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# ACCOUNTING SYSTEM & BUDGETARY CONTROL

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## **Fund Accounting**

The accounts of the City are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate.

Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The various funds utilized by the City are grouped into generic fund types and broad fund categories as follows:

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### **Governmental Funds:**

General Fund- The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted in another fund.

Special Revenue Funds- used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. Special Revenue Funds include the sections label Special Revenue and Special Assessments. The landscaping and lighting funds are taken to City Council by separate resolution and are adopted as a consolidated district budget. However, the City reflects the individual zones in separate departments and funds. This allows the residents of the zones to see the exact detail of their improvements and maintenance.

Debt Service Funds- used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs other than capitalized leases and compensated absences which are paid from the governmental funds. The City currently has eight assessment districts (83-1, 84-1R, 87-1, 92-1, 94-1 - Bighorn, 94-2 - Sunterrace, 94-3 - Merano, 91-1 Indian Ridge Community Facility District) In addition, several of the original bond issues have been refunded into a Marks Roos Refunding Bond issue.

Capital Projects Funds- used to account for financial resources to be used for acquisition or construction of major capital facilities (other than those financed through proprietary funds). Capital Project Funds for the City include Art in Public Places, Capital Project Reserve fund, Streets fund, Ordinance 416, Drainage Facilities, Park and Recreation Facilities, Signalization, Buildings,

Museum, Library, Corporation Yard, YMCA Building Fund, Interstate 10, Sports Complex Fund, various assessment district funds and the Redevelopment Agency project area funds.

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### **Fiduciary Funds:**

Trust and Agency Funds- used to account for assets held by the City in a trustee capacity or as an agent for individuals private organizations, and other governments. Since activities recorded within these funds are outside the control of the City Council, these funds are not included within this budget document.

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### **Basis of Accounting**

Basis of Accounting refers to the point at which revenues and expenditures are recognized in the accounts and reported in the financial statements. All governmental funds, agency funds, and expendable trust funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. All proprietary funds and nonexpendable trust funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred.

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### **Budgetary Basis of Accounting**

Budgets for the governmental fund types are adopted on a basis consistent with generally accepted accounting principles, utilizing the modified accrual basis of accounting. The proprietary fund - Golf Course Fund is budgeted utilizing available cash balance (cash basis). As a result, this fund does not maintain a depreciation reserve fund, no depreciation expenses (non cash entry) are budgeted. The other proprietary fund is the Office Complex which is budgeted on an accrual basis of accounting and maintains a depreciation reserve. Budgeted amounts are as originally adopted and as further amended by City Council action.

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### **Budgetary Control**

Budgetary controls are maintained to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. Activities of the governmental and proprietary funds are included in the annual appropriated budget. The budgetary level of control, the level at which expenditures cannot legally exceed the appropriated amount, is exercised at the fund level.

# ACCOUNTING SYSTEM & BUDGETARY CONTROL

## Appropriations Limit

Article XIII B of the California State Constitution, more commonly referred to as the Gann Initiative or Gann Limit, was adopted by California voters in 1980 and placed limits on the amount of proceeds of taxes that state and local governmental agencies can receive and appropriate (authorize to spend) each year.

The limit is different for each agency and the limit changes each year. Each year's limit is based on the amount of tax proceeds that were authorized to be spent in fiscal year 1978-79 in each agency, modified for changes in inflation, population and voter approved modifications in each subsequent year.

Proposition 111 was passed by the State's voters in June 1990. This legislation made changes to the manner in which the Appropriations Limit is calculated:

The annual adjustment factors for inflation and population have been changed. Instead of using the lesser of California per capita income, or U.S. CPI, each city may choose either the growth in the California per capita income, or the growth in non-residential assessed valuation due to new construction within the City. For population, instead of using only the population growth of a city, each city may choose to use the population growth within its county. These are both annual elections.

The revised annual adjustment factors will be applied to the 1986-87 limit for most cities and each year in between in order to calculate the 1990-91 limit. The actual limits for the intervening years, however, are not affected.

Expenditures for "qualified capital outlay", which are fixed assets with a value of more than \$100,000 and an expected life of 10 years or more, will be excluded from the limit.

A city which exceeds the limit in any one year may choose to not give a tax refund if they fall below the limit in the next fiscal year. They then have two more years to refund any remaining excess or to obtain a successful override vote.

In certain situations, proceeds of taxes may be spent on emergencies without having to reduce the limit in future years. Each city must now conduct a review of its Appropriations Limit during its annual

financial audit.

The law now requires a governing body to annually adopt, by resolution, an appropriations limit for the following year, along with a recorded vote regarding which of the annual adjustment factors have been selected. The City's next year budget appropriations limit and annual adjustment factors will be adopted by the City Council in June.

## Proposition 218- Property Tax Assessments

Article XIII C and XIII D of the California State Constitution, was adopted by California voters in November 5, 1996 and placed restrictions on assessments placed on the property tax roll.

The new restrictions requires that beginning July 1, 1997, all new and existing assessments (with some exceptions) conform with new substantive and procedural requirements. The major elements of the substantive requirements include:

- The assessment method of spread must be recalculated to ensure that all properties receiving special benefit from the services funded by the assessment are included in the assessment calculation. Properties owned by schools and other governmental agencies-previously exempt from some assessment charges-now must be included in the spread calculation if those properties receive benefit from the improvements.
- Costs related to "general" benefit must be specifically removed from the assessments. Only costs related to "special" benefit may be assessed.
- Finally, assessments must be spread to each parcel proportional to the aggregate district(or zone) assessment.
- Assessments used exclusively to fund sidewalks, streets, sewers, water, flood control, drainage systems, or vector control are exempt. Assessments approved by all the property owners at the time the assessment was created are exempt. Assessments used exclusively for bond repayments are exempt. Assessments previously approved by a majority of voters is exempt.

In July 1997 the voters approved all special assessment. April 2003, the Business Improvement District was approved by the President's Plaza Business/Property Owners. Since then, the City Council is recommending all future districts become Homeowner Associations.

## **CITY MANAGER'S EXECUTIVE SUMMARY FY 2010-2011**

It is a pleasure to present to the citizens of Palm Desert, members of the City Council, and other interested readers the adopted FY 2010-11 operating budget for the City of Palm Desert, California. During Fiscal Year 2009-10 we addressed some significant challenges, and yet, we continue to work towards Palm Desert's vision as a vibrant community where families live, work, and play.

Our collective efforts to remain fiscally prudent continue to result in a sound and balanced budget, without the need to utilize the approximately \$54 million the City has in reserves. The economic downturn being experienced nationally, and here locally in Palm Desert, does impact our budget. However, the recent actions taken at mid-year, in particular, have paved the way for a fiscal year 2010-2011 budget absent the significant cutbacks to services that are taking place in other cities. The budget was formed on three core principles:

- 1) *Minimize the impact of budget cuts to key services and maintain the level of service expected by residents, businesses, and visitors;*
- 2) *Minimize the number of tax and fee adjustments required to maintain existing service levels; and*
- 3) *Minimize the impact on the City's employees and avoid position reductions if possible.*

The balanced budget presented to you carefully weighed all three principles in its development. The budget for all funds is \$242,682,880 including a General Fund operational budget of 42,906,239. This amount represents an overall budgetary decrease of 11% and a General Fund operational decrease of 9% from the adopted FY 2009-10 operating budget, respectively.

### **GENERAL FUND**

This year's budget continues the commitment to keep City operations lean and allocate funds to the City's highest priorities: public safety, economic development, completion of capital projects, and maintenance of the City's neighborhoods, parks and roadways.

#### ***Revenues***

Anticipated revenue impacts relating to a downturn in real estate transactions, a drop in hotel room bookings, and a decrease in retail sales are being experienced, which affects Palm Desert's top three revenue streams. When these decreases are partnered with increasing costs for labor, fuel, utilities, and materials, a situation is created that requires ongoing fiscal attention.

The City's General Fund is projecting estimated revenues of \$42,910,000, which translates to a \$4,072,000 decrease (9%) over the prior fiscal year amount of \$46,982,000. The table below illustrates the combined decrease in estimated revenues within some of the City's significant revenue sources.

