPPLEMENTARY INFORMATION

VISIT GREATER PALM SPRINGS

Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - General Fund

Year ended June 30, 2022

	Budgeted Amounts			Variance-
	Original	Final	Actual	Positive (Negative)
Revenues:				
City and County funding	$ 2,006,946	2,006,946	3,057,785	1,050,839
Membership dues	205,000	205,000	209,923	4,923
Advertising	260,360	260,360	381,895	121,535
Promotional participation	246,860	246,860	185,631	(61,229)
Event hosting	31,500	31,500	-	(31,500)
Interest income (loss)	19,394	19,394	(71,869)	(91,263)
Total Revenues	2,770,060	2,770,060	3,763,365	993,305
Expenditures:				
Administration	955,604	955,604	1,222,401	(266,797)
Partnership	816,971	816,971	904,072	(87,101)
Marketing	809,663	809,663	137,362	672,301
Tourism development	184,364	184,364	65,753	118,611
Convention sales	-	-	228,713	(228,713)
Capital outlay	200,000	200,000	94,838	105,162
Total Expenditures	2,966,602	2,966,602	2,653,139	313,463
Excess (deficiency) of revenues over (under) expenditures	(196,542)	(196,542)	1,110,226	1,306,768
Net changes in fund balance	(196,542)	(196,542)	1,110,226	1,306,768
Fund Balance at Beginning of Year	1,958,673	1,958,673	1,958,673	-
Fund Balance at End of Year	$ 1,762,131	1,762,131	3,068,899	1,306,768

See accompanying notes to the required supplementary information.

VISIT GREATER PALM SPRINGS

Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - TBID Fund

Year ended June 30, 2022

	Budgeted Amounts			Variance-Positive (Negative)
	Original	Final	Actual	
Revenues:				
Assessments	$ 15,851,962	15,851,962	25,020,816	9,168,854
Advertising	5,640	5,640	1,895	(3,745)
Interest income (loss)	-	-	(226,036)	(226,036)
Total Revenues	15,857,602	15,857,602	24,796,675	8,939,073
Expenditures:				
Administration	879,454	879,454	722,021	157,433
Partnership	303,952	303,952	136,538	167,414
Marketing	8,659,667	8,659,667	7,049,041	1,610,626
Tourism development	2,465,120	2,465,120	2,462,398	2,722
Convention sales	3,552,867	3,552,867	3,258,194	294,673
Total Expenditures	9,579,206	15,861,060	13,628,192	2,232,868
Net changes in fund balance	6,278,396	(3,458)	11,168,483	11,171,941
Fund Balance at Beginning of Year	17,034,370	17,034,370	17,034,370	-
Fund Balance at End of Year	$ 23,312,766	17,030,912	28,202,853	11,171,941

See accompanying notes to the required supplementary information.

VISIT GREATER PALM SPRINGS

Schedule of Changes in Total OPEB Liability and Related Ratios

Last 10 Years*

Measurement Period	2021	2020	2019	2018	2017
Total OPEB Liability					
Service cost	$ 342,235	360,506	345,633	372,363	372,833
Interest on the total OPEB liability	111,919	117,488	138,929	117,182	92,674
Difference between expected and actual experience	(787,745)	-	(568,874)	-	-
Changes in assumptions	200,891	385,365	22,758	(321,770)	-
Benefit payments	(23,796)	(25,908)	(20,667)	(23,297)	(27,885)
Implicit rate subsidy	(6,644)	(4,736)	(23,596)	(26,598)	(31,836)
Net change in total OPEB Liability	(163,140)	832,715	(105,817)	117,880	405,786
Total OPEB Liability - beginning	4,241,018	3,408,303	3,514,120	3,396,240	2,990,454
Total OPEB liability - ending	$ 4,077,878	4,241,018	3,408,303	3,514,120	3,396,240
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%
Covered-employee payroll	$ 2,574,432	3,597,687	2,760,812	2,133,195	2,889,507
Total OPEB liability as a percentage of covered-employee payroll	158.40%	117.88%	123.45%	164.74%	117.54%

Notes to Schedule:

Changes in assumptions. The discount rate was changed from 3.13 percent (net of administrative expense) to 1.92 percent for the measurement period ended June 30, 2021.

The discount rate was changed from 3.13 percent (net of administrative expense) to 2.45 percent for the measurement period ended June 30, 2020.

The discount rate was changed from 3.62 percent (net of administrative expense) to 3.13 percent for the measurement period ended June 30, 2019.

*Historical information is required only for measurement periods for which GASB 75 is applicable.

Future years' information will be displayed up to 10 years as information becomes available.

