



# TOWN OF APPLE VALLEY

## TOWN COUNCIL STAFF REPORT

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**To:** Honorable Mayor and Town Council                      **Date:** February 26, 2013

**From:** Marc Puckett, Assistant Town Manager                      **Item No:** 9  
Finance & Administration

**Subject:** FISCAL YEAR 2012-2013 MID-YEAR BUDGET REVIEW

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

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### RECOMMENDED ACTION:

That the Town Council:

1. Receive and file the Fiscal Year 2012-2013 Mid-Year Budget Review Report
2. Review and adopt the attached Budget Adjustment number 13-22.

### SUMMARY:

Discussed herein for your review and consideration is the Fiscal Year 2012-2013 Mid-Year Budget Review Report. This report provides an update on the Town's progress towards implementation of its one-year financial plan, its adopted operating and capital improvement budget, as of December 31, 2012, the fiscal mid-year for Fiscal Year 2012-2013. Specific attention is focused on the Town's General Fund.

The primary purpose of this report is to provide an update on the status of the Town's budget highlighting any changes or issues that may need to be addressed since the budget's adoption on June 12, 2012. To that end, included within this report are certain proposed budget adjustments to various revenue sources and categories of expense due to financial events occurring subsequent to adoption of the budget that are discussed herein.

The Mid-Year Budget Review report also briefly highlights any changes in economic conditions that may have impacted the Town's budget during the current fiscal year and briefly discusses challenges the Town may need to address during preparation of the proposed Fiscal Year 2013-2014 Operating and Capital Improvement Budget.

### BACKGROUND:

The Town Council adopted the FY 2012-2013 Operating and Capital Improvement budget on June 12, 2012. The Adopted Operating and Capital Improvement budget is the Town's one-year spending plan for FY 2012-2013. It serves as a planning guide for the ensuing fiscal year. The adopted budget demonstrates how available resources are matched against the Town's service priorities to provide essential services to the community. It demonstrates

how established short-term goals and objectives will be implemented over the next year. It underscores the Town's continued commitment to provide more efficient services to residents and maintains adequate resources for unforeseen emergencies.

After adoption, financial events occur throughout the course of the year that impact the budget and the implementation of spending priorities outlined therein. These events, such as the State's elimination of the Town's Redevelopment Agency, necessitate adjusting the budget projections from time to time during the course of the fiscal year.

Staff is proceeding to implement a "best practices" approach to the budget development process. In doing so, staff modified the mid-year budget process last year and again this year as part of overall efforts to continually improve the quality of information provided to Council. This process is part of an on-going effort and additional process improvements will be evident in the upcoming budget development process for Fiscal Year 2013-2014.

There are several estimated revenue and appropriation adjustments proposed by staff based upon actual experience and/or historical data contained herein.

In total, adjustments to the various estimated revenue projections in the FY 2012-2013 General Fund adopted budget amounts to a decrease of \$509,317. Adjustments to the various departmental and non-departmental categories of budget appropriations in the General Fund total a decrease of \$160,850. These mid-year adjustments to the FY 2012-2013 General Fund adopted budget are proposed as summarized in Budget Adjustment number 13-22 and Exhibit A attached hereto.

Staff will be making a presentation summarizing the proposed changes to the budget outlined in the attached exhibit and highlighting financial events occurring at the State and local level since adoption of the budget at the February 26, 2013, Council meeting.

Due to external factors affecting the Federal, State, and local economy, it was felt that a brief review of the Town's revenue and expenditure structure may be helpful in understanding some of the challenges ahead in the coming year's budget cycle. This review will focus primarily on the Town's key revenue sources and expenditure categories considered of general interest and also primarily responsible for these challenges.

From time to time, the Town Council may approve additional appropriations for various programs and services throughout the course of the fiscal year. Some of the additional appropriations that may be approved throughout the year include adjustments to project appropriations due to increasing the scope of the project or for those programs that receive grant funding after adoption of the budget. The Town, as a matter of fiscal conservancy, does not typically budget grant revenues until such time as the grant award has been received and receipt of the grant funding is eminent.

Integration of the budget into the Town's accounting system and internal control processes is essential in demonstrating the strength of the Town's financial policies and management practices. This process is essential, for example, during a financial management assessment performed by credit rating agencies, such as Standard & Poor's or Moody's Investor Services. The budgetary integration process is demonstrated through adoption of reasonable and comprehensive budget assumptions with budget reviews and revisions performed at interim periods throughout the course of the fiscal year.

