



# TOWN OF APPLE VALLEY

## TOWN COUNCIL STAFF REPORT

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**To:** Honorable Mayor and Town Council                      **Date:** July 10, 2012

**From:** Marc Puckett, Director of Finance                      **Item No:** 7  
Finance Department

**Subject:** TREASURER'S REPORT – MONTH OF MAY 2012 AND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE FOR THE PARKS & RECREATION FUND AND THE APPLE VALLEY GOLF CLUB FUND

**T.M. Approval:** \_\_\_\_\_                      **Budgeted Item:**  Yes  No  N/A

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### RECOMMENDED ACTION:

That the Town Council receive and file the May 2012 Treasurer's Report

### SUMMARY:

The May 2012 Treasurer's Report is attached for Town Council review. The investment portfolio is presented to the Town Council on a monthly basis. The portfolio is in compliance with the investment policy and there is adequate liquidity in the portfolio to meet the next six months of expenditures.

### BACKGROUND:

Attached is the Treasurer's Report for the month of May 2012. This investment performance report lists the various types of securities, institutions the securities were purchased from, maturity dates and interest rates for all securities held in the Town's investment portfolio as of the end of the reporting period. All of the Town's investments as of May 31, 2012, are in compliance with the Investment Policy adopted by Council on June 12, 2012 and the California Government Code except as otherwise may be noted or disclosed herein. All market values provided in this report were obtained from the various financial institutions associated with the various accounts. Market values for LAIF were provided by the State Treasurer's Office. The market value shown for the Town's LAIF investment represents the Town's contractual rights to its LAIF account and does not represent the value of the underlying portfolio securities. As of May 31, 2012, the Town has adequate cash reserves necessary to meet its obligations for the next six months.

The State of California Government Code requires that the investment policy be adopted at least once annually by the governing body to ensure its continued compliance with current laws and investment practices. The Town's adopted investment policy conforms to the State Government Code in all respects.

### **COMPLIANCE REPORTING**

The Town's investment portfolio is in compliance with the Town's adopted investment policy and applicable State laws during, and as of the end of, the reporting period.

Also, attached for informational purposes, are preliminary Schedules of Revenues, Expenditures and Changes in Fund Balances for the Parks & Recreation Fund and the Apple Valley Golf Course Fund for the month of April 2012.

### **FISCAL IMPACT:**

The Town's investment portfolio has adequate liquidity to meet the budgeted and actual expenditures of the Town for the next six months.



Town of Apple Valley  
Treasurer's Report  
As of May 31, 2012

Institution/Investment Type	Carrying Amount	Market Value	Interest Rate Yield	Maturity Date	Quarterly Comparisons of Carrying Amounts			
					Feb-12	Nov-11	Aug-11	May-11
Funds under control of Town:								
Checking Account	\$ 1,254,272.36	\$ 1,254,272.36	None	On Demand	\$ 2,734,867.88	\$ 1,623,075.26	\$ (570,037.96)	\$ (1,417,052.09)
Public Money Market Account	\$ 204,579.19	\$ 204,579.19	0.30%	On Demand	\$ 204,424.58	\$ 204,271.76	\$ 204,119.05	\$ 203,964.78
Apple Valley Golf Course Deposit Account	\$ -	\$ -	None	On Demand	\$ -	\$ -	\$ (5,252.09)	\$ 30,179.65
Apple Valley Golf Course Deposit Account	\$ 64,550.09	\$ 64,550.09	None	On Demand	\$ 19,624.48	\$ 15,883.65	\$ 50,119.24	\$ (35,560.07)
Apple Valley Golf Course A/P Account	\$ -	\$ -	None	On Demand	\$ -	\$ -	\$ 162.00	\$ -
Apple Valley Golf Course A/P Account	\$ 383.79	\$ 383.79	None	On Demand	\$ (698.60)	\$ (10,304.47)	\$ (133,237.39)	\$ -
Petty Cash	\$ 6,470.00	\$ 6,470.00	N/A	On Demand	\$ 6,670.00	\$ 6,620.00	\$ 3,600.00	\$ 3,600.00
Public Desert Gold Account	\$ 4,249,251.64	\$ 4,249,251.64	0.40%	On Demand	\$ 4,244,970.35	\$ 4,240,739.82	\$ 4,236,513.51	\$ 4,231,636.56
Gov Obligations FNMA 3136FHQY4	\$ 1,350,000.00	\$ 1,350,000.00	2.00%	5/21/2012	\$ 1,340,000.00	\$ 1,340,000.00	\$ 1,000,000.00	\$ 1,000,000.00
Gov Obligations Fed Home Loan 3133XUGF4	\$ -	\$ -	2.75%	8/19/2013	\$ -	\$ -	\$ -	\$ 993,250.00
Gov Obligations Fed Home Loan 313379EPO	\$ 3,000,000.00	\$ 2,998,660.00	1.17%	5/30/2017	\$ -	\$ -	\$ -	\$ -
State of Calif., Local Agency Investment Fund Percent of total portfolio: 50%	\$ 35,297,759.32	\$ 35,340,508.90	0.36%	On Demand	\$ 34,267,116.47	\$ 28,437,530.02	\$ 35,601,849.02	\$ 36,758,705.91
Total funds under control of Town	\$ 45,427,266.39	\$ 45,468,675.97			\$ 42,816,975.16	\$ 35,857,816.04	\$ 40,387,835.38	\$ 41,768,724.74
Funds controlled by Fiscal Agent:								
US Bank	\$ 25,625,168.17	\$ 25,625,168.17	0.00%	On Demand	\$ 23,571,713.63	\$ 26,979,530.53	\$ 27,944,507.54	\$ 30,614,842.90
Total Fiscal Agent funds	\$ 25,625,168.17	\$ 25,625,168.17			\$ 23,571,713.63	\$ 26,979,530.53	\$ 27,944,507.54	\$ 30,614,842.90
Grand Total	\$ 71,052,434.56	\$ 71,093,844.14			\$ 66,388,688.79	\$ 62,837,346.57	\$ 68,332,342.92	\$ 72,383,567.64

