



## *City of Palm Desert*

### **MISSION STATEMENT**

The City of Palm Desert provides exemplary and sustainable services, amenities and programs for the benefit of the community.

### **VISION STATEMENT**

By 2013, the City of Palm Desert will be recognized as a world-class destination for tourism and a leader in energy efficiency and recreation for the community.

### **CORE VALUES** (not in priority order)

The City of Palm Desert values ...

***Accountability and Fiscal Responsibility***

***Exemplary Customer Service***

***Teamwork***

***Honesty and Integrity***

***Creativity and Innovation***

***Leadership***

***Accessibility***

---

---

***CITY OF PALM DESERT &  
ITS REDEVELOPMENT  
AGENCY***

**ANNUAL OPERATING BUDGET  
FISCAL YEAR 2011-2012**

**PREPARED BY PAUL S. GIBSON AND JOSE LUIS ESPINOZA**

**CITY COUNCIL**

**JEAN M. BENSON, MAYOR  
ROBERT A. SPIEGEL, MAYOR PRO TEM  
CINDY FINERTY, COUNCILMEMBER  
JAN HARNIK, COUNCILMEMBER  
WILLIAM KROONEN, COUNCILMEMBER**

**CITY MANAGER**

**JOHN WOHLMUTH**

**REDEVELOPMENT AGENCY EXECUTIVE DIRECTOR**

**JOHN WOHLMUTH**

**DIRECTORS**

**RUSSELL GRANCE, DIRECTOR OF BUILDING & SAFETY  
LAURI AYLAIAN, DIRECTOR OF COMMUNITY DEVELOPMENT  
MARK GREENWOOD, DIRECTOR OF PUBLIC WORKS  
PAUL S. GIBSON, DIRECTOR OF FINANCE/CITY TREASURER  
RACHELLE KLASSEN, CITY CLERK  
FRANKIE RIDDLE, DIRECTOR OF SPECIAL PROGRAMS  
JUSTIN MCCARTHY, ASSISTANT CITY MANAGER/  
REDEVELOPMENT/HOUSING/ECONOMIC DEVELOPMENT  
JANET MOORE, DIRECTOR OF HOUSING**

---

# Reader's Guide to the Budget

---

## Reader's Guide to the Budget

This guide is intended to help the reader understand what information is available in the budget and how it is organized. The FY 2011-12 budget document consists of 14 sections or tabs including a Budget Glossary and topical index.

---

## Cover Page

---

**Reader's Guide** to the Budget provides a listing of chapters included in the annual budget.

---

## Tab 1- Table of Contents & Reader's Guide

**Table of Contents** - provides page numbers to locate various sections within the budget document.

---

## Tab 2 - Budget Summary Information

- **Accounting System and Budgetary Control** provides an overview of the City's accounting systems and the level at which budgetary control is maintained.
  - **Budget Process** provides an overview of the budget development process and a budget calendar.
  - **All Funds Summary** is a comprehensive overview of the FY 2011-12 budget, with a focus on all funds (consolidated). Included are tables and graphs for both revenues and expenditures and an overview of revenue assumptions that were utilized in the development of the 2011-12 budget. A listing of all City-wide programs is included in this section.
  - **Appropriations Limit Calculation**, which is required by State constitution, places limits on the amount of proceeds of taxes that the City can receive and allocate each year.
  - **Debt Summary** is an overview of the City's general government, Redevelopment Agency and assessment district debt.
- 

## Tab 3 - General Fund

- **General Fund Revenues**, an analysis of FY 2011-12 General Fund revenues is provided in this section, including General Fund revenues by category, revenue overview, revenue summary and revenue by line-item.
  - **General Fund Expenditures**, an explanation of General Fund expenditures, including expenditures by category, department, summary of expenditures, expenditure overview and expenditures by line-item.
  - **Department/Division Budgets**, shows the City's basic organizational units which provide essential services to the citizens of Palm Desert. Departmental and divisional budgets are presented in the following format:
  - **Program/ Department Description** - A description of the services or functions provided by each division.
  - **Expenditures by Category** - A chart comparing FY 2009-10 actual expenditures, FY2010-11 budgeted and projected expenditures and budget for FY 2011-12. Percent change from the FY 2010-11 budget compared to the FY 2011-12 budget is also included.
  - **Significant Changes** - Reflects the significant impacts of budgetary changes are outlined along with an alphabetical letter identifying the line item that changed.
  - **Department/Division Line item detail** - Shows the specific detail of all expenditures for the department.
  - **Staff Authorized** - Shows the title of the individual positions within each department for FY 2010-11 and 2011-12. Additionally, the chart reflects the actual grade step of each position. The salary grade table is located in the appendix section.
- 