VISIT GREATER PALM SPRINGS
Required Supplementary Information
Schedule of Changes in Net Pension Liability and Related Ratios
Last 10 Years*

Measurement Period	6/30/2022	6/30/2021	6/30/2020	6/30/2019
TOTAL PENSION LIABILITY				
Service Cost	$ 369,716	348,146	455,984	365,543
Interest	487,960	449,978	429,311	388,873
Changes of Benefit Terms	-	-	-	-
Difference Between Expected and Actual Experience	(479,671)	(72,645)	(231,292)	221,723
Changes of Assumptions	85,005	-	-	-
Benefit Payments, Including Refunds of Employee Contributions	(428,361)	(323,732)	(187,160)	(142,088)
Net Change in Total Pension Liability	34,649	401,747	466,843	834,051
Total Pension Liability - Beginning	7,889,354	7,487,607	7,020,764	6,186,713
Total Pension Liability - Ending (a)	$ 7,924,003	7,889,354	7,487,607	7,020,764
PLAN FIDUCIARY NET POSITION				
Contributions - Employer	407,953	600,000	355,191	646,954
Contributions - Employee	-	73,347	85,327	53,046
Net Investment Income	(953,070)	1,172,466	362,359	342,657
Benefit Payments, Including Refunds of Employee Contributions	(428,361)	(323,732)	(187,160)	(142,088)
Administrative Expenses	(73,436)	(63,879)	(52,563)	(40,618)
Net Change in Fiduciary Net Position	(1,046,914)	1,458,202	563,154	859,951
Plan Fiduciary Net Position - Beginning	8,452,037	6,993,835	6,430,681	5,570,730
Plan Fiduciary Net Position - Ending (b)	$ 7,405,123	8,452,037	6,993,835	6,430,681
Plan Net Position Liability/(asset) - Ending (a) - (b)	$ 518,880	(562,683)	493,772	590,083
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	93.45%	107.13%	93.41%	91.60%
Covered Payroll	$ 2,126,920	1,907,781	2,119,576	2,672,577
Plan Net Pension Liability as a Percentage of Covered Payroll	24.40%	-29.49%	23.30%	22.08%

* Measurement date 6/30/2014 (fiscal year 2015) was the first year of implementation, therefore, only eight years are presented.

Notes to Schedule:

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

Changes in Assumptions: GASB 68, paragraph 68 states that the long-term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense. The discount rate of 7.50% used for the June 30, 2014 measurement date was net of administrative expenses. The discount rate of 7.65% used for the June 30, 2015 measurement period is without reduction of pension plan administration expense.

In 2018, The discount rate reduced from 7.00% to 6.00%.

VISIT GREATER PALM SPRINGS
Required Supplementary Information
Schedule of Changes in Net Pension Liability and Related Ratios
Last 10 Years* (Continued)

Measurement Period	6/30/2018	6/30/2017	6/30/2016	6/30/2015
TOTAL PENSION LIABILITY				
Service Cost	332,424	356,296	467,445	479,976
Interest	380,610	372,622	441,236	364,593
Changes of Benefit Terms	-	-	(722,084)	934,925
Difference Between Expected and Actual Experience	(47,183)	(52,460)	(356,446)	(147,798)
Changes of Assumptions	663,355	-	-	-
Benefit Payments, Including Refunds of Employee Contributions	(494,706)	(582,254)	(816,129)	(232,401)
Net Change in Total Pension Liability	834,500	94,204	(985,978)	1,399,295
Total Pension Liability - Beginning	5,352,213	5,258,009	6,243,987	4,844,692
Total Pension Liability - Ending (a)	6,186,713	5,352,213	5,258,009	6,243,987
PLAN FIDUCIARY NET POSITION				
Contributions - Employer	770,000	494,908	511,452	700,000
Contributions - Employee	22,754	24,852	-	-
Net Investment Income	277,791	352,969	55,874	136,590
Benefit Payments, Including Refunds of Employee Contributions	(494,706)	(582,254)	(816,129)	(232,401)
Administrative Expenses	(38,309)	(38,766)	(40,693)	(34,481)
Net Change in Fiduciary Net Position	537,530	251,709	(289,496)	569,708
Plan Fiduciary Net Position - Beginning	5,033,200	4,781,491	5,070,987	4,501,279
Plan Fiduciary Net Position - Ending (b)	5,570,730	5,033,200	4,781,491	5,070,987
Plan Net Position Liability - Ending (a) - (b)	615,983	319,013	476,518	$ 1,173,000
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	90.04%	94.04%	90.94%	81.21%
Covered Payroll	2,485,550	2,649,924	2,944,454	3,060,059
Plan Net Pension Liability as a Percentage of Covered Payroll	24.78%	12.04%	16.18%	38.33%