Source of Market Value Information: \* Called prior to maturity

- 1) Union Bank of California 2) State of California, Local Agency Investment Fund 3) U.S. Bank, Statements of Investment 4) Desert Community Bank 5) Pershing, LLC

I hereby certify that the investment activity for this reporting period conforms with the investment policy adopted by the Town Council of Apple Valley, and the California Government Code Section 53601. I also certify that there are adequate funds available to meet the Town of Apple Valley's budgeted and actual expenditures for the next six months.

Prepared by: Robbeyn Bird, Assistant Director of Finance

Marc Puckett, Finance Director/Treasurer

Town of Apple Valley  
**Parks & Recreation Fund**  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 For the Month Ended April 30, 2012

	Budget	Current Month	Fiscal Year-to-date	Prior Fiscal Year-to-date
<b>Revenue - General</b>				
Property Taxes	\$ 1,575,600	\$ 460,942	\$ 1,316,821	\$ 1,013,865
Pass-through pmts	312,400	-	133,830	138,860
Cell Tower Rents	135,000	11,367	84,047	93,434
Interest	-	-	-	-
Other - General	16,000	1,099	3,155	1,491
Transfers In	800,690	-	800,690	-
<b>Total Revenue - General</b>	<b>2,839,690</b>	<b>473,408</b>	<b>2,338,543</b>	<b>1,247,650</b>
<b>Expenditures - General</b>				
Interest Expense	25,000	2,830	8,629	23,408
<b>Total Expenditures - General</b>	<b>25,000</b>	<b>2,830</b>	<b>8,629</b>	<b>23,408</b>
<b>General Revenue Over (Under) Expenditures</b>	<b>2,814,690</b>	<b>470,578</b>	<b>2,329,914</b>	<b>1,224,242</b>
<b>Recreation:</b>				
Revenues <sup>1</sup>	776,667	71,601	617,645	818,559
Expenditures <sup>1</sup>	1,652,923	110,084	1,238,722	1,579,813
<b>Recreation Rev. Over (Under) Expenditures</b>	<b>(876,256)</b>	<b>(38,483)</b>	<b>(621,077)</b>	<b>(761,254)</b>
<b>Parks:</b>				
Parks Grounds Expenditures	1,924,990	105,321	1,546,953	1,525,837
Facilities Maintenance Expenditures	240,956	22,328	196,980	198,245
<b>Total Parks Expenditures</b>	<b>(2,165,946)</b>	<b>(127,649)</b>	<b>(1,743,933)</b>	<b>(1,724,082)</b>
<b>Net change in Fund Balance</b>	<b>\$ (227,512)</b>	<b>\$ 304,446</b>	<b>(35,096)</b>	<b>(1,261,094)</b>
<b>Fund Balance - beginning</b>	<b>(5,275,409)</b>		<b>(5,275,409)</b>	<b>(3,945,669)</b>
<b>Fund Balance - ending</b>	<b>\$ (5,502,921)</b>		<b>\$ (5,310,505)</b>	<b>\$ (5,206,763)</b>

