



# TOWN OF APPLE VALLEY

## TOWN COUNCIL STAFF REPORT

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**To:** Honorable Mayor and Town Council                      **Date:** August 14, 2012

**From:** Marc Puckett, Director of Finance                      **Item No:** 6  
Finance Department

**Subject:** TREASURER'S REPORT – MONTH OF JUNE 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 June 2012 Treasurer's Report

### SUMMARY:

The June 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 June 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 June 30, 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 June 30, 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 May 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 June 30, 2012

Institution/Investment Type	Carrying Amount	Market Value	Interest Rate Yield	Maturity Date	Quarterly Comparisons of Carrying Amounts				
					Mar-12	Dec-11	Sep-11	Jun-11	
Funds under control of Town:									
Checking Account	\$ 1,635,521.11	\$ 1,635,521.11	None	On Demand	\$ 2,141,460.05	\$ 892,100.06	\$ 1,726,197.78	\$ (269,782.85)	
Public Money Market Account	\$ 204,614.63	\$ 204,614.63	0.30%	On Demand	\$ 204,476.66	\$ 204,323.80	\$ 204,169.38	\$ 204,015.07	
Apple Valley Golf Course Deposit Account	\$ -	\$ -	None	On Demand	\$ -	\$ -	\$ -	\$ 25,480.48	
Apple Valley Golf Course A/P Account	\$ 77,061.56	\$ 77,061.56	None	On Demand	\$ 18,747.87	\$ 22,505.98	\$ 29,693.13	\$ -	
Apple Valley Golf Course A/P Account	\$ -	\$ -	None	On Demand	\$ -	\$ -	\$ -	\$ (111,556.52)	
Apple Valley Golf Course A/P Account	\$ 383.79	\$ 383.79	None	On Demand	\$ (1,616.21)	\$ (7,751.43)	\$ (22,373.17)	\$ -	
Petty Cash	\$ 6,620.00	\$ 6,620.00	N/A	On Demand	\$ 6,770.00	\$ 6,620.00	\$ 3,600.00	\$ 3,600.00	
Public Desert Gold Account	\$ 4,250,648.66	\$ 4,250,648.66	0.40%	On Demand	\$ 4,246,412.47	\$ 4,242,180.51	\$ 4,237,906.34	\$ 4,233,335.01	
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	\$ 2,991,570.00	1.17%	5/30/2017	\$ -	\$ -	\$ -	\$ -	
State of Calif., Local Agency Investment Fund Percent of total portfolio: 51%	\$ 35,297,759.32	\$ 35,340,809.99	0.36%	On Demand	\$ 34,267,116.47	\$ 30,937,530.02	\$ 32,501,849.02	\$ 42,158,705.91	
Total funds under control of Town	\$ 45,822,609.07	\$ 45,857,229.74			\$ 42,223,367.31	\$ 37,637,508.94	\$ 39,681,042.48	\$ 48,237,047.10	
Funds controlled by Fiscal Agent:									
US Bank	\$ 22,930,641.63	\$ 22,930,641.63	0.00%	On Demand	\$ 23,117,589.66	\$ 26,615,159.99	\$ 26,525,473.34	\$ 26,525,524.44	
Total Fiscal Agent funds	\$ 22,930,641.63	\$ 22,930,641.63			\$ 23,117,589.66	\$ 26,615,159.99	\$ 26,525,473.34	\$ 26,525,524.44	
Grand Total	\$ 68,753,250.70	\$ 68,787,871.37			\$ 65,340,956.97	\$ 64,252,668.93	\$ 66,206,515.82	\$ 74,762,571.54	

\* Called prior to maturity

Source of Market Value Information:  
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 May 31, 2012