The focus of the mid-year budget review presentation is primarily the Town's General Operating Fund revenues and expenditures. The majority of the Town's operating expenditures are accounted for within this fund. Other special revenue fund budgets, such as the Community Development Block Grant (CDBG) or Home Funds, do not usually require

adjustments at mid-year due to the specific nature of the resource allocations and program requirements. When revenues for these special revenue funds are not fully expended during the year, balances are carried forward for re-appropriation in the subsequent years' budget process. Adjustments to other funds are submitted to Council on an "as needed" basis periodically throughout the year.

The total adopted General Fund budget for Fiscal Year 2012-2013 was \$23.2 million. The table below is a summary of the total resources and resource requirements for the adopted Fiscal Year 2012-2013 General Fund budget:

| General Fund Summary    |               |
|-------------------------|---------------|
| Estimated Revenues      | \$ 18,121,010 |
| Transfers In            | 5,287,299     |
| Total Resources         | \$ 23,408,309 |
| Adopted Budget          | \$ 23,214,010 |
| Approp. To Fund Balance | 194,299       |
| Balance                 | -0-           |

As a result of discussions at the budget workshops, Council determined that the following budget balancing strategies and adjustments would be made to close the General Fund structural imbalance of \$2.8 million in the General Fund proposed budget. The status of implementation of these budget balancing strategies are noted below:

- Sales tax revenue estimates were increased – Completed. \$260,000
- Contract with the County to provide animal services–Implemented eff. 1/01/13 \$270,000
- Increased Animal Shelter budget – Completed. \$128,000
- Obtained COPS grant - Completed. \$ 90,000
- Billing VVEDA and MDMIWM JPA for staff support services- Implemented. \$111,000
- Sale of Town Property – Not Completed. \$450,000
- User Fees Increases including Building and Safety revenues – Not Completed. \$170,000
- Franchise fee revenues – In Progress. \$300,000
- Parks Maintenance concessions – Completed. \$485,000
- 4% Employee contribution to CalPERS – Completed. \$158,000
- Reduced staffing by 14 FTE positions across all departments – Completed. \$300,000
- Implemented PARS program for part-time employees – Completed. \$ 17,000
- Eliminated PIO Citizen Survey – Completed. \$ 23,000
- Deferred Human Resources salary survey and software – Completed. \$ 37,000
- Eliminated I.T. hardware/software – Completed. \$ 53,000
- Adopted two-tier retirement formula for future new hires – Completed. Undetermined
- Various other adjustments to line accounts – Completed. \$ 93,000

These adopted budget balancing strategies include approximately \$1,965,000 in on-going solutions and \$600,000 in one-time solutions as submitted to Council. After consideration of the sum total of the budget strategies listed above, the remaining General Fund structural budget gap was \$265,895.

In addition to the budget balancing strategies listed above, the Sheriff's department had submitted a proposal to save \$240,000 annually which, as adopted, can be accomplished without impacting service delivery. Also, the Fire Authority had submitted a proposal to reduce emergency preparedness funding by \$42,000. Sheriff Captain Tomlin and then Fire Chief Bishop presented these proposals during the budget hearings and the proposals were ultimately adopted by Council.

The total of all adjustments adopted by Council as part of the Fiscal Year 2012-2013 budget amounted to \$2,847,000. Of the total amount of adjustments, \$600,000 were one-time adjustments and \$2,247,000 may be considered structural adjustments to the budget. One-time adjustments do not solve structural budget imbalances. Absent other budgetary impacts, these imbalances will continue to exist and must be addressed as part of future budget cycles.

All Town departments have provided feedback to the Finance department regarding the status of their current year's expenditures and budgetary performance as projected through the end of the fiscal year. A comparison of budget-to-actual performance by department for the first six months of the fiscal year is included in Exhibit B.

Based on staff's analysis of the current year's operating revenues and expenditures and, based upon information and input provided by all departments, staff recommends the following adjustments to the FY 2012-2013 budget highlighted below and as outlined in the attached proposed Budget Adjustment Number 13-22 (Only significant General Fund changes have been highlighted):

### **Revenues:**

**Property Tax:** Per the County Assessor's Office, with respect to property values, the residential real estate market has stabilized and pockets of improvement in assessed values can be seen throughout the County. Overall, although there appears to be some slight improvement in the real estate market, the taxable values will increase only slightly by up to 2% for the next year. The Assessor's Office had anticipated an increase in the Assessment roll of 1.0% to 1.5% growth in the current fiscal year. However, taxable values remained mostly flat resulting in a slight increase in property taxes of approximately \$110,000. The Assessor's Office is projecting taxable values to increase slightly by 1.0% - 1.5% again for FY 2012-2013. Significant appreciation in property values and corresponding taxable values is not projected during the next two fiscal years.