<sup>1</sup> See attached list by program

Programs:	Budget	Current Month	Fiscal Year-to-date	Prior Fiscal Year-to-date
Adult Sports - Revenue	41,245	681	22,428	22,311
Adult Sports - Expenditures	62,326	4,142	41,420	44,835
<b>Total - Adult Sports</b>	<b>(21,081)</b>	<b>(3,461)</b>	<b>(18,992)</b>	<b>(22,524)</b>
Aquatic Complex - Revenue	235,090	8,143	131,234	156,863
Aquatic Complex - Expenditures	527,012	29,488	352,672	415,718
<b>Total - Aquatic Complex</b>	<b>(291,922)</b>	<b>(21,345)</b>	<b>(221,438)</b>	<b>(258,855)</b>
ASAP - Revenue	141,100	22,319	165,297	114,832
ASAP - Expenditures	168,748	15,673	140,419	152,593
<b>Total - ASAP</b>	<b>(27,648)</b>	<b>6,646</b>	<b>24,878</b>	<b>(37,761)</b>
CAVE - Revenue	-	-	-	6,753
CAVE - Expenditures	-	5	93	13,998
<b>Total - CAVE</b>	<b>-</b>	<b>(5)</b>	<b>(93)</b>	<b>(7,245)</b>
Day Camp - Revenue	34,000	1,125	12,165	16,317
Day Camp - Expenditures	44,690	2,390	35,195	41,086
<b>Total - Day Camp</b>	<b>(10,690)</b>	<b>(1,265)</b>	<b>(23,030)</b>	<b>(24,769)</b>
Instructor Classes - Revenue	120,480	10,328	100,743	95,347
Instructor Classes - Expenditures	151,892	11,682	121,401	119,762
<b>Total - Instructor Classes</b>	<b>(31,412)</b>	<b>(1,354)</b>	<b>(20,658)</b>	<b>(24,415)</b>
PIO Events - Revenue	14,500	845	12,398	8,770
PIO Events - Expenditures	233,559	10,104	178,773	177,313
<b>Total - PIO Events</b>	<b>(219,059)</b>	<b>(9,259)</b>	<b>(166,375)</b>	<b>(168,543)</b>
Recreation - Revenue	19,912	2,984	19,285	13,779
Recreation - Expenditures	215,629	18,818	192,447	197,929
<b>Total - Recreation</b>	<b>(195,717)</b>	<b>(15,834)</b>	<b>(173,162)</b>	<b>(184,150)</b>
Rentals - Revenue	106,040	22,407	114,769	99,623
Rentals - Expenditures	95,963	5,990	67,460	55,489
<b>Total - Rentals</b>	<b>10,077</b>	<b>16,417</b>	<b>47,309</b>	<b>44,134</b>

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Programs:	Budget	Current Month	Fiscal Year-to-date	Prior Fiscal Year-to-date
Skate Park - Revenue	-	-	-	248,902
Skate Park - Expenditures	5,000	-	-	246,565
<b>Total - Skate Park</b>	<b>(5,000)</b>	<b>-</b>	<b>-</b>	<b>2,337</b>
User Groups - Revenue	11,300	1,049	4,266	4,543
User Groups - Expenditures	34,352	2,730	27,848	38,704
<b>Total - User Groups</b>	<b>(23,052)</b>	<b>(1,681)</b>	<b>(23,582)</b>	<b>(34,161)</b>
Youth Sports - Revenue	53,000	1,720	35,060	30,519
Youth Sports - Expenditures	113,752	9,062	80,994	75,821
<b>Total - Youth Sports</b>	<b>(60,752)</b>	<b>(7,342)</b>	<b>(45,934)</b>	<b>(45,302)</b>
Total Revenue	776,667	71,601	617,645	818,559
Total Expenditures	1,652,923	110,084	1,238,722	1,579,813
<b>Net - ALL</b>	<b>(876,256)</b>	<b>(38,483)</b>	<b>(621,077)</b>	<b>(761,254)</b>

	Current Year Budget	Current Month	Year-to-date	Last Year-to- date
Parks:				
Brewster	375,716	10,645	251,758	191,288
Civic Center Park	230,167	8,977	197,222	152,370
Corwin Park	50,726	1,167	42,454	55,032
Grounds Operations	466,372	35,354	377,183	382,923
Horsemen's Center	156,610	12,229	166,645	93,242
James Woody Park	291,085	16,764	231,054	223,163
Lion's Park	22,592	1,765	17,675	49,175
Mendel	33,530	2,341	27,470	69,100
Mt. Vista	41,750	1,661	34,876	46,537
Schmidt	39,397	3,372	32,088	59,474
Sycamore Rocks	69,688	5,326	56,803	43,203
3 Diamond Skate	6,370	254	4,263	26
Thunderbird	69,928	1,411	54,286	62,142
Virginia	48,394	3,115	36,828	43,306
Yucca Loma	22,665	940	16,348	54,856
	<u>1,924,990</u>	<u>105,321</u>	<u>1,546,953</u>	<u>1,525,837</u>