**CITY MANAGER'S EXECUTIVE SUMMARY FY 2010-2011 (cont'd)**

**GENERAL FUND REVENUE SOURCES**

<b>Category</b>	<b>Budgeted FY 09-10</b>	<b>Budgeted FY 10-11</b>	<b>Increase or (Decrease)</b>	<b>Percent Change</b>
<b>Sales Tax</b>	15,900,000	13,200,000	(2,700,000)	(17%)
<b>Transient Occupancy Tax</b>	8,000,000	6,700,000	(1,300,000)	(16%)
<b>Licenses, Permits &amp; Charges</b>	2,575,000	2,070,000	(505,000)	(20%)
<b>Property Tax</b>	5,700,000	5,200,000	(500,000)	(8%)
<b>Interest Earnings &amp; Rental</b>	1,295,000	1,575,000	280,000	21%
<b>State Subvention</b>	3,700,000	3,725,000	25,000	.6%
<b>Franchise Tax</b>	2,950,000	2,800,000	(150,000)	(5%)
<b>All Other Revenue</b>	6,862,000	7,640,000	778,000	11%
<b>Totals-General Fund</b>	<b>46,982,000</b>	<b>42,910,000</b>	<b>(4,072,000)</b>	<b>(9%)</b>
<b>Fire Taxes &amp; Transfers</b>	8,075,212	7,945,000	(130,212)	(1.6%)
<b>Fire Reserve</b>	1,555,895	1,636,040	80,145	5%
<b>Totals-General &amp; Fire</b>	<b>56,613,107</b>	<b>52,491,040</b>	<b>(4,122,067)</b>	<b>(7%)</b>

***Personnel Impacts***

The City eliminated from the General Fund twelve (12) employees. These actions resulted in a total salary savings of \$2.583 million and a reduction in staffing of eight percent (8%), from 150 positions in FY 09/10 to 138 positions in FY 10/11.

***Transfers***

Staff has added to General Fund revenues for transfer in from Fund 241 of \$680,780, Office Complex Fund 510 of \$440,000 and City-wide advertising Fund 239 of \$50,000 and others funds totaling \$1,529,220.

***Expenditures***

As the City of Palm Desert prepares for the next fiscal year, we do so under the realization of the current economic condition. Departments were asked to alter the method of developing their budget from previous years and participate in a zero-based budgeting approach that would reduce their expenditures by a minimum of nine percent (9%).

Palm Desert's total proposed operational expenses for FY 2010-2011 amount to \$42,906,239, which was approximately a nine percent (9%) reduction from the Fiscal Year 2009-2010 budget of \$46,957,546.

**CITY MANAGER'S EXECUTIVE SUMMARY FY 2010-2011 (cont'd)**

**GENERAL FUND PRIMARY EXPENDITURES**

<b>Category</b>	<b>Budgeted FY 09-10</b>	<b>Budgeted FY 10-11</b>	<b>Increase or (Decrease)</b>	<b>Percent Change</b>
<b>Personnel Service &amp; Benefits</b>	17,323,377	14,739,780	(2,583,597)	(14%)
<b>Supplies</b>	701,995	456,245	(245,750)	(35%)
<b>Other Services, Charges &amp; Transfers</b>	28,739,474	27,492,363	(1,247,111)	(4%)
<b>Capital Outlay</b>	192,700	147,851	(44,849)	(23%)
<b>Totals-General Fund</b>	<b>46,957,546</b>	<b>42,906,239</b>	<b>(4,051,307)</b>	<b>(8%)</b>
<b>Fire Contract</b>	9,631,107	9,581,040	(50,067)	(0.5%)
<b>Totals</b>	<b>56,588,653</b>	<b>52,487,279</b>	<b>(4,101,374)</b>	<b>(7%)</b>

As indicated above, the City's General Fund expenditures are projected to decrease by \$4,051,307 (8%). The decrease in Personnel Service and Benefits expenditures of \$2.583 million is attributable to the aforementioned personnel reductions.

Other Services, Charges & Transfers decreased by \$1,247,111 or 4%. This amount included the increase in the Sheriff Contract. The following represent the primary reductions:

- 1) Reduction in Local Meetings, Conferences, Seminars and Workshops by \$107,640
- 2) Community Events by \$157,375
- 3) Marketing by \$1,008,800, which includes CVA contribution reduction of \$675,000.

***Fire & Police Services***

The City of Palm Desert provides a high quality level of public safety services via contract with the County of Riverside. The total Palm Desert Police and Fire Department's budget account for approximately fifty percent (50%) of operational expenses.

The City's Riverside County Sheriff public safety contracts represent the majority of the cost in Other Services, Charges, & Transfers expenditures. The current year Sheriff's Department contract includes the following services: (1) patrol services; (2) booking fees; (3) facility charges; (4) vehicle mileage; (5) dispatching services; (6) supplies; (7) contingency funding; and (8) the Cal ID Statewide Fingerprinting Identification System. The total General Fund cost of the Sheriff's Department contract is approximately \$16.2 million or a 5% increase from FY 09-10. This amount represents 38% of General Fund budgeted expenditures

The proposed Fire Department budget has not increased.. Fire Services include: (1) firefighters; (2) paramedics; (3) fire inspectors; (4) hazardous materials response; (5) vehicle and building maintenance; and (6) commercial/housing building plan review. The City also contributes to fund the local volunteers that assist in fire and other emergencies.

The total FY 2010-11 cost for Fire Services is budgeted at \$9.6 million. The existing Fire Fund reserves can handle this increase to the Fire budget for FY 2010-2011; however, the following fiscal year will require a General Fund contribution.

**CONCLUSION**

It is quite likely the current recessionary environment will continue through the remainder of this new fiscal year. As a result, staff anticipates that conditions may likely reflect decreasing revenues in sales tax, transient occupancy tax, property tax, and other economically sensitive revenues. Therefore, it is recommended that the City continue its policy of maintaining a reserve fund equal to operational expenditures.

Staff is cognizant that the budget process is dynamic and anticipates ongoing economic issues that will require monitoring as we progress through next fiscal year. That being said, the City is committed to fiscal responsibility, coupled with effective resource management, to provide the highest level of service to the community.

While our current budget posed challenges for us, we are in much better shape than most other local governments across the state and nation. This is due in part to the structure of our revenues, but it is also due to the fiscally conservative policies and practices of the City Council.

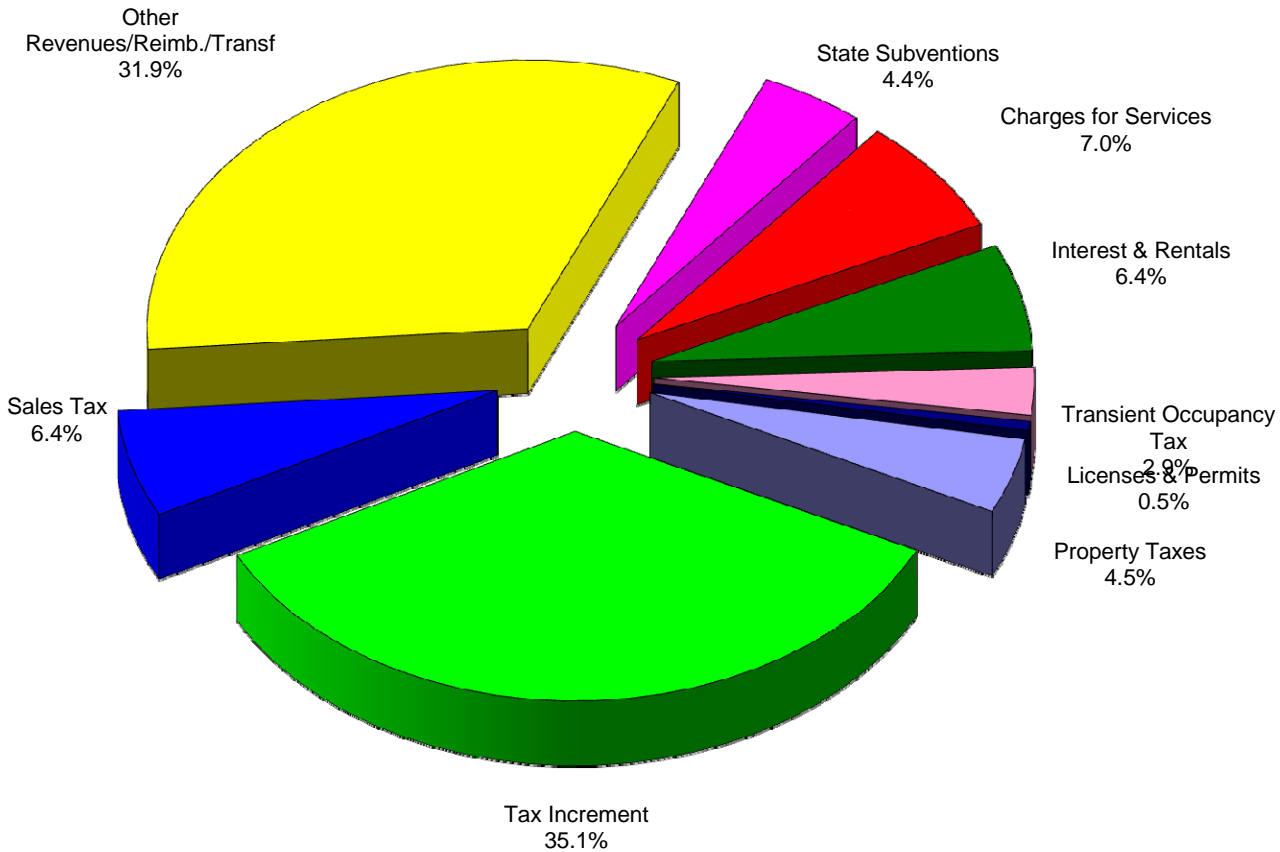
I would like to thank the Mayor and City Council for their continued direction and input toward the preparation of this budget. I wish to also extend my personal gratitude to all Palm Desert employees for their collective hard work towards minimizing costs and maintaining the level of public service on which Palm Desert prides itself.