	Budget	Current Month	Fiscal Year-to-date	Prior Fiscal Year-to-date
<b>Revenue - General</b>				
Property Taxes	\$ 1,575,600	\$ 24,818	\$ 1,341,638	\$ 1,322,581
Pass-through pmts	312,400	-	133,830	138,860
Cell Tower Rents	135,000	8,448	92,495	101,743
Interest	-	-	-	-
Other - General	16,000	1,103	4,258	2,668
Transfers In	800,690	-	800,690	-
<b>Total Revenue - General</b>	<b>2,839,690</b>	<b>34,369</b>	<b>2,372,911</b>	<b>1,565,852</b>
<b>Expenditures - General</b>				
Interest Expense	25,000	-	8,629	23,408
<b>Total Expenditures - General</b>	<b>25,000</b>	<b>-</b>	<b>8,629</b>	<b>23,408</b>
<b>General Revenue Over (Under) Expenditures</b>	<b>2,814,690</b>	<b>34,369</b>	<b>2,364,282</b>	<b>1,542,444</b>
<b>Recreation:</b>				
Revenues <sup>1</sup>	776,667	115,358	733,004	888,093
Expenditures <sup>1</sup>	1,652,923	114,212	1,352,936	1,695,563
<b>Recreation Rev. Over (Under) Expenditures</b>	<b>(876,256)</b>	<b>1,146</b>	<b>(619,932)</b>	<b>(807,470)</b>
<b>Parks:</b>				
Parks Grounds Expenditures	1,924,990	140,397	1,687,353	1,666,925
Facilities Maintenance Expenditures	240,956	19,551	216,529	216,146
<b>Total Parks Expenditures</b>	<b>(2,165,946)</b>	<b>(159,948)</b>	<b>(1,903,882)</b>	<b>(1,883,071)</b>
<b>Net change in Fund Balance</b>	<b>\$ (227,512)</b>	<b>\$ (124,433)</b>	<b>(159,532)</b>	<b>(1,148,097)</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>\$ (5,434,941)</b>	<b>\$ (5,093,766)</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	5,880	28,308	27,918
Adult Sports - Expenditures	62,326	4,107	45,527	48,437
<b>Total - Adult Sports</b>	<b>(21,081)</b>	<b>1,773</b>	<b>(17,219)</b>	<b>(20,519)</b>
Aquatic Complex - Revenue	235,090	46,141	177,375	168,153
Aquatic Complex - Expenditures	527,012	36,183	388,855	446,223
<b>Total - Aquatic Complex</b>	<b>(291,922)</b>	<b>9,958</b>	<b>(211,480)</b>	<b>(278,070)</b>
ASAP - Revenue	141,100	19,349	184,647	129,798
ASAP - Expenditures	168,748	16,265	156,683	169,591
<b>Total - ASAP</b>	<b>(27,648)</b>	<b>3,084</b>	<b>27,964</b>	<b>(39,793)</b>
CAVE - Revenue	-	-	-	6,753
CAVE - Expenditures	-	5	98	14,609
<b>Total - CAVE</b>	<b>-</b>	<b>(5)</b>	<b>(98)</b>	<b>(7,856)</b>
Day Camp - Revenue	34,000	8,714	20,879	19,675
Day Camp - Expenditures	44,690	2,676	37,870	43,359
<b>Total - Day Camp</b>	<b>(10,690)</b>	<b>6,038</b>	<b>(16,991)</b>	<b>(23,684)</b>
Instructor Classes - Revenue	120,480	13,199	113,942	106,673
Instructor Classes - Expenditures	151,892	6,313	127,715	130,932
<b>Total - Instructor Classes</b>	<b>(31,412)</b>	<b>6,886</b>	<b>(13,773)</b>	<b>(24,259)</b>
PIO Events - Revenue	14,500	1,935	14,333	12,720
PIO Events - Expenditures	233,559	10,206	188,979	189,148
<b>Total - PIO Events</b>	<b>(219,059)</b>	<b>(8,271)</b>	<b>(174,646)</b>	<b>(176,428)</b>
Recreation - Revenue	19,912	490	19,775	13,948
Recreation - Expenditures	215,629	21,201	213,649	221,994
<b>Total - Recreation</b>	<b>(195,717)</b>	<b>(20,711)</b>	<b>(193,874)</b>	<b>(208,046)</b>
Rentals - Revenue	106,040	8,602	123,371	109,537
Rentals - Expenditures	95,963	7,938	75,399	59,835
<b>Total - Rentals</b>	<b>10,077</b>	<b>664</b>	<b>47,972</b>	<b>49,702</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	1,948	6,214	5,176
User Groups - Expenditures	34,352	2,656	30,505	42,356
<b>Total - User Groups</b>	<b>(23,052)</b>	<b>(708)</b>	<b>(24,291)</b>	<b>(37,180)</b>
Youth Sports - Revenue	53,000	9,100	44,160	38,840
Youth Sports - Expenditures	113,752	6,662	87,656	82,514
<b>Total - Youth Sports</b>	<b>(60,752)</b>	<b>2,438</b>	<b>(43,496)</b>	<b>(43,674)</b>
<b>Total Revenue</b>	<b>776,667</b>	<b>115,358</b>	<b>733,004</b>	<b>888,093</b>
<b>Total Expenditures</b>	<b>1,652,923</b>	<b>114,212</b>	<b>1,352,936</b>	<b>1,695,563</b>
<b>Net - ALL</b>	<b>(876,256)</b>	<b>1,146</b>	<b>(619,932)</b>	<b>(807,470)</b>