**Sales Tax:** Sales tax revenue collections are up approximately 1.0% year-to-date in total. The Town's sales tax collections have increased each quarter for the past ten quarters based upon a comparison of the trailing twelve month period. Sales tax revenues are expected to continue to increase slightly over the second half of the fiscal year as retail sales continue to pick up momentum throughout the County. As a result, an upward adjustment in the Town's sales tax revenue estimates for FY 2012-2013 is proposed in the amount of \$22,000 from \$5,477,000 to \$5,499,000. On an adjusted basis, for the most recent quarter that information is available (July through September), countywide sales tax collections were up 9.8% on a year-over-year basis and up 7.4% as adjusted for accounting aberrations (double-up payments) on average when compared to the same period in the prior fiscal year. Statewide sales tax collections were up an average of 6.0%. Sales tax collections for Apple Valley were up 1.0%, as adjusted, for the July through September, 2012 quarter and have lagged the statewide and countywide average increases in recent quarters.

**User Fees and Fines:** The adopted budget anticipated passage of a general increase in user fees projected to generate \$170,000. Many user fees have not been adjusted in several years and have not kept up with the cost of services the fees were intended to offset. The master fee schedule was presented to Town Council for consideration at the June 26, 2012 Council meeting and Council chose not to implement the proposed fee increases at that time.

**Other Revenues (Sale of Town Property):** The adopted budget anticipated one-time revenues from the sale of a Town property in the amount of \$450,000. Staff was not successful in negotiating the sale of Town property as anticipated in the adopted budget.

**Expenditures:**

**Contract Services:** Contract services accounted for within the General Government budget increased by \$12,000. The additional expenditures were primarily related to a Chamber of Commerce support services invoice in the amount of \$9,500 that was paid in September after cut-off testing was completed for the Fiscal Year-ended June 30, 2012. Contract services in the Finance department increased by \$20,000 as a result of hiring a contract employee for an interim period as a result of staff turnover and as a result of an \$8,000 increase for the preparation of an actuarial valuation for GASB 45 disclosure purposes.

**Meetings & Conferences:** Additional travel has been necessary for various staff members including the Town Manager and Council members as a result of the RDA dissolution process and pending state and federal legislation. Staff has attended two meet and confer processes with the State department of Finance. Additionally, several staff members including the Town Manager and Council members have continued and/or become more active in League of California legislative advocacy committees. Some of these commissions and committees are County-wide and/or State-wide. Also, Town staff and Council members will be traveling to Washington, D.C. to meet with congressional delegates and staff members from various federal agencies. These additional unanticipated expenditures will increase budgeted appropriations for meetings & conferences by approximately \$20,000 in total thru the end of the fiscal year.

**Legal Costs:** The legal costs for the Town's contract attorneys are on track to decrease by \$242,000 from the anticipated budgeted expenditures of \$464,000. This decrease is partially due to additional legal services being included within the base retainer fee. In addition, other legal fees for non-retainer legal services have decreased from prior year spending levels.

**Hardware and Software:** The hardware and software in the Council chambers has continued to fail with increasing regularity. Staff has determined that the equipment can be upgraded and stabilized with a modest expenditure of approximately \$25,000 for a audio visual system upgrade and a video and broadcast system upgrade.

**Insurance Costs:** The budgeted appropriations for insurance costs did not include sufficient funding for the crime policy or unemployment insurance necessitating an increase in budgeted appropriations of \$109,700. Unemployment insurance costs increased as a result of increased unemployment claims averaging approximately two claims higher than normal for the past twelve months.

**Replaced Copiers:** Staff replaced the Town's copier machines with less costly and more efficient copier machines. As a result, copier costs have decreased by approximately \$27,000 annually.

**Click-it or Ticket-It Grant:** Appropriations in the amount of \$15,000 were budgeted in anticipation of receiving this grant funding. However, the Town did not receive the grant necessitating a reduction in the budgeted expenditures related to the grant program in the amount of \$15,000.

**Graffiti Removal Program:** As a result of a decreased need for graffiti removal this year, a reduction in the graffiti removal appropriation of \$20,600 is possible. This reduction is believed to be a direct result of the arrest and prosecution of taggers and continued graffiti abatement activities.