**CITY OF PALM DESERT  
ALL FUND BUDGET SUMMARY**

FUND Description	6/30/2010	2010-2011			6/30/2011	
	Beginning Balance	Revenues	InterFund Transfers		Ending Balance	
			In	(Out)	Expenditures	
General Fund	52,000,000	40,210,000	2,700,000	(504,000)	42,402,239	52,003,761
Fire Fund	1,650,000	7,945,000	-	(136,000)	9,445,040	13,960
<b>Total General &amp; Fire Fund</b>	<b>53,650,000</b>	<b>48,155,000</b>	<b>2,700,000</b>	<b>(640,000)</b>	<b>51,847,279</b>	<b>52,017,721</b>
<b>Special Revenue Funds</b>						
Traffic Safety	-	150,000	-	(150,000)	-	-
Gas Tax	-	850,000	-	(850,000)	-	-
Measure A	872,600	13,891,390	-	-	5,650,000	9,040,770
Housing Mitigation Fee	2,100,000	165,500	-	-	500,000	1,765,500
CDBG Block Grant	500	427,500	-	-	428,000	-
Child Care Program	1,500,000	25,000	-	-	-	1,525,000
Public Safety	20,000	448,100	-	-	447,600	20,500
New Construction Tax	350,000	92,000	-	-	100,000	342,000
Drainage Facility	2,150,000	80,000	-	-	-	2,230,000
Park and Recreation	2,555,700	1,050,000	-	-	1,480,000	2,125,700
Signalization	200,000	440,450	-	-	86,790	553,660
Fire Facility Fund	600,000	52,000	-	-	-	652,000
Waste Recycling Fees	5,900,000	650,000	-	(73,220)	1,140,000	5,336,780
Energy Independence Program	6,125,480	480,000	-	-	5,651,000	954,480
Air Quality Management	250,000	63,000	-	-	313,000	-
City Wide Business Promo.	100,000	50,000	-	(50,000)	-	100,000
Art in Public Places	1,800,000	102,000	-	-	550,620	1,351,380
AIPP Maintenance Fund	-	-	-	-	-	-
Golf Course Maint./Improvements	1,500,000	904,000	-	(680,780)	514,000	1,209,220
Liability Self Insurance Reserve	2,000,000	-	-	-	-	2,000,000
Retiree Health	2,400,000	59,200	94,000	(70,000)	700,420	1,782,780
<b>Special Assessment Tab</b>						
El Paseo Merchants	50,000	200,000	-	-	200,000	50,000
Landscape & Lighting Zones	50,000	296,769	70,000	-	380,064	36,705
Business Improvement District	180,000	429,381	-	-	392,640	216,741
<b>Capital Projects Funds</b>						
2010 Plan Reserves	4,100,000	3,513,300	-	(356,000)	800,000	6,457,300
Drainage	1,200,000	50,000	-	-	150,000	1,100,000
Parks	350,000	100,000	-	-	35,000	415,000
Signalization	300,000	757,500	-	-	100,000	957,500
Library Maintenance	500,000	-	340,000	-	337,500	502,500
Buildings Maintenance	1,800,000	30,000	-	(30,000)	400,000	1,400,000
<b>Enterprise Funds</b>						
Parkview Office Complex	3,000,000	1,010,000	-	(440,000)	835,200	2,734,800
Equipment Replacement Fund	2,894,000	70,000	136,000	-	382,000	2,718,000
Desert Willow Golf Course	1,650,000	8,550,092	-	-	10,172,302	27,790
<b>Debt Service Funds</b>						
Assessment District 87-1	-	-	-	-	-	-
Assessment District 94-2	113,000	95,080	-	(86,413)	12,000	109,667
Assessment District 94-3	80,000	111,010	-	(101,343)	13,800	75,867
Canyons at Bighorn 98-1	129,000	114,799	-	-	125,799	118,000
Community Facility 91-1(1992)	382,000	1,180,920	-	(1,158,920)	26,900	377,100
Assessment District 01-01	151,000	182,426	-	(156,760)	18,900	157,766
Highlands Undergrounding	-	213,259	-	-	186,259	40,800
Section 29 04-02	-	1,957,160	-	-	1,952,160	5,000
University Park	555,000	4,613,361	-	-	4,613,361	555,000
Palm Desert Financing Auth.-RDA	-	-	33,862,994	-	33,862,994	-
Palm Desert Financing Auth.-City	-	-	1,503,436	-	1,503,436	-
<b>Redevelopment Agency Funds</b>						
Capital Project Area #1	20,000,000	-	-	-	3,828,640	16,171,360
Capital Project Area #2	46,000,000	-	-	-	10,804,100	35,195,900
Capital Project Area #3	21,000,000	-	-	-	146,500	20,853,500
Capital Project Area #4	25,000,000	-	-	-	350,500	24,649,500
Debt Service #1	46,000,000	48,169,714	131,884	(24,750,562)	19,606,654	49,944,382
Debt Service #2	7,000,000	17,170,756	47,093	(9,459,387)	7,250,850	7,507,612
Debt Service #3	3,500,000	4,424,678	12,339	(1,910,859)	1,738,708	4,287,450
Debt Service #4	6,000,000	12,353,193	33,685	(5,084,871)	6,666,142	6,635,865
Housing Set-Aside	63,000,000	-	16,423,669	(9,305,985)	5,269,250	64,848,434
Housing Authority	4,000,000	4,823,612	-	-	5,757,412	3,066,200
<b>GRAND TOTAL ALL FUNDS</b>	<b>343,058,280</b>	<b>178,552,150</b>	<b>55,355,100</b>	<b>(55,355,100)</b>	<b>187,327,780</b>	<b>334,223,230</b>

# Where The Money Comes From

TOTAL CITY SOURCES OF FUNDS  
= \$233 MILLION Plus Reserves of \$300 Million



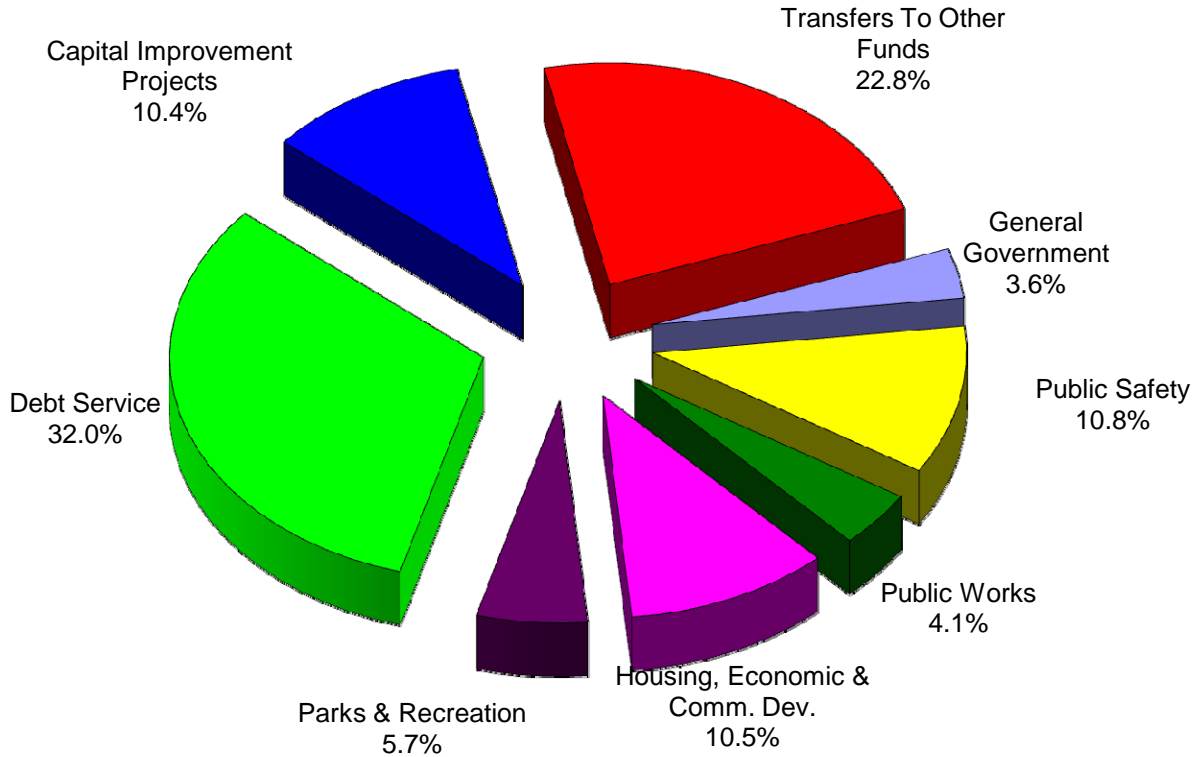
## All FUNDS BUDGET - REVENUES Fiscal Year 2010-2011