VISIT GREATER PALM SPRINGS
Required Supplementary Information
Schedule of Pension Plan Contributions
Last 10 Years*

Fiscal Year	6/30/2022	6/30/2021	6/30/2020	6/30/2019
Actuarially determined contribution	$ 407,854	482,982	590,793	477,794
Contributions in relation to the actuarially determined contributions	(407,953)	(600,000)	(355,191)	(646,954)
Contribution deficiency (excess)	$ (99)	(117,018)	235,602	(169,160)
Covered payroll	$ 2,126,920	1,907,781	2,119,576	2,672,577
Contributions as a percentage of covered payroll	19.18%	31.45%	16.76%	24.21%

* Measurement date 6/30/2014 (fiscal year 2015) was the first year of implementation, therefore, only eight years are presented.

Notes to Schedule:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2022 were derived from the June 30, 2022, Funding Valuation Report.

Valuation Date	6/30/2022
Timing	Actuarially determined contribution for FYE 2022 was calculated based on the 6/30/22 actuarial valuation
Key Methods and Assumptions Used to Determine Contributions:	
Actuarial cost method	Entry Age, Level Percent of Pay
Asset valuation method	Fair value of assets
Amortization method	For details, see June 30, 2022 Funding Valuation Report.
Discount rate	6.00%
Price inflation	3.00%
Salary increases	2.80% plus merit component based on years of service
Mortality	Mortality rates are based on recent CalPERS experience study, performed in 2021.

VISIT GREATER PALM SPRINGS
Required Supplementary Information
Schedule of Pension Plan Contributions
Last 10 Years* (Continued)

Fiscal Year	6/30/2018	6/30/2017	6/30/2016	6/30/2015
Actuarially determined contribution	402,541	439,314	600,173	571,855
Contributions in relation to the actuarially determined contributions	(770,000)	(494,908)	(511,452)	(700,000)
Contribution deficiency (excess)	(367,459)	(55,594)	88,721	(128,145)
Covered payroll	2,485,550	2,649,924	2,944,454	3,060,059
Contributions as a percentage of covered payroll	30.98%	18.68%	17.37%	22.88%

VISIT GREATER PALM SPRINGS
Required Supplementary Information
Schedule of Pension Money Weighted Rate of Return
Last 10 Years*

Fiscal Year	2022	2021	2020	2019	2018	2017	2016	2015
Annual Money Weighted Rate of Return, net of investment expense	-11.49%	16.69%	33.14%	34.49%	4.51%	12.58%	-4.70%	3.78%

Historical information required only for measurement periods for which GASB 68 is applicable

* Measurement date 6/30/2014 (fiscal year 2015) was the first year of implementation, therefore, only eight years are presented.

(1) Budgets and Budgetary Data

VGPS is only required to adopt an annual budget for the General Fund and the TBID special revenue fund. These budgets are presented on the modified accrual basis of accounting which is consistent with generally accepted accounting principles (GAAP).

Once the budgets are approved, they can be amended by approval of VGPS Governing Board.

The appropriated budget is prepared by fund and department. VGPS's President may make transfers of appropriations between accounts and departments. Transfers of appropriations between funds requires the approval of a majority of the Board of Directors. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is at the fund level.

A comparison of budget and actual has been presented for the General Fund and the TBID special revenue fund used by VGPS. With respect to revenues, a favorable variance indicates actual revenues received exceeded the legally adopted budget and an unfavorable variance indicates that actual revenues received were less than the amount budgeted. With respect to expenditures, a favorable variance indicates actual costs were less than the amount budgeted and an unfavorable variance indicates actual expenditures exceeded the legally adopted budget.

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JOINT POWERS AUTHORITY EXECUTIVE COMMITTEE

RESOLUTION NO. JPA 2023-003

A RESOLUTION OF THE JOINT POWERS AUTHORITY ("JPA") EXECUTIVE COMMITTEE OF VISIT GREATER PALM SPRINGS APPROVING THE APPROPRIATION OF FUNDS TO THE GREATER PALM SPRINGS TOURISM FOUNDATION IN SUPPORT OF THE TOURISM GRANT PROGRAM AND TEAM GPS TRAINING PROGRAM

WHEREAS, Visit Greater Palm Springs (Visit GPS) is a Joint Powers Authority operating under the Joint Exercise of Powers Act (California Government Code Sections 6500 *et seq.*), located in the County of Riverside, State of California; and

WHEREAS, Visit GPS members include the cities of Cathedral City, Desert Hot Springs, Indian Wells, Indio, La Quinta, Palm Desert, Palm Springs and Rancho Mirage and the County of Riverside; and