## Tab 4 - Special Revenue Funds

This section includes budgets for the City's Special Revenue funds. Fund descriptions, along with revenue and expenditure information and beginning and ending fund balances are presented. Special Revenue Funds include the Traffic Safety, Drainage, Traffic Signals, Measure A, Housing Mitigation, Community Development Block Grants, Proposition A Fire Tax, Air Quality Management, City Wide Business Promotion, Art in Public Places, New Construction Tax and Park & Recreation Facilities.

---

---

# Reader's Guide to the Budget

---

## **Enterprise Funds**

The budgets for the Golf Course and Office Complex are presented in this section.

---

## **Tab 5 - Special Assessment Funds**

This section includes budgets for the various landscape and lighting districts along with two business improvement districts. Fund descriptions, along with revenue and expenditure information and beginning and ending fund balances are presented.

---

## **Tab 6 - Debt Service Assessment Districts**

This section presents an overview of all the budgets for assessment districts formed within the City and Redevelopment Agency. Fund descriptions, along with revenue and expenditure detail and beginning and ending fund balances.

---

## **Tab 7 - Capital Improvement Projects**

This section of the budget gives an overview of the City's and Redevelopment Agency Capital Improvement Program(CIP), Map of the 5 year Capital Improvement Program, CIP 5 year project summaries, Existing carryover projects and detailed CIP project sheets. The project sheets outline project descriptions, projected costs, location description, anticipated annual maintenance cost, funding sources and status of review by committees or citizens.

---

## **Tab 8 - Redevelopment Agency**

This represents a component unit of the City. Included is an overview of the Redevelopment Agency and beginning and ending fund balances for the overall agency.

---

## **Tab 9 - Redevelopment Agency Tax Increment**

This reflects the detail revenue of the Redevelopment Agency.

---

## **Tab 10-Redevelopment Agency Project Area Administration**

This reflects the four project area's administration budgets. Along with the descriptions, locations, expenditures by category, detail budget line items and staff authorized by each project area.

---

## **Tab 11 - Redevelopment Agency Debt Service Project Area**

This reflects the four debt service funds for the four project areas. Description reflects adopted limits placed on each of the project area's debt issuance.

---

## **Tab 12 - Redevelopment Agency Housing Set-Aside**

This section of the budget gives an overview of the Low and Moderate Income Housing administration and the Housing Authority Apartment budgets.

---

## **Tab 13 - Appendix**

- **Resolution adopting 2011-12 Salary Schedule and Authorized Positions.**
  - **Approved list of Out-of-State Travel.**
  - **Glossary of Finance and Budget Terms** This provides a complete glossary of terms and acronyms used throughout the budget document.
-

TABLE OF CONTENTS

<i>INTRODUCTORY PAGES</i>	<b>SECTION-PAGE</b>
Reader’s Guide to the Budget.....	i
Table of Contents .....	iii
Resolution No. 2011 - 59- Adopting a Financial Plan .....	vi
Resolution No. - 586 Adopting a Financial Plan for RDA.....	vii
Resolution No. HA - 44 Adopting a Financial Plan for Housing Authority .....	viii
Resolution No. 2011 - 60 Establishing the Appropriations Limit.....	ix
<b>SECTION 1: BUDGET SUMMARIES</b>	
Accounting System and Budgetary Control.....	1-1
* City Managers Executive Summary, FY 2010-2011 .....	1-3
All Fund Summary .....	1-7
* Where The Money Comes From & Where The Money Goes .....	1-8
All Fund Revenues by Category .....	1-10
All Fund Expenditures by Category .....	1-11
GANN Appropriations Limit Calculation .....	1-12
Schedule of Authorized Staff Positions .....	1-13
Estimated Revenues Detail by Fund .....	1-14
<b>SECTION 2: GENERAL FUND OPERATING BUDGET</b>	
General Fund Overview .....	2-1
* General Revenue Summary .....	2-2
General Revenue Detail .....	2-7
General and Fire Fund Expenditure Summary .....	2-8
* General and Fire Fund Expenditure by Department .....	2-10
* General and Fire Fund Expenditure Comparison Graph .....	2-11
General and Fire Fund Revenue and Expenditure Comparison.....	2-12
* General Fund Expenditures by Category .....	2-13
Summary of Expenditures by Category .....	2-14
<b>General Fund Departmental Expenditures .....</b>	<b>2-15</b>
<i>(Departmental Summary by Expenditure Category)</i>	
<b>City Council.....</b>	<b>2-22</b>
<b>City Manager</b>	
City Manager.....	2-24
City Attorney.....	2-26
Legal Special Services .....	2-28
<b>Community Services</b>	
Community Services .....	2-30
Community Promotions .....	2-32
Marketing.....	2-34
Legislative Advocacy.....	2-36
Visitors Information Center .....	2-38
<b>Community Services/City Clerk.....</b>	<b>2-40</b>
Elections.....	2-42
Human Resources .....	2-44