SERVICES	AMOUNT	PERCENT
Property Taxes	10,515,000	4.5%
Tax Increment	82,118,341	35.1%
Sales Tax	15,000,000	6.4%
Other Revenues/Reimb./Transfer:	76,482,233	32.7%
State Subventions	10,265,500	4.4%
Charges for Services	16,469,440	7.0%
Interest & Rentals	15,081,736	6.4%
Transient Occupancy Tax	6,700,000	2.9%
Licenses & Permits	1,275,000	0.5%
<b>Total All Funds</b>	<b>233,907,250</b>	<b>100%</b>



# Where The Money Goes

TOTAL APPROPRIATIONS  
= \$242 MILLION



## All FUNDS BUDGET - APPROPRIATIONS Fiscal Year 2010-2011

SERVICES	AMOUNT	PERCENT
General Government	8,819,757	3.6%
Public Safety	26,289,255	10.8%
Public Works	9,973,465	4.1%
Housing, Economic & Comm. Dev.	25,567,496	10.5%
Parks & Recreation	13,856,853	5.7%
Debt Service	77,577,963	32.0%
Capital Improvement Projects	25,242,991	10.4%
Transfers To Other Funds	55,355,100	22.8%
<b>Total All Funds</b>	<b>242,682,880</b>	<b>100.0%</b>

**CITY OF PALM DESERT**  
**ALL FUND SUMMARY - REVENUES BY CATEGORY FY 10-11**

<b>FUND</b>		<b>Permits &amp;</b>	<b>Inter-Govt.</b>	<b>Charges</b>	<b>Interest</b>	<b>Interfund</b>	<b>Total</b>
<b>Description</b>	<b>Taxes</b>	<b>Fees</b>	<b>Revenues</b>	<b>for Svcs</b>	<b>&amp; Rentals</b>	<b>Transfers</b>	<b>Budget</b>
General Fund	29,487,000	1,895,000	3,725,000	3,528,000	1,575,000	2,700,000	42,910,000
Fire Fund	7,139,000		-	756,000	50,000	-	7,945,000
<b>Total General &amp; Fire Funds</b>	<b>36,626,000</b>	<b>1,895,000</b>	<b>3,725,000</b>	<b>4,284,000</b>	<b>1,625,000</b>	<b>2,700,000</b>	<b>50,855,000</b>
<b>Special Revenue Funds</b>							
Traffic Safety				149,000	1,000		150,000
Gas Tax			837,500		12,500		850,000
Measure A	1,800,000		2,610,400	9,230,990	250,000		13,891,390
Housing Mitigation Fee	5,500		-	120,000	40,000		165,500
CDBG Block Grant			427,000	-	500		427,500
Child Care Program	5,000		-		20,000		25,000
Public Safety Grant			347,600	100,000	500		448,100
New Construction Tax	75,000				17,000		92,000
Drainage Facility	-				80,000		80,000
Park and Recreation	-			1,000,000	50,000		1,050,000
Signalization	-		202,000	228,450	10,000		440,450
Fire Facility Fund	42,000				10,000		52,000
Waste Recycling Fees			100,000	-	550,000		650,000
Energy Independence Loan				410,000	70,000		480,000
Air Quality Management	-		60,000		3,000		63,000
City Wide Business Promo.		50,000			-		50,000
Art in Public Places	67,000			-	35,000		102,000
AIPP Maintenance					-		-
Golf Course Maintenance					904,000		904,000
Liability Self Insurance Reserve					-		-
Retiree Health			13,200	-	46,000	94,000	153,200
<b>Special Assessment Tab</b>							
El Paseo Merchants	200,000						200,000
Landscape & Lighting Zones	296,769				-	70,000	366,769
Business Improvement District	429,381						429,381
<b>Capital Projects Funds</b>							
2010 Plan Reserves			1,096,300	1,961,000	456,000		3,513,300
Drainage					50,000		50,000
Parks					100,000		100,000
Signalization			752,500		5,000		757,500
Library Maintenance						340,000	340,000
Buildings Maintenance					30,000		30,000
<b>Enterprise Funds</b>							
Parkview Office Complex				-	1,010,000		1,010,000
Equipment Replacement Fund					70,000	136,000	206,000
Desert Willow Golf Course				8,550,092	-		8,550,092
<b>Debt Service Funds</b>							
Assessment District 83-1	-			-	-		-
Assessment District 84-1r	-			-	-		-
Assessment District 87-1	-			-	-		-
Assessment District 92-1	-			-	-		-
Assessment District 94-1A	-			-	-		-
Assessment District 94-1B	-			-	-		-
Assessment District 94-2	95,080			-	-		95,080
Assessment District 94-3	111,010			-	-		111,010
Assessment District 98-1	114,799			-	-		114,799
Community Facility 91-1(1992)	1,180,920			-	-		1,180,920
Assessment District 01-01	182,426			-	-		182,426
Highlands Undergrounding	213,259			-	-		213,259
Section 29 04-02	1,957,160			-	-		1,957,160
University Park	4,613,361			-	-		4,613,361
Palm Desert Financing Auth.-RDA					-	33,862,994	33,862,994
Palm Desert Financing Auth.-City	-				-	1,503,436	1,503,436
<b>Redevelopment Agency Funds</b>							
Capital Project Area #1				-	-	-	-
Capital Project Area #2				-	-	-	-
Capital Project Area #3				-	-	-	-
Capital Project Area #4				-	-	-	-
Debt Service #1	48,169,714			-	-	131,884	48,301,598
Debt Service #2	17,170,756			-	-	47,093	17,217,849
Debt Service #3	4,424,678			-	-	12,339	4,437,017
Debt Service #4	12,353,193			-	-	33,685	12,386,878
Housing Set-Aside				-	-	16,423,669	16,423,669
Housing Authority					4,823,612	-	4,823,612
<b>GRAND TOTAL ALL FUNDS</b>	<b>130,133,006</b>	<b>1,945,000</b>	<b>10,171,500</b>	<b>26,033,532</b>	<b>10,269,112</b>	<b>55,355,100</b>	<b>233,907,250</b>
<b>FY09/10 BUDGET</b>	<b>140,440,300</b>	<b>2,025,000</b>	<b>6,219,000</b>	<b>26,612,190</b>	<b>12,222,569</b>	<b>53,905,611</b>	<b>241,424,670</b>