Including all proposed adjustments to revenues and appropriations, the General Fund budget for Fiscal Year 2012-2013 is estimated to be approximately \$23.1 million. The table below is a summary of the total resources and resource requirements for the adopted Fiscal Year 2012-2013 General Fund budget including the adjustments as proposed:

| General Fund Summary      |               |
|---------------------------|---------------|
| Estimated Revenues        | \$ 18,121,010 |
| Proposed Rev. Adjustments | (509,317)     |
| Transfers In              | 5,287,299     |
| Use of Fund Balance       | 154,168       |
| Total Resources           | \$ 23,053,160 |
| Adopted Budget            | \$ 23,214,010 |
| Proposed Approp. Adj.     | (160,850)     |
| Total Adj. Appropriations | \$ 23,053,160 |
| Balance                   | -0-           |

Other budgetary impacts worth noting include the following items:

**Redevelopment Agency Dissolution Activities:** Dissolution activities continue for the Town’s former Redevelopment Agency. The Town has recently completed the required Due Diligence Reviews required pursuant to AB 1484. Of significant note, this bill created a “claw-back” provision by which the state required any unobligated funds be paid to the County of San Bernardino Auditor/Tax Collectors Office for redistribution to other taxing agencies. For schools, apportionment payments from the State were essentially offset dollar for dollar by the AB 1484 claw-back payments to the County resulting in no new funding for schools. This process allowed the State to maximize the benefit of the RDA dissolution process for the State’s general fund.

The impact of Governor Brown’s State budget proposal on the Town of Apple Valley’s Redevelopment Agency has eliminated annual collections of property tax increment amounting to \$6.6 million. In addition, the Town has lost approximately \$8 million in housing funds to date. Some bond proceeds remain at risk pending successful completion of the due diligence review process and receipt of a “finding of completion” from the State department of Finance.

## **SUMMARY**

The FY 2012-2013 budget was adopted with a planned appropriation from General Fund available fund balance. Following adoption of the budget, Council approved additional appropriations for various programs, services, and carryovers from FY 2011-2012. As of adoption of the FY 2012-2013 budget, the planned appropriation to available fund balance in the General Fund amounted to \$194,299. As of December 31, 2012, a reduction in appropriations in the amount of \$(160,850) are proposed in the General Fund as outlined in Exhibit A. In addition, proposed revenue adjustments to the General Fund result in a net decrease of \$(509,317) to General Fund estimated revenues. The net result of these changes in revenue estimates and appropriations will result in an increase in the utilization of available General Fund fund balance of \$348,467. This change necessitates the planned utilization of General Fund fund balance in the amount of \$154,168 whereas the adopted budget anticipated an appropriation to General Fund fund balance in the amount of \$194,299.

## **ALTERNATIVES CONSIDERED**

No alternatives were considered.

## **FISCAL REVIEW**

The attached Exhibit A summarizes the proposed adjustments in revenue estimates and appropriations (expenditures) to the current year's adopted operating and capital improvement budget reviewed herein. The attached budget adjustment, BA 13-22, summarizes the proposed decreases in revenue estimates and appropriation adjustments.

Exhibit B summarizes the changes in revenue estimates and budgetary performance for all departments and all funds reflective of all budget amendments previously approved by Council through December 31, 2012.

The net result of these changes in revenue estimates and appropriation decreases will necessitate the planned utilization of General Fund fund balance in the amount of \$154,168 whereupon the adopted budget anticipated an appropriation to General Fund fund balance in the amount of \$194,299.

## **LEGAL REVIEW**

No legal review is required for this item.

## **CONCLUSION**

The attached budget adjustment (BA 13-22) is recommended to Council for adoption. Staff is committed to ensuring that the Town continues its conservative fiscal practices; adopts sound, responsible, financial plans; and maintains its high-level of service delivery to the community in the most cost-effective and efficient manner possible.