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	Current Year Budget	Current Month	Year-to-date	Last Year-to- date
Facilities:				
Facilities Operations	26,630	2,679	21,785	17,170
Brewster Facilities	6,368	500	5,065	5,132
Amphitheater Facilities	900	-	401	2,017
Corwin Facilities	4,627	373	3,837	4,771
Horsemen's Facilities	4,601	437	4,434	4,509
James Woody Auditorium	100,750	10,783	82,810	82,159
James Woody Gym	77,237	6,047	63,269	61,677
James Woody Pal Center	2,385	220	1,858	6,600
James Woody Restroom	11,240	789	8,451	9,698
Mt. Vista Facilities	6,218	500	5,070	4,512
	<u>240,956</u>	<u>22,328</u>	<u>196,980</u>	<u>198,245</u>

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Town of Apple Valley  
**Apple Valley Golf Course Fund**  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 For the Month Ended April 30, 2012

	Budget	Current Month	Fiscal Year-to-date	Prior Fiscal Year-to-date
<b>Revenue</b>				
Green Fees	\$ 666,000	\$ 51,191	\$ 522,444	\$ 487,895
Pro Shop Merchandise Sales	-	-	-	12,913
Food & Beverage Sales	6,500	-	3,238	171,033
Gain/Loss on Purchase of Fixed Assets	2,900,000	-	2,900,000	-
Other	212,500	2,429	110,373	58,684
<b>Total Revenue</b>	<b>3,785,000</b>	<b>53,620</b>	<b>3,536,055</b>	<b>730,525</b>
<b>Operating Expenditures</b>				
Non-departmental	276,144	3,890	76,946	260,689
Golf Club Administration	129,889	8,820	118,474	117,075
Food & Beverage Operations	303	108	3,250	205,400
Cart Barn	44,075	-	50,210	56,378
Golf Course Grounds <sup>1</sup>	690,182	21,068	537,159	668,956
Golf Course Facilities	205,861	4,513	191,331	176,162
Pro Shop	69,104	6,449	85,889	96,350
Tennis Court	302	-	2,178	955
<b>Total Operating Expenditures</b>	<b>1,415,860</b>	<b>44,848</b>	<b>1,065,437</b>	<b>1,581,965</b>
<b>Income (Loss) from Operations</b>	<b>2,369,140</b>	<b>8,772</b>	<b>2,470,618</b>	<b>(851,440)</b>
<b>Other Revenue (Expenditure) Items</b>				
Interest Expense	(12,000)	(1,390)	(3,509)	(11,613)
Transfer(s) (to) From Other Funds	-	-	-	467,281
<b>Net change in Fund Balance</b>	<b>2,357,140</b>	<b>7,382</b>	<b>2,467,109</b>	<b>(395,772)</b>
<b>Fund Balance - beginning</b>	<b>(3,292,387)</b>		<b>(3,292,387)</b>	<b>(2,645,422)</b>
<b>Fund Balance - ending</b>	<b>\$ (935,247)</b>		<b>\$ (825,278)</b>	<b>\$ (3,041,194)</b>

<sup>1</sup> See attached line item details

Town of Apple Valley  
**Apple Valley Golf Course Fund**  
 Details of Golf Course Grounds  
 For the Month Ended April 30, 2012

	Budget	Current Month	Fiscal Year-to-date	Prior Fiscal Year-to-date
<b>Golf Course Grounds</b>				
Water	281,231	-	137,237	272,908
Other Utilities	31,782	828	30,770	34,998
Range Supplies	60,768	2,661	61,868	70,326
Building Maintenance	649	-	400	974
Grounds Maintenance	39,523	1,464	59,880	47,991
Contract Services (a)	247,244	16,093	212,817	207,190
Leased Equipment	20,911	-	24,462	26,052
Other	8,074	22	9,724	8,517
<b>Total Operating Expenditures</b>	<b>690,182</b>	<b>21,068</b>	<b>537,158</b>	<b>668,956</b>

(a) Contract Services includes any services contracted privately; not performed by Town personnel. These amounts primarily consist of payroll costs for contract operator personnel.

**Town of Apple Valley**  
**Apple Valley Golf Course Fund**  
**Explanation of Categories Listed on Schedule of Revenues &**  
**Expenditures**

**Golf Course Facilities** – The most significant expenditures in this category are utilities, building maintenance, and salaries for contract employees.

**Pro Shop** – This category accounts for expenditures related to the Golf Course Pro Shop including salaries for contract employees, merchandise resale, advertising, and building maintenance.

**Food & Beverage** – Amounts in this category were negotiated by the Town and LGM. They include pest control services, dishwasher lease, and telephone expenditures.

**Non-Departmental** – This category accounts for expenditures that are not attributable to one category, but benefit the entire organization. The costs associated with this category are mainly insurance, credit card charges, and legal costs.

**Contract Services** – This includes any services contracted privately; not performed by Town personnel. These amounts primarily consist of payroll costs for contract operator personnel.