**CITY OF PALM DESERT**  
**ALL FUND SUMMARY - EXPENDITURES BY CATEGORY FY10-11**

<b>FUND</b>	<b>Personnel</b>		<b>Charges</b>	<b>Capital</b>	<b>Interfund</b>	<b>Total</b>
<b>Description</b>	<b>&amp; Benefits</b>	<b>Supplies</b>	<b>for Services</b>	<b>Outlay</b>	<b>Transfers</b>	<b>Budget</b>
General Fund **	14,739,780	456,245	27,058,363	147,851	504,000	42,906,239
Fire Fund			9,445,040	-	136,000	9,581,040
<b>Total General &amp; Fire Fund</b>	<b>14,739,780</b>	<b>456,245</b>	<b>36,503,403</b>	<b>147,851</b>	<b>640,000</b>	<b>52,487,279</b>
<b>Special Revenue Funds</b>						
Traffic Safety					150,000	150,000
Gas Tax			-		850,000	850,000
Measure A			-	5,650,000		5,650,000
Housing Mitigation Fee			-	500,000	-	500,000
CDBG Block Grant			418,000	10,000		428,000
Child Care Program			-	-		-
Public Safety				447,600		447,600
New Construction Tax			-	100,000		100,000
Drainage Facility				-		-
Park and Recreation				1,480,000		1,480,000
Signalization			-	86,790		86,790
Fire Facility Fund				-		-
Waste Recycling Fees	198,200	161,000	760,000	20,800	73,220	1,213,220
Energy Independence			5,651,000			5,651,000
Air Quality Management			65,000	248,000		313,000
City Wide Business Promo.**			-		50,000	50,000
Art in Public Places	242,500	2,200	96,270	209,650	-	550,620
AIPP Maintenance Fund			-			-
Golf Course Maintenance			235,000	279,000	680,780	1,194,780
Liability Self Insurance Reserve						-
Retiree Health **	700,420				70,000	770,420
<b>Special Assessment Tab</b>						
El Paseo Merchants		-	200,000			200,000
Landscape & Lighting Zones			380,064			380,064
Business Improvement District			392,640		-	392,640
<b>Capital Projects Funds</b>						
2010 Plan Reserves **			300,000	500,000	356,000	1,156,000
Drainage				150,000		150,000
Parks			-	35,000		35,000
Signalization				100,000		100,000
Library Maintenance **			-	337,500	-	337,500
Buildings Maintenance **			-	400,000	30,000	430,000
<b>Enterprise Funds</b>						
Parkview Office Complex			835,200		440,000	1,275,200
Equipment Replacement Fund**			330,000	52,000		382,000
Desert Willow Golf Course			10,172,302	-		10,172,302
<b>Debt Service Funds</b>						
Assessment District 94-2			12,000		86,413	98,413
Assessment District 94-3			13,800		101,343	115,143
Community Facility 91-1(1992)			125,799		-	125,799
Canyons at Bighorn 98-1			26,900		1,158,920	1,185,820
Assessment District 01-01			18,900		156,760	175,660
Highlands Undergrounding			186,259			186,259
Section 29 AD 04-02			1,952,160			1,952,160
University Park			4,613,361			4,613,361
Palm Desert Financing Auth.-RDA			33,862,994			33,862,994
Palm Desert Financing Auth.-City			1,503,436			1,503,436
<b>Redevelopment Agency Funds</b>						
Capital Project Area #1	2,235,140	3,250	1,533,050	57,200		3,828,640
Capital Project Area #2			572,500	10,231,600		10,804,100
Capital Project Area #3			146,500	-		146,500
Capital Project Area #4			350,500	-		350,500
Debt Service #1			19,606,654		24,750,562	44,357,216
Debt Service #2			7,250,850		9,459,387	16,710,237
Debt Service #3			1,738,708		1,910,859	3,649,567
Debt Service #4			6,666,142		5,084,871	11,751,013
Housing Set-Aside	1,063,400	1000	779,850	3,425,000	9,305,985	14,575,235
<b>Housing Authority</b>	<b>4,800</b>		<b>4,977,612</b>	<b>775,000</b>		<b>5,757,412</b>
<b>GRAND TOTAL ALL FUNDS</b>	<b>19,184,240</b>	<b>623,695</b>	<b>142,276,854</b>	<b>25,242,991</b>	<b>55,355,100</b>	<b>242,682,880</b>
<b>FY09/10 BUDGET</b>	<b>23,153,675</b>	<b>936,330</b>	<b>148,942,751</b>	<b>49,038,588</b>	<b>52,569,611</b>	<b>274,640,955</b>
<b>% CHANGE FROM PRIOR YR.</b>	<b>-17%</b>	<b>-33%</b>	<b>-4%</b>	<b>-49%</b>	<b>5%</b>	<b>-12%</b>

**CITY OF PALM DESERT  
FISCAL YEAR 2010-2011**

**APPROPRIATIONS LIMIT CALCULATION**

Article XIII B of the California Constitution requires adoption of an annual appropriation limit. The original base year limit was adopted in FY 1978-79 and has been adjusted annually for increase by a factor comprised of the percentage change in population combined with either the percentage change in California per capita personal income or the percentage change in local assessment roll due to the addition of local nonresidential new construction. The changes in the local assessment roll due to additional local nonresidential new construction for current and prior periods have not been available from the County Assessor's office.

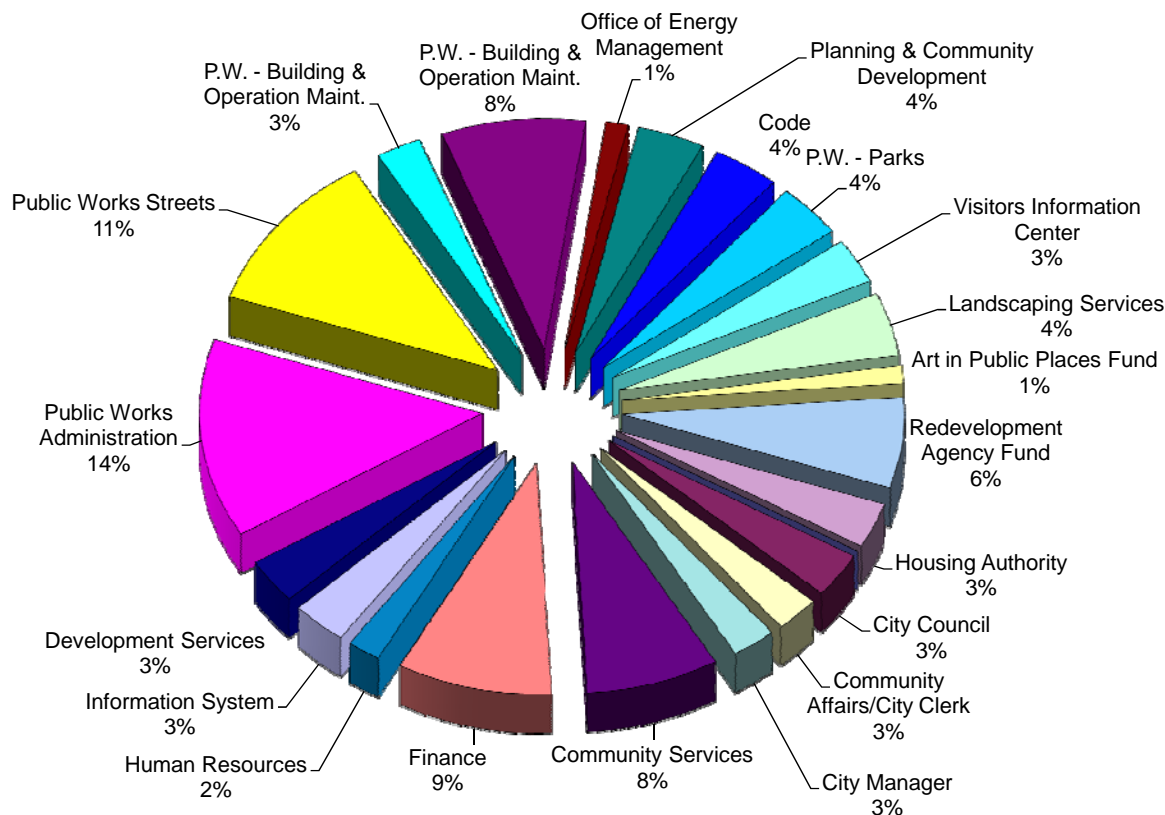
The November, 1988 voters approved Proposition R which increased the limit to \$25,000,000. It expired in November, 1992. The FY 1993-94 limit was calculated with prior years re-calculated to reflect the expiration of the \$25,000,000 limit.

	AMOUNT	SOURCE
A. 2009-10 APPROPRIATION LIMIT	91,311,963	PRIOR YEAR'S CALCULATION
B. ADJUSTMENT FACTORS		
1. POPULATION %		
POPULATION % CHANGE	1.40	STATE DEPT OF FINANCE
POPULATION CONVERTED TO RATIO (1.40+100)/100	1.0140	CALCULATED
2. INFLATION %		
USING % CHANGES IN CALIF PER CAPITA PERSONAL INCOME		
PER CAPITA % CHANGE	(2.54)	STATE DEPT OF FINANCE
PER CAPITA CONVERTED TO RATIO (-2.54+100)/100	0.9746	CALCULATED
3. CALCULATION OF FACTOR FOR FY 10-11	0.9882	B1*B2
C. 2010-11 APPROPRIATIONS LIMIT BEFORE ADJUSTMENTS	90,238,536	B3*A
D. OTHER ADJUSTMENTS	0	CALCULATED
E. 2010-2011 APPROPRIATIONS LIMIT	90,238,536	C+D
F. APPROPRIATIONS SUBJECT TO LIMIT	31,564,672	CALCULATED
G. OVER/(UNDER) LIMIT	(58,673,864)	F-E