**SECTION 2: GENERAL FUND OPERATING BUDGET - Community Services (Cont) SECTION-PAGE**

**Finance**

Finance ..... 2-46

Independent Audit ..... 2-48

General Services..... 2-50

Information Technology ..... 2-52

Unemployment Insurance..... 2-54

Insurance ..... 2-56

Inter-Fund Transfers Out..... 2-58

Outside Agency Funding ..... 2-60

**Police Services**

Police Services ..... 2-62

**Development Services**

Development Services ..... 2-64

**Public Works-Administration**

PW-Administration ..... 2-66

PW-Street Maintenance ..... 2-68

DS-Civic Center Park Maintenance ..... 2-70

DS-Park Maintenance ..... 2-72

PW-Landscaping Service Division ..... 2-74

PW-Street Lights/Traffic Safety ..... 2-76

PW-Street Repairs and Maintenance ..... 2-78

PW-Corporation Yard..... 2-80

PW-Equipment/Auto..... 2-82

PW-Public Bldg Operation/Maint..... 2-84

PW-Portola Community Center Bldg ..... 2-86

NPDES-Storm Water Permit ..... 2-88

**Building & Safety**

Building & Safety ..... 2-90

Animal Control ..... 2-92

**Planning & Community Development** ..... 2-94

**SECTION 3: SPECIAL REVENUE FUNDS**

Special Revenue Fund Overview ..... 3-1

\* Special Revenue Fund Budgets ..... 3-3

**SECTION 4: SPECIAL ASSESSMENTS**

Special Assessment Fund Overview ..... 4-1

Special Assessment District Zones Consolidated Report

Zone 1 – 06 1 - 2 ..... 4-3

Zone 6L3 – Alessandro Alley ..... 4-4

Zone 16 CV – El Paseo Merchants ..... 4-5

**SECTION 5: DEBT SERVICE FUNDS**

Debt Service Fund Overview ..... 5-1

Debt Service Fund - Assessment Districts Consolidated Report ..... 5-2

**SECTION 6: CAPITAL IMPROVEMENT PROJECTS**

Capital Improvement Project Overview ..... 6-1

5 - Year Schedule ..... 6-2

<b>SECTION 7: REDEVELOPMENT AGENCY FUNDS</b>	<b>SECTION-PAGE</b>
<b>Redevelopment Project Area Fund Overview &amp; Fund Balance Projections</b> .....	7-1
Summary of Redevelopment Funds.....	7-3
<b>SUBSECTION 7A: TAX INCREMENT</b>	
Tax Increment & Revenue Worksheets.....	7-5
<b>SUBSECTION 7B: PROJECT AREA ADMINISTRATION</b>	
Project Area #1 Administration.....	7-7
Economic Development.....	7-9
Energy Management.....	7-11
Project Area #2 Administration.....	7-13
Project Area #3 Administration.....	7-15
Project Area #4 Administration.....	7-17
Five Year Implementation Plan.....	7-19
Redevelopment 2011-2012 Fiscal Year Work Program- Goals.....	7-20
<b>SUBSECTION 7C: DEBT SERVICE -PROJECT AREAS</b>	
Debt Service - Project Area #1.....	7-29
Debt Service - Project Area #2.....	7-31
Debt Service - Project Area #3.....	7-33
Debt Service - Project Area #4.....	7-35
<b>SUBSECTION 7D: RDA HOUSING SET-ASIDE FUND</b>	
<b>RDA Housing Set-Aside Fund Administration</b> .....	7-38
Housing Authority - Administration.....	7-40
Housing Authority – Laguna Palms Apartments.....	7-42
Housing Authority - Catalina Garden Apartments.....	7-44
Housing Authority - Desert Pointe.....	7-46
Housing Authority - Las Serenas.....	7-48
Housing Authority - Neighbors Garden Apartments.....	7-50
Housing Authority - One Quail Place.....	7-52
Housing Authority - The Pueblos Apartments.....	7-54
Housing Authority - California Villas Apartments.....	7-56
Housing Authority - Taos Palms Apartments.....	7-58
Housing Authority – Carlos Ortega Villas.....	7-60
Housing Authority – Palm Village Apartments.....	7-62
Housing Authority – Candlewood Apartments.....	7-64
Housing Authority – La Rocca Villas.....	7-66
Housing Authority – Sagecrest.....	7-68
<b>SECTION 8: APPENDIX</b>	<b>SECTION-PAGE</b>
Approved List of Out of State Travel.....	8-1
Resolution 2011- 61 Salary Schedule & Authorized Positions.....	8-2
Salary Schedule - FY 2011/2012.....	8-8
RDA Reimbursement of City Staff Estimate for FY 2011-2012.....	8-13
<b>Glossary of Finance and Budget Terms</b> .....	8-18