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MARC R. PUCKETT  
Director of Finance

- ATTACHMENTS:
- 1) Budget Adjustment 13-22
  - 2) Exhibit A – Mid Year Budget Adjustment Summary
  - 3) Budget to Actual Comparison by Fund/Department/Division
  - 4) General Fund/Parks & Rec./Golf Course Revenue Projections
  - 5) Calculation of Projected Fund Balances – June 30, 2013





**TOWN OF APPLE VALLEY**  
**MID-YEAR BUDGET ADJUSTMENT SUMMARY**  
**REVENUE**  
**FISCAL YEAR 2012-2013**

Exhibit A

| <u>ACCOUNT DESCRIPTION</u>            | <u>Amended<br/>FY2012-13</u> | <u>Actual<br/>12/31/12</u> | <u>Year-End<br/>Revised</u> | <u>Increase<br/>(Decrease)</u> |
|---------------------------------------|------------------------------|----------------------------|-----------------------------|--------------------------------|
| <b>General Fund:</b>                  |                              |                            |                             |                                |
| Property Tax                          | 2,300,000                    | 1,124,333                  | 2,410,300                   | 110,300                        |
| Sales and Use Tax                     | 4,068,000                    | 1,293,063                  | 4,090,000                   | 22,000                         |
| Motor Vehicle In-Lieu                 | -                            | 36,036                     | 36,040                      | 36,040                         |
| Pass Thru PA#2                        | -                            | 145,676                    | 145,700                     | 145,700                        |
| Refunds, reimb, rebates               | 275,750                      | 12,375                     | 140,750                     | (135,000)                      |
| Gain/Loss on Disposal of Fixed Assets | 450,000                      | -                          | -                           | (450,000)                      |
| Animal Services Sheltering            | 221,460                      | -                          | 132,900                     | (88,560)                       |
| Transfer from 2610                    | 149,797                      | -                          | -                           | (149,797)                      |
| <b>General Fund Totals</b>            | <b>7,465,007</b>             | <b>2,611,483</b>           | <b>6,955,690</b>            | <b>(509,317)</b>               |

**TOWN OF APPLE VALLEY**  
**MID-YEAR BUDGET ADJUSTMENT SUMMARY**  
**EXPENDITURE**  
**FISCAL YEAR 2012-2013**

Exhibit A

| <u>ACCOUNT DESCRIPTION</u>        | <u>Amended<br/>FY2011-12</u> | <u>Actual<br/>12/31/2011</u> | <u>Year-End<br/>Revised</u> | <u>Increase<br/>(Decrease)</u> |
|-----------------------------------|------------------------------|------------------------------|-----------------------------|--------------------------------|
| <b>General Fund:</b>              |                              |                              |                             |                                |
| Meetings & Conferences            | 13,125                       | 6,167                        | 24,125                      | 11,000                         |
| Subtotal - Town Council           | 13,125                       | 6,167                        | 24,125                      | 11,000                         |
| Legal BB&K                        | 464,000                      | 71,794                       | 221,800                     | (242,200)                      |
| Subtotal - Town Attorney          | 464,000                      | 71,794                       | 221,800                     | (242,200)                      |
| Meetings & Conferences            | 5,250                        | 5,105                        | 14,250                      | 9,000                          |
| Subtotal - Town Manager           | 5,250                        | 5,105                        | 14,250                      | 9,000                          |
| Education & Training              | 2,625                        | 4,120                        | 9,625                       | 7,000                          |
| Meetings & Conferences            | 2,100                        | 1,912                        | 5,100                       | 3,000                          |
| Contract Services                 | 52,000                       | 56,495                       | 72,000                      | 20,000                         |
| Subtotal - Finance                | 56,725                       | 62,527                       | 86,725                      | 30,000                         |
| Hardware/Software Supplies        | 19,640                       | 10,136                       | 20,890                      | 1,250                          |
| Contract Services                 | 175,000                      | 45,871                       | 200,000                     | 25,000                         |
| Subtotal - Information Technology | 194,640                      | 56,007                       | 220,890                     | 26,250                         |
| Insurance                         | 738,300                      | 797,242                      | 848,000                     | 109,700                        |
| Contract Services                 | 56,000                       | 28,855                       | 68,000                      | 12,000                         |
| Subtotal - General Government     | 794,300                      | 826,097                      | 916,000                     | 121,700                        |
| Building Maintenance              | 65,500                       | 24,287                       | 48,600                      | (16,900)                       |
| Leased Equipment                  | 76,000                       | 20,396                       | 49,000                      | (27,000)                       |
| Subtotal - Facilities             | 141,500                      | 44,683                       | 97,600                      | (43,900)                       |
| Click it or Ticket Expenditures   | 15,000                       | -                            | -                           | (15,000)                       |
| Subtotal - Police                 | 15,000                       | -                            | -                           | (15,000)                       |
| Graffiti Removal & Supplies       | 55,000                       | 17,191                       | 34,400                      | (20,600)                       |
| Subtotal - Code                   | 55,000                       | 17,191                       | 34,400                      | (20,600)                       |
| Building and Safety Contractor    | 187,500                      | 128,528                      | 206,900                     | 19,400                         |
| Subtotal - Building & Safety      | 187,500                      | 128,528                      | 206,900                     | 19,400                         |
| Contract Services                 | 86,500                       | 7,500                        | 30,000                      | (56,500)                       |
| Subtotal - Planning               | 86,500                       | 7,500                        | 30,000                      | (56,500)                       |
| <b>General Fund Totals</b>        | <b>2,013,540</b>             | <b>1,225,599</b>             | <b>1,852,690</b>            | <b>(160,850)</b>               |