**CITY OF PALM DESERT**  
**Schedule of Authorized Staff Positions and Salary**  
**FISCAL YEAR 2008-2009 TO 2010-2011**

Fund/Division	FY 2008-2009		FY 2009-2010		FY 2010-2011		Changes Requested
	F.T.	P.T.	F.T.	P.T.	F.T.	P.T.	
<b>General Fund</b>							
City Council		5		5		5	-
City Clerk	4	-	4	-	7	-	3
City Manager	4	-	4	-	5	-	1
Community Services	13	-	12	-	4	-	(8)
Finance	14	-	14	-	12	-	(2)
Human Resources	4	-	3	-	3	-	1
Information Technology	7	-	5	-	5	-	-
Development Services	6	-	5	-	-	-	-
Police/Crossing Guards							
Public Works Administration	24	-	22	-	17	-	(1)
Public Works Streets	18	-	18	-	21	-	3
D.S. - Building & Operation Maint.	4	-	4	-	4	-	-
Building & Safety	16	-	13	-	12	-	(1)
Code Inspection	6	-	6	-	6	-	-
Business Support	-	-	-	-	-	-	-
Planning & Community Dev.	7	-	6	-	6	-	-
Office of Energy Management	3	-	3	-	-	-	(3)
D.S. - Civic Center Park	6	-	6	-	-	-	(4)
Visitors Information Center	5	-	5	-	4	-	(1)
Landscaping Services	7	-	7	-	9	-	-
<b>Total General Fund</b>	<b>148</b>	<b>5</b>	<b>137</b>	<b>5</b>	<b>115</b>	<b>5</b>	<b>(12)</b>
<b>Art in Public Places Fund</b>	<b>3</b>	<b>-</b>	<b>2</b>	<b>-</b>	<b>2</b>	<b>-</b>	<b>-</b>
<b>Redevelopment Agency Fund</b>	<b>14</b>	<b>-</b>	<b>10</b>	<b>-</b>	<b>16</b>	<b>-</b>	<b>4</b>
<b>Housing Authority</b>	<b>5</b>	<b>-</b>	<b>5</b>	<b>-</b>	<b>5</b>	<b>-</b>	<b>-</b>
<b>Total All Funds</b>	<b>170</b>	<b>5</b>	<b>154</b>	<b>5</b>	<b>138</b>	<b>5</b>	<b>(8)</b>

**Fiscal Year 2010-2011**  
**AUTHORIZED STAFF**



## Debt Summary

The debt summary section of the budget is intended to provide an overview of the City's debt capacity and provide a listing of outstanding debt, including bond repayment schedules.

The City of Palm Desert does not expect to incur additional indebtedness for general government operations over the next five years. All capital improvements will pay on a pay-as-you-go basis and through the use of developer fees. The Palm Desert Redevelopment will be issuing new debt for various projects areas required capital improvements.

## Debt Capacity

The City has a legal debt limitation not to exceed 15% of the net assessed valuation of taxable property within City boundaries. As indicated by the chart below, the City's legal debt margin is \$1,988,722,708.

### Computation of Legal Debt Margin for Fiscal Year Ending June 30, 2010

Net Assessed Value **\$13,258,151,387**  
(2010-2011 not released until August 2010)

Debt Limit (15% of Net Assessed Value) **\$1,988,722,708**

General Obligation Bonds Outstanding  
June 30, 2010 **None**

## Outstanding Debt

The table below presents debt information for *Assessment Districts*. These are *not* direct obligations of the City and the data is provided for informational purposes only.

### Debt Outstanding Assessment Districts

Assessment District Debt	Amount Issued	Amount Outstanding FY09-10	Amount Outstanding FY10-11
<b>2003 Revenue</b>	4,423,000	3,105,000	2,915,000
Refunding of 94-2,94-3 01-01			
<b>98-1 Reassessment</b>	2,955,000	705,000	635,000
Acquisition, Construction			
<b>2005 CFD- Univ Park</b>	67,915,000	65,925,000	64,715,000
Acquisition, Construction			
<b>04-01 Highlands</b>	3,165,000	1,719,000	1,694,000
Undergrounding			
<b>04-02 Section 29</b>	29,430,000	28,925,000	28,400,000
Acquisition, Construction.			
<b>CFD 91-1 Series 2008</b>	10,935,000	8,415,000	7,535,000
Refunding 1997 91-1 Revenue			
<b>EIP 2009A</b>	5,000,000	3,151,000	3,050,000
<b>TOTAL</b>			44,229,000

## Fiscal Policy

The City prefers to use special assessment, revenue, or other self-supporting bonds instead of general obligation bonds.

The following table presents outstanding debt for the Palm Desert Redevelopment Agency.

Redevelopment Agency Debt	Date Issued	Debt Outstanding Redevelopment Agency		
		Amount Issued	Amount Outstanding FYE 2009-10	Amount Outstanding FYE 2010-11
<b>Project Area #1</b>				
02 Refunding	3/02	22,070,000	22,070,000	22,070,000
03 Series TAB	8/03	19,000,000	19,000,000	19,000,000
04 Refunding	6/04	24,945,000	19,830,000	18,700,000
06 Series A TAB	6/06	37,780,000	37,780,000	37,780,000
06 Series B Ref	6/06	24,540,000	16,090,000	13,770,000
07 Refunding	1/07	32,600,000	25,420,000	22,795,000
<b>Project Area #2</b>				
02 Series TAB	7/02	17,310,000	12,660,000	11,940,000
03 Series TAB	3/03	15,745,000	15,745,000	15,745,000
06 Series A	7/06	41,340,000	40,855,000	40,675,000
06 Series B	7/06	1,567,118	365,603	-
06 Series C	7/06	7,775,000	7,775,000	-
06 Series D	7/06	16,936,000	14,715,788	13,874,390
<b>Project Area #3</b>				
03 Series TAB	8/03	4,745,000	4,020,000	3,915,000
06 Series A	7/06	11,915,000	11,795,000	11,670,000
06 Series B	7/06	383,660	383,660	383,660
06 Series C	7/06	2,760,866	2,692,754	2,656,883
<b>Project Area #4</b>				
98 Series TAB	3/98	11,020,000	8,355,000	8,225,000
01 Series TAB	1/01	15,695,000	13,895,000	13,575,000
06 Series A	7/06	14,610,000	14,010,000	13,575,000
06 Series B	7/06	4,663,089	4,623,592	4,623,592
<b>Housing Fund</b>				
98 Series TARB	1/98	48,760,000	2,995,000	1,535,000
02 Series TARB	8/02	12,100,000	10,335,000	10,050,000
07 Series TARB	1/07	86,155,000	78,085,000	74,950,000
<b>Note Payable</b>				
<b>Advances from City</b>				
		32,785,480	22,655,000	22,655,000
<b>TOTAL</b>		<b>507,201,213</b>	<b>406,151,397</b>	<b>384,163,525</b>

# PALM DESERT ESTIMATED REVENUES, Exhibit 1

<b>CATEGORY / FUND</b>	<b>Actual FY 08-09</b>	<b>Budget FY 09-10</b>	<b>Projected FY 09-10</b>	<b>Budget FY 10-11</b>
<b><u>General Fund:</u></b>				
1. Sales tax	14,474,933	15,900,000	13,600,000	<b>13,200,000</b>
2. Transient occupancy tax	7,030,048	8,000,000	6,700,000	<b>6,700,000</b>
3. Property tax	4,895,863	5,700,000	5,200,000	<b>5,200,000</b>
4. Interest & Rental Income (Energy Loans)	2,142,915	1,295,000	1,530,000	<b>1,575,000</b>
5. Transfers in (Gas, Starwood, Office, Int.)	2,684,568	2,586,000	2,684,000	2,700,000
6. Franchises	2,818,729	2,950,000	2,800,000	<b>2,800,000</b>
7. State subventions(VLF)	4,054,502	3,700,000	3,700,000	<b>3,725,000</b>
8. Building, grading & other permits	1,076,708	950,000	550,000	<b>670,000</b>
9. Reimbursements	3,323,620	2,626,000	3,032,000	<b>2,993,000</b>
10. Business license tax	1,258,688	1,325,000	1,200,000	1,200,000
11. Timeshare mitigation fee	949,871	900,000	1,000,000	<b>1,000,000</b>
12. Plan check fees	389,770	300,000	200,000	<b>200,000</b>
13. Property transfer tax	324,817	500,000	350,000	<b>350,000</b>
14. Other revenues	1,415,671	250,000	500,000	597,000
<b><u>Totals General Fund</u></b>	<b>46,840,703</b>	<b>46,982,000</b>	<b>43,046,000</b>	<b>42,910,000</b>
<b><u>Fire Tax Fund:</u></b>				
1. Structural Fire Tax	5,381,363	5,270,000	5,270,000	5,100,000
2. Prop. A. Fire Tax	1,628,841	2,039,000	2,039,000	2,039,000
3. Reimbursements	755,975	716,212	756,000	756,000
4. Interest Income	82,677	50,000	50,000	50,000
5. Interfund Transfers In	-	-	-	-
<b><u>Totals Fire Tax Fund</u></b>	<b>7,848,856</b>	<b>8,075,212</b>	<b>8,115,000</b>	<b>7,945,000</b>
<b><u>TOTAL FIRE AND GENERAL FD</u></b>	<b>54,689,559</b>	<b>55,057,212</b>	<b>51,161,000</b>	<b>50,855,000</b>