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	Current Year Budget	Current Month	Year-to-date	Last Year-to- date
Parks:				
Brewster	375,716	26,795	278,553	211,342
Civic Center Park	230,167	14,774	211,996	160,707
Corwin Park	50,726	3,173	45,627	60,456
Grounds Operations	466,372	40,944	418,127	420,416
Horsemen's Center	156,610	12,767	179,412	100,600
James Woody Park	291,085	19,258	250,312	246,879
Lion's Park	22,592	1,132	18,807	53,115
Mendel	33,530	2,649	30,120	77,489
Mt. Vista	41,750	728	35,604	49,459
Schmidt	39,397	2,011	34,099	64,828
Sycamore Rocks	69,688	5,443	62,246	47,236
3 Diamond Skate	6,370	269	4,532	380
Thunderbird	69,928	3,783	58,069	65,946
Virginia	48,394	4,218	41,047	47,563
Yucca Loma	22,665	2,453	18,802	60,509
	<u>1,924,990</u>	<u>140,397</u>	<u>1,687,353</u>	<u>1,666,925</u>

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	Current Year Budget	Current Month	Year-to-date	Last Year-to- date
Facilities:				
Facilities Operations	26,630	2,930	24,715	19,083
Brewster Facilities	6,368	491	5,556	5,539
Amphitheater Facilities	900	-	401	2,017
Corwin Facilities	4,627	363	4,200	5,169
Horsemen's Facilities	4,601	430	4,864	4,890
James Woody Auditorium	100,750	8,646	91,456	89,961
James Woody Gym	77,237	5,346	68,615	66,954
James Woody Pal Center	2,385	78	1,936	7,220
James Woody Restroom	11,240	775	9,225	10,429
Mt. Vista Facilities	6,218	492	5,561	4,884
	<u>240,956</u>	<u>19,551</u>	<u>216,529</u>	<u>216,146</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 May 31, 2012

	Budget	Current Month	Fiscal Year-to-date	Prior Fiscal Year-to-date
<b>Revenue</b>				
Green Fees	\$ 666,000	\$ 42,734	\$ 565,179	\$ 546,472
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	16,507	126,880	61,870
<b>Total Revenue</b>	<b>3,785,000</b>	<b>59,241</b>	<b>3,595,297</b>	<b>792,288</b>
<b>Operating Expenditures</b>				
Non-departmental	276,144	1,736	78,682	295,725
Golf Club Administration	129,889	11,013	129,487	128,955
Food & Beverage Operations	303	556	3,806	206,281
Cart Barn	44,075	16,998	67,208	61,193
Golf Course Grounds <sup>1</sup>	690,182	60,781	598,405	733,234
Golf Course Facilities	205,861	29,403	220,269	204,199
Pro Shop	69,104	6,931	92,820	103,592
Tennis Court	302	71	2,249	990
<b>Total Operating Expenditures</b>	<b>1,415,860</b>	<b>127,489</b>	<b>1,192,926</b>	<b>1,734,169</b>
<b>Income (Loss) from Operations</b>	<b>2,369,140</b>	<b>(68,248)</b>	<b>2,402,371</b>	<b>(941,881)</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>(69,638)</b>	<b>2,398,862</b>	<b>(486,213)</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>\$ (893,525)</b>	<b>\$ (3,131,635)</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 May 31, 2012

	Budget	Current Month	Fiscal Year-to-date	Prior Fiscal Year-to-date
<b>Golf Course Grounds</b>				
Water	281,231	6,193	143,430	288,270
Other Utilities	31,782	6,301	37,070	40,065
Range Supplies	60,768	852	62,721	82,343
Building Maintenance	649	-	400	974
Grounds Maintenance	39,523	9,290	69,635	53,096
Contract Services (a)	247,244	22,143	234,960	229,715
Leased Equipment	20,911	6,323	30,785	28,657
Other	8,074	9,679	19,404	10,114
<b>Total Operating Expenditures</b>	<b>690,182</b>	<b>60,781</b>	<b>598,405</b>	<b>733,234</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.