WHEREAS, pursuant to section 3 of the Joint Powers Agreement, dated January 20, 2016, the purpose of Visit GPS is to encourage, promote, and to do such other things as might be necessary to enhance, to the greatest extent possible, all aspects of the hospitality, convention and tourism industry in the Coachella Valley and to attract visitors from national and international markets, all to the benefit of Visit GPS Members and their constituents; and

WHEREAS, pursuant to section 12(a) of the Joint Powers Agreement, each Visit GPS Member shall pay to the JPA the applicable contribution amounts as set forth in the formula set forth therein; and

WHEREAS, pursuant to section 15(s) of the Joint Powers Agreement, Visit GPS has the power to provide financial assistance and subsidies to other public agencies, non-profit organizations and the private section for purposes consistent with the purpose and intent of the JPA; and

WHEREAS, a joint powers authority may appropriate funds to a non-profit foundation if the joint powers authority finds that (i) the contribution serves a valid public purpose, and (ii) the expenditure falls within the enumerated powers of the joint powers authority (*see e.g.,* California State Auditor, "Metropolitan Water District of Southern California: Its Administrative Controls Need to Be Improved to Ensure an Appropriate Level of Checks and Balances Over Public Resources," (Report #2003-136, June 2004), at 15-18; *City and County of San Francisco v. Patterson*, 202 Cal. App. 3d 95, 103-04, 248 (1988)); and

WHEREAS, the Greater Palm Springs Tourism Foundation ("Foundation"), a 501(c)(3), was formed on June 15, 2017; the purpose of the Foundation as set forth in section 1 of the Foundation's bylaws is:

> …to support issues pertaining to the tourism industry, including, but not limited to, raising funds from the general public and other sources to carry on programs directly and to provide support and services related to the hospitality, convention, and tourism industries in the Greater Palm Springs region, including but not limited to providing education, leadership, scholarships, seminars, relief funds, promotion of special events, volunteer and mentor development, and cultural enhancement; and

WHEREAS, the Foundation has developed two programs that serve a public purpose which Visit GPS has determined it will support:

1. Tourism Grant Program, in collaboration with Visit GPS, that will provide matching financial assistance to Visit GPS Members only, for eligible events, new attractions or enhancement of the visitor experience, as determined by the Foundation. The Visit GPS Member applying for the grant must match or exceed the amount for which it is applying and each Visit GPS Member will be eligible for up to 50% of their JPA contribution to a maximum of $100,000; and

2. The Greater Palm Springs Hospitality Training Program (TEAM GPS Training Program), in collaboration with The Desert Community College District, Partnership and Community Education (PaCE), which provides professional development and workforce training by partnering with the business community to equip employees and incumbent workers with skills to meet the needs of Coachella Valley businesses; and

WHEREAS, the JPA Executive Committee finds that the Foundation's Tourism Grant Program and TEAM GPS Training Program both serve a public purpose and the allocation of JPA funds in support of these programs falls within the enumerated powers of the JPA.

NOW, THEREFORE, BE IT RESOLVED by the JPA Executive Committee, the governing body of Visit Greater Palm Springs, as follows:

Section 1. RECITALS

That the above recitals are true and correct and are hereby incorporated herein by this reference.

Section 2. APPROPRIATION OF FUNDS TO THE FOUNDATION

That the amount of $720,868 be allocated to the Foundation, restricted to the Tourism Grant Program in the amount of $640,868 and TEAM GPS Training Program in the amount of $80,000 and authorizing the President and CEO of Visit GPS, with the assistance of General Counsel, to negotiate and execute an agreement memorializing the same.

Section 3. SEVERABILITY

That the JPA Executive Committee declares that, should any provision, section, paragraph, sentence or word of this Resolution be rendered or declared invalid by any final court action in a court of competent jurisdiction or by reason of any preemptive legislations, the remaining provisions, sections, paragraphs, sentences or words of this Resolution as hereby adopted shall remain in full force and effect.

Section 4. **REPEAL OF CONFLICTING PROVISIONS**

That all provisions of any prior resolutions that are in conflict with the provisions of this Resolution are hereby repealed.

Section 5. **EFFECTIVE DATE**

That this Resolution shall take effect immediately upon its adoption.

Section 6. **CERTIFICATION**

That the Clerk of the Executive Committee shall certify the roll call vote adopting this Resolution.

PASSED, APPROVED AND ADOPTED at a regular meeting of the JPA Executive Committee of Visit Greater Palm Springs held on March 31, 2023, by the following roll call vote:

AYES:
NAYES:
ABSENT:
ABSTAIN:

Gary Gardner, Chair
JPA Executive Committee

ATTEST:

Sarah Goslin, Clerk

APPROVED AS TO FORM:

Lena D. Wade, General Counsel