# PALM DESERT ESTIMATED REVENUES, Exhibit 1

<b>CATEGORY / FUND</b>	<b>Actual FY 08-09</b>	<b>Budget FY 09-10</b>	<b>Projected FY 09-10</b>	<b>Budget FY 10-11</b>
<b><u>Gas Tax Fund:</u></b>				
1. Gas Tax	1,295,210	837,500	1,712,102	837,500
2. Interest	30,055	12,500	12,500	12,500
<b><u>Total Gas Tax</u></b>	<b><u>1,325,265</u></b>	<b><u>850,000</u></b>	<b><u>1,724,602</u></b>	<b><u>850,000</u></b>
<b><u>Traffic Safety Fund:</u></b>				
1. Vehicle Fines	184,793	149,000	149,000	149,000
2. Interest	1,710	1,000	1,000	1,000
<b><u>Total Traffic Safety Fund</u></b>	<b><u>186,503</u></b>	<b><u>150,000</u></b>	<b><u>150,000</u></b>	<b><u>150,000</u></b>
<b><u>Measure A Fund:</u></b>				
1. Sales Tax	1,958,640	2,102,000	1,950,000	1,800,000
2. Reimbursements	128,685	14,428,616	874,737	11,841,390
3. Interest	346,388	237,000	237,000	250,000
<b><u>Total Measure A Fund</u></b>	<b><u>2,433,714</u></b>	<b><u>16,767,616</u></b>	<b><u>3,061,737</u></b>	<b><u>13,891,390</u></b>
<b><u>Housing Mitigation Fund:</u></b>				
1. Development Fee	95,595	-	89,203	5,500
2. Interest	79,957	40,000	101,200	160,000
<b><u>Total Housing Mitigation Fund:</u></b>	<b><u>175,552</u></b>	<b><u>40,000</u></b>	<b><u>190,403</u></b>	<b><u>165,500</u></b>
<b><u>CDBG Block Grant Fund:</u></b>				
1. CDBG Block Grant	378,644	543,000	378,000	417,000
2. Reimbursements(Program Income)	18,517	20,000	5,000	10,000
3. Interest	949	3,000	1,000	500
<b><u>Total CDBG Fund</u></b>	<b><u>398,111</u></b>	<b><u>566,000</u></b>	<b><u>384,000</u></b>	<b><u>427,500</u></b>
<b><u>Child Care Program</u></b>				
1. Child Care Fee	180,214	-	92,000	5,000
2. Interest	32,503	20,000	20,000	20,000
<b><u>Total Public Safety Fund</u></b>	<b><u>212,717</u></b>	<b><u>20,000</u></b>	<b><u>112,000</u></b>	<b><u>25,000</u></b>
<b><u>Public Safety Grant Fund:</u></b>				
1. Federal Grants	1,365	64,000	23,500	341,300
2. State Grants	199,058	151,500	170,900	106,300
3. Interest	1,063	500	500	500
<b><u>Total Public Safety Fund</u></b>	<b><u>201,486</u></b>	<b><u>216,000</u></b>	<b><u>194,900</u></b>	<b><u>448,100</u></b>



# PALM DESERT ESTIMATED REVENUES, Exhibit 1

CATEGORY / FUND	Actual FY 08-09	Budget FY 09-10	Projected FY 09-10	Budget FY 10-11
<b><u>New Construction Tax Fund:</u></b>				
1. Development Fee	361,355	-	80,000	75,000
2. Interest	37,475	17,000	17,000	17,000
<b><u>Total New Construction Fund</u></b>	<b><u>398,830</u></b>	<b><u>17,000</u></b>	<b><u>97,000</u></b>	<b><u>92,000</u></b>
<b><u>Drainage Facility Fund:</u></b>				
1. Development Fee	39,270	-	30,000	-
2. Reimbursements	-	-	13,500	-
3. Interest	128,773	78,000	78,000	80,000
<b><u>Total Drainage Facility Fund</u></b>	<b><u>168,043</u></b>	<b><u>78,000</u></b>	<b><u>121,500</u></b>	<b><u>80,000</u></b>
<b><u>Park &amp; Recreation Fund:</u></b>				
1. Reimbursements/Fee	159,113	-	-	1,000,000
2. Interest	67,846	50,000	50,000	50,000
<b><u>Total Park &amp; Recreation Fund</u></b>	<b><u>226,959</u></b>	<b><u>50,000</u></b>	<b><u>50,000</u></b>	<b><u>1,050,000</u></b>
<b><u>Signalization Fund:</u></b>				
1. Development Fee	52,471	-	25,000	-
2. Reimbursements	-	391,000	-	430,450
3. Interest	18,501	10,500	10,500	10,000
<b><u>Total Signalization Fund</u></b>	<b><u>70,972</u></b>	<b><u>401,500</u></b>	<b><u>35,500</u></b>	<b><u>440,450</u></b>
<b><u>Fire Facilities Fund:</u></b>				
1. Development Fee	116,585	-	9,000	42,000
2. Interest	13,741	9,000	-	10,000
<b><u>Total Fire Facilities Fund</u></b>	<b><u>130,326</u></b>	<b><u>9,000</u></b>	<b><u>9,000</u></b>	<b><u>52,000</u></b>
<b><u>Waste Recycling Fund:</u></b>				
1. Waste Recycling Fee	466,397	460,000	460,000	460,000
2. Reimbursements	52,217	250,000	110,000	100,000
3. Interest	145,898	126,000	115,000	90,000
<b><u>Total Waste Recycling Fund</u></b>	<b><u>664,512</u></b>	<b><u>836,000</u></b>	<b><u>685,000</u></b>	<b><u>650,000</u></b>
<b><u>Energy Independence Program:</u></b>				
1. Loans Proceeds	4,515,000	5,000,000	6,136,000	-
2. Reimbursements	-	200,000	304,000	410,000
3. Interest	17,454	-	15,000	70,000
<b><u>Total Waste Recycling Fund</u></b>	<b><u>4,532,454</u></b>	<b><u>5,200,000</u></b>	<b><u>6,455,000</u></b>	<b><u>480,000</u></b>

# PALM DESERT ESTIMATED REVENUES, Exhibit 1

<b>CATEGORY / FUND</b>	<b>Actual FY 08-09</b>	<b>Budget FY 09-10</b>	<b>Projected FY 09-10</b>	<b>Budget FY 10-11</b>
<b><u>Air Quality Management Fund:</u></b>				
1. Air Quality Fee	58,980	60,000	56,000	60,000
2. Interest	5,348	3,000	3,000	3,000
<b><u>Total Air Quality Fund</u></b>	<b>64,328</b>	<b>63,000</b>	<b>59,000</b>	<b>63,000</b>
<b><u>City Wide Business Prom. Fund:</u></b>				
1. Business License -\$1 Day Use Fee(COD)	48,761	50,000	50,000	50,000
<b><u>Total Business Prom. Fund</u></b>	<b>48,761</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>
<b><u>Art in Public Places Fund:</u></b>				
1. Development Fee	307,070	-	175,310	67,000
2. Interest	71,229	35,000	35,000	35,000
<b><u>Total AIPP Fund</u></b>	<b>378,299</b>	<b>35,000</b>	<b>210,310</b>	<b>102,000</b>
<b><u>AIPP Maintenace Fund:</u></b>				
1. AIPP Transfers In	23,324	10,000	10,000	-
<b><u>Total AIPP Maint. Fund</u></b>	<b>23,324</b>	<b>10,000</b>	<b>10,000</b>	<b>-</b>
<b><u>Golf Course Maint/Improv Fund:</u></b>				
1. Time Share Mitigation & Amenity Fees	597,616	621,521	830,200	864,000
2. Interest	58,457	75,000	75,000	40,000
<b><u>Total Golf Course Maint. Fund</u></b>	<b>656,073</b>	<b>696,521</b>	<b>905,200</b>	<b>904,000</b>
<b><u>Retiree Health Fund:</u></b>				
1. General Fund Contribution	406,245	614,000	-	107,200
2. Interest	80,385	70,000	70,000	46,000
<b><u>Total Retiree Health Fund</u></b>	<b>486,630</b>	<b>684,000</b>	<b>70,000</b>	<b>153,200</b>
<b><u>El Paseo Merchant Fund:</u></b>				
1. El Paseo Merchant Fee(Business License)	227,999	230,000	200,000	200,000
<b><u>Total El Paseo Fund</u></b>	<b>227,999</b>	<b>230,000</b>	<b>200,000</b>	<b>200,000</b>
<b><u>2010 Capital Project Reserve:</u></b>				
1. State, Federal, CVAG Reimb.,Other Rev.	3,860,734	3,847,764	715,000	3,057,300
2. Interest	692,783	456,000	456,000	456,000
<b><u>Total Capital Project Fund</u></b>	<b>4,553,517</b>	<b>4,303,764</b>	<b>1,171,000</b>	<b>3,513,300</b>