**RESOLUTION NO. 2011- 59**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM DESERT,  
CALIFORNIA, ADOPTING A PROGRAM AND FINANCIAL PLAN FOR THE  
FISCAL YEAR JULY 1, 2011 THROUGH JUNE 30, 2012**

WHEREAS, the City Council has received and considered the proposed Program and Financial Plan submitted by the City Manager on June 23, 2011; and

WHEREAS, after due notice, the City Council held a public hearing on the proposed plan.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Palm Desert, California, that:

1. The amounts shown on Exhibit 1, "Estimated Revenues", are hereby accepted as the Estimated Revenues for the 2011-12 Fiscal Year for each fund and revenue source.

2. The amounts shown on Exhibit 2, "Appropriations" are hereby appropriated, to the departments and activities indicated. The City Manager, or his duly appointed representative, will have the authority to approve intra-departmental budgeted line item variations; additional appropriations or inter-departmental budget transfers will be specifically approved by further City Council action during the 2011-12 fiscal year as the need arises.

3. The amounts shown on Exhibit 3, "Continuing Appropriations, Existing Capital Projects", are hereby accepted as continuing appropriations from the 2010-11 Fiscal Year. The amounts included in this exhibit include all unexpended amounts from purchase orders and contracts encumbered by June 30, 2011.

PASSED, APPROVED AND ADOPTED at the regular meeting of the Palm Desert City Council held on this 23th day of June, 2011, by the following vote, to wit:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

\_\_\_\_\_  
JEAN BENSON, MAYOR

ATTEST:

\_\_\_\_\_  
RACHELLE KLASSEN, CITY CLERK  
CITY OF PALM DESERT, CALIFORNIA



RESOLUTION NO. 586

**A RESOLUTION OF THE BOARD OF THE  
PALM DESERT REDEVELOPMENT AGENCY, PALM DESERT, CALIFORNIA,  
ADOPTING A PROGRAM AND FINANCIAL PLAN  
FOR THE FISCAL YEAR JULY 1, 2011 THROUGH JUNE 30, 2012**

**WHEREAS**, the Board has received and considered the proposed Program and Financial Plan submitted by the Executive Director on June 23, 2011; and

**WHEREAS**, after due notice, the Board held a public hearing on the proposed plan.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of the Palm Desert Redevelopment Agency, Palm Desert, California, that:

1. The amounts shown on Exhibit 1, "Estimated Revenues," are hereby accepted as the Estimated Revenues for the 2011-2012 Fiscal Year for each fund and revenue source.
2. The amounts shown on Exhibit 2, "Appropriations," are hereby appropriated to the departments and activities indicated. The Executive Director, or his duly appointed representative, will have the authority to approve intra-departmental budgeted line-item variations; additional appropriations or inter-departmental budget transfers will be specifically approved by further Redevelopment Board action during the 2011-2012 Fiscal Year as the need arises.
3. The amounts shown on Exhibit 3, "Continuing Appropriations, Existing Capital Projects," are hereby accepted as continuing appropriations from the 2010-2011 Fiscal Year. The amounts included in this exhibit include all unexpended amounts from purchase orders and contracts encumbered by June 30, 2011.