# PALM DESERT ESTIMATED REVENUES, Exhibit 1

CATEGORY / FUND	Actual FY 08-09	Budget FY 09-10	Projected FY 09-10	Budget FY 10-11
<b><u>Parks Fund:</u></b>				
1. Reimbursements	24,100			
2. Interest	137,226	124,000	124,000	100,000
<b><u>Total Parks Fund</u></b>	<b>161,326</b>	<b>124,000</b>	<b>124,000</b>	<b>100,000</b>
<b><u>Drainage Fund:</u></b>				
1. Interest	75,961	46,000	46,000	50,000
<b><u>Total Drainage Fund</u></b>	<b>75,961</b>	<b>46,000</b>	<b>46,000</b>	<b>50,000</b>
<b><u>Signal Fund:</u></b>				
1. Reimbursements	-	752,500	-	752,500
2. Interest	6,971	5,000	5,000	5,000
<b><u>Total Signal Fund</u></b>	<b>6,971</b>	<b>757,500</b>	<b>5,000</b>	<b>757,500</b>
<b><u>Library Fund:</u></b>				
1. General Fund Transfers In	334,000	340,000	340,000	340,000
<b><u>Total Library Fund</u></b>	<b>334,000</b>	<b>340,000</b>	<b>340,000</b>	<b>340,000</b>
<b><u>Debt Service Funds</u></b>				
1. Transfer In	11,336,075	9,987,856	9,000,000	9,971,451
<b><u>Total Debt Service Funds</u></b>	<b>11,336,075</b>	<b>9,987,856</b>	<b>9,000,000</b>	<b>9,971,451</b>
<b><u>Parkview Office Complex Fund:</u></b>				
1. Rent/Leases of Buildings	957,542	950,580	950,580	975,000
2. Interest	79,917	75,000	75,000	35,000
<b><u>Total Parkview Office Fund</u></b>	<b>1,037,459</b>	<b>1,025,580</b>	<b>1,025,580</b>	<b>1,010,000</b>
<b><u>Building/Equipment Maint. Funds:</u></b>				
1. General & Fire Fund Transfer In	334,966	322,000	322,000	136,000
2. Interest	235,769	100,000	70,000	100,000
<b><u>Total Building/ Equip. Maint. Fund</u></b>	<b>570,735</b>	<b>422,000</b>	<b>392,000</b>	<b>236,000</b>
<b><u>Landscape &amp; Lighting Districts:</u></b>				
1. Transfer In	61,084	70,000	70,000	70,000
2. Taxes	296,189	301,841	301,841	296,769
3. Interest	3,894	-	-	-
<b><u>Total Landscape &amp; Lighting</u></b>	<b>361,167</b>	<b>371,841</b>	<b>371,841</b>	<b>366,769</b>
<b><u>Business Improvement Districts:</u></b>				
1. Taxes	398,368	417,562	417,562	429,381
2. Interest	-	-	-	-
<b><u>Total Business Improvement</u></b>	<b>398,368</b>	<b>417,562</b>	<b>417,562</b>	<b>429,381</b>
<b><u>Desert Willow Golf Fund:</u></b>				
1. Golf Course	6,872,934	7,042,403	5,875,000	7,130,990
2. Resturant Revenue	2,002,810	2,337,729	1,800,000	1,419,102
3. Interest	9,073	1,350	-	-
<b><u>Total Desert Willow Fund</u></b>	<b>8,884,818</b>	<b>9,381,482</b>	<b>7,675,000</b>	<b>8,550,092</b>

# PALM DESERT ESTIMATED REVENUES, Exhibit 1

<b>CATEGORY / FUND</b>	<b>Actual FY 08-09</b>	<b>Budget FY 09-10</b>	<b>Projected FY 09-10</b>	<b>Budget FY 10-11</b>
<b><u>Project Area 1 Fund:</u></b>				
1. Interest	404,830	-	-	-
2. Transfers In	3,490,042	-	2,000,000	-
<b><u>Total Project Area 1 Fund</u></b>	<b><u>3,894,872</u></b>	<b><u>-</u></b>	<b><u>2,000,000</u></b>	<b><u>-</u></b>
<b><u>Project Area 2 Fund:</u></b>				
1. Reimbursements	598,148	-	-	-
2. Interest	318,209	-	-	-
<b><u>Total Project Area 2 Fund</u></b>	<b><u>916,357</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b><u>Project Area 3 Fund:</u></b>				
1. Interest	217,404	-	-	-
2. Transfers In	60,744	-	-	-
<b><u>Total Project Area 3 Fund</u></b>	<b><u>278,148</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b><u>Project Area 4 Fund:</u></b>				
1. Interest	366,415	-	-	-
2. Transfers In	787,233	-	-	-
<b><u>Total Project Area 4 Fund</u></b>	<b><u>1,153,648</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>

# PALM DESERT ESTIMATED REVENUES, Exhibit 1

<b>CATEGORY / FUND</b>	<b>Actual FY 08-09</b>	<b>Budget FY 09-10</b>	<b>Projected FY 09-10</b>	<b>Budget FY 10-11</b>
<b><u>Financing Authority RDA:</u></b>				
1. Transfer In	37,776,148	34,145,777	33,862,994	33,862,994
3. Interest	-	-	-	-
<b><u>Total Debt Service 1 Fund</u></b>	<b><u>37,776,148</u></b>	<b><u>34,145,777</u></b>	<b><u>33,862,994</u></b>	<b><u>33,862,994</u></b>
<b><u>Debt Service 1 Fund:</u></b>				
1. Tax Increment	52,192,365	48,232,687	50,704,963	48,169,714
2. Transfer In & Interest	1,520,596	-	-	131,884
<b><u>Total Debt Service 1 Fund</u></b>	<b><u>53,712,961</u></b>	<b><u>48,232,687</u></b>	<b><u>50,704,963</u></b>	<b><u>48,301,598</u></b>
<b><u>Debt Service 2 Fund:</u></b>				
1. Tax Increment	19,493,421	18,152,420	18,074,480	17,170,756
2. Transfer In & Interest	186,148	-	-	47,093
<b><u>Total Debt Service 2 Fund</u></b>	<b><u>19,679,569</u></b>	<b><u>18,152,420</u></b>	<b><u>18,074,480</u></b>	<b><u>17,217,849</u></b>
<b><u>Debt Service 3 Fund:</u></b>				
1. Tax Increment	4,697,664	4,147,762	4,657,556	4,424,678
2. Transfer In & Interest	76,069	-	-	12,339
<b><u>Total Debt Service 3 Fund</u></b>	<b><u>4,773,733</u></b>	<b><u>4,147,762</u></b>	<b><u>4,657,556</u></b>	<b><u>4,437,017</u></b>
<b><u>Debt Service 4 Fund:</u></b>				
1. Tax Increment	13,753,607	12,573,199	13,003,361	12,353,193
2. Transfer In & Interest	163,389	-	-	33,685
<b><u>Total Debt Service 4 Fund</u></b>	<b><u>13,916,996</u></b>	<b><u>12,573,199</u></b>	<b><u>13,003,361</u></b>	<b><u>12,386,878</u></b>
<b><u>Housing Fund:</u></b>				
1. Transfers In & Interest	19,623,185	16,621,213	16,621,213	16,423,669
<b><u>Total Housing Fund</u></b>	<b><u>19,623,185</u></b>	<b><u>16,621,213</u></b>	<b><u>16,621,213</u></b>	<b><u>16,423,669</u></b>

# PALM DESERT ESTIMATED REVENUES, Exhibit 1

<u>CATEGORY / FUND</u>	<u>Actual FY 08-09</u>	<u>Budget FY 09-10</u>	<u>Projected FY 09-10</u>	<u>Budget FY 10-11</u>
<b><u>Housing Authority Fund:</u></b>				
1. Rent fm Apartments/Interest	5,006,788	5,215,676	5,110,142	4,823,612
2. Reimbursement/Transfers	2,852,250	-	-	-
<b><u>Total Housing Authority Fund</u></b>	<b><u>7,859,038</u></b>	<b><u>5,215,676</u></b>	<b><u>5,110,142</u></b>	<b><u>4,823,612</u></b>