**PASSED, APPROVED AND ADOPTED** at the regular meeting of the Palm Desert Redevelopment Agency held on this 23 day of June, 2011, by the following vote, to wit:

**AYES:**  
**NOES:**  
**ABSENT:**  
**ABSTAIN:**

\_\_\_\_\_  
JEAN BENSON, MAYOR

ATTEST:

\_\_\_\_\_  
RACHELLE KLASSEN, CITY CLERK  
CITY OF PALM DESERT, CALIFORNIA

**RESOLUTION HA - 44**

**A RESOLUTION OF THE CITY COUNCIL OF THE HOUSING AUTHORITY OF PALM DESERT, CALIFORNIA, ADOPTING A PROGRAM AND FINANCIAL PLAN FOR THE FISCAL YEAR JULY 1, 2011 THROUGH JUNE 30, 2012**

**WHEREAS**, the Housing Authority has received and considered the proposed Program and Financial Plan submitted by the Executive Director on June 23, 2011; and

**WHEREAS**, after due notice, the Housing Authority held a public hearing on the proposed plan.

**NOW, THEREFORE, BE IT RESOLVED** by the Palm Desert Housing Authority Board of the City of Palm Desert, California, that:

1. The amounts shown on Exhibit 1, "Estimated Revenues," are hereby accepted as the Estimated Revenues for the 2011/2012 Fiscal Year for each fund and revenue source.
2. The amounts shown on Exhibit 2, "Appropriations," are hereby appropriated to the departments and activities indicated. The Executive Director, or his duly appointed representative, will have the authority to approve intra-departmental budgeted line item variations; additional appropriations or inter-departmental budget transfers will be specifically approved by further Housing Authority action during the 2011/2012 Fiscal Year as the need arises.
3. The amounts shown on Exhibit 3, "Continuing Appropriations, Existing Capital Projects," are hereby accepted as continuing appropriations from the 2010-11 Fiscal Year. The amounts included in this exhibit include all unexpended amounts from purchase orders and contracts encumbered by June 30, 2011.

**PASSED, APPROVED AND ADOPTED** at the regular meeting of the Palm Desert and Housing Authority held on this 23th day of June, 2011, by the following vote, to wit:

**AYES:**  
**NOES:**  
**ABSENT:**  
**ABSTAIN:**

\_\_\_\_\_  
JEAN BENSON, MAYOR

ATTEST:

\_\_\_\_\_  
RACHELLE KLASSEN, DEPUTY CITY CLERK  
CITY OF PALM DESERT, CALIFORNIA

**RESOLUTION NO. 2011- 60**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM DESERT,  
CALIFORNIA, ESTABLISHING THE APPROPRIATIONS LIMIT FOR THE  
2011-2012 FISCAL YEAR**

**WHEREAS**, the voters approved the Gann Spending Limitation Initiative (Proposition 4) on November 6, 1979, adding Article XIII B to the Constitution of the State of California to establish and define annual appropriation limits on state and local government entities; and

**WHEREAS**, Chapter 120-5 of the Revenue and Taxation Code Section 7910 (which incorporates California Senate Bill 1352) provides for the implementation of Article XIII B by defining various terms used in this Article and prescribing procedures to be used in implementing specific provisions of the Article, jurisdiction of its appropriations limit; and

**WHEREAS**, the required calculation to determine the Appropriations Limit for Fiscal Year 2011-2012, has been performed by the Finance Department based on available information and is on file with the Finance Department and available for public review;

**WHEREAS**, finance staff will recalculate the Appropriations Limit for respective fiscal periods including Fiscal Year 2011-2012, as soon as information regarding the percentage changes in the local assessment roll due to additional local nonresidential new construction is made available by the Riverside County Assessor's office;

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Palm Desert, California, that the City of Palm Desert Appropriations Limit is hereby established as \$94,381,345 for 2011-2012 Fiscal Year.

**PASSED, APPROVED AND ADOPTED** at the regular meeting of the Palm Desert City Council held on this 23 day of June 2011, by the following vote, to wit:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

\_\_\_\_\_  
JEAN BENSON, MAYOR

ATTEST:

\_\_\_\_\_  
RACHELLE KLASSEN, CITY CLERK  
CITY OF PALM DESERT, CALIFORNIA

THIS PAGE  
INTENTIONALLY  
LEFT BLANK