**TOWN OF APPLE VALLEY, CALIFORNIA  
BUDGET COMPARISON  
BY FUND/BY DEPARTMENT**

| <u>Fund/Department</u>                        | <u>FY 09-10<br/>Actual<br/>Expenditures</u> | <u>FY 10-11<br/>Actual<br/>Expenditures</u> | <u>FY 11-12<br/>Actual<br/>Expenditures</u> | <u>FY 12-13<br/>Amended<br/>Budget</u> |
|---|---|---|---|--|
| <b><u>General Fund (1001)</u></b>             |   |   |   |  |
| Non-Departmental                              | (480,350)                                   | 1,187,961                                   | -   | -                                      |
| Town Council                                  | 139,948                                     | 140,315                                     | 201,183                                     | 184,715                                |
| Town Attorney                                 | 201,406                                     | 480,734                                     | 586,580                                     | 464,000                                |
| Town Manager                                  | 337,948                                     | 216,684                                     | 626,958                                     | 438,696                                |
| Finance                                       | 300,624                                     | 107,429                                     | 1,077,791                                   | 1,007,851                              |
| Town Clerk                                    | 257,966                                     | 214,863                                     | 352,668                                     | 388,565                                |
| Public Information                            | 212,292                                     | 160,416                                     | 368,162                                     | 431,199                                |
| Human Resources                               | 220,485                                     | 184,277                                     | 458,428                                     | 340,900                                |
| Information Technology                        | 223,873                                     | 183,536                                     | 638,607                                     | 480,034                                |
| General Government                            | 356,774                                     | 293,558                                     | 1,982,270                                   | 1,464,712                              |
| Public Facilities                             | 1,344,506                                   | 1,423,224                                   | 1,504,729                                   | 2,390,910                              |
| Police  | 10,034,158                                  | 10,589,317                                  | 10,961,407                                  | 11,160,976                             |
| Emergency Preparedness                        | 88,445                                      | 87,601                                      | 72,245                                      | 25,275                                 |
| Animal Control                                | 640,063                                     | 711,838                                     | 739,573                                     | 724,436                                |
| Animal Shelter                                | 836,099                                     | 850,753                                     | 863,885                                     | 989,691                                |
| Butler II 2007                                | (1,625)                                     | -   | -   | -                                      |
| Public Services - Admin                       | 145,149                                     | 49,367                                      | 470,658                                     | 460,628                                |
| Code Enforcement                              | 1,141,401                                   | 1,032,233                                   | 1,024,428                                   | 916,320                                |
| Building & Safety                             | 245,082                                     | 262,639                                     | 252,632                                     | 188,465                                |
| Economic Development                          | -   | -   | 145   | 78,834                                 |
| Engineering                                   | 320,959                                     | 329,710                                     | 336,051                                     | 350,600                                |
| Planning                                      | 1,169,471                                   | 966,009                                     | 743,198                                     | 727,203                                |
| Street Lighting                               | -   | 6,217                                       | -   | -                                      |
| <b>Subtotal Fund 1001</b>                     | <b>17,734,674</b>                           | <b>19,478,681</b>                           | <b>23,261,598</b>                           | <b>23,214,010</b>                      |
| <b><u>Parks &amp; Recreation (2510)</u></b>   |   |   |   |  |
| Non-Departmental                              | 31,401                                      | 29,919                                      | 18,365                                      | -                                      |
| Parks   | 1,938,874                                   | 1,990,749                                   | 1,920,648                                   | 1,513,279                              |
| Facilities                                    | 271,077                                     | 251,206                                     | 244,548                                     | 238,412                                |
| Adult Sports                                  | 55,388                                      | 54,793                                      | 52,289                                      | 59,502                                 |
| Aquatic Program                               | 528,189                                     | 530,540                                     | 475,079                                     | 449,980                                |
| ASAP  | 193,359                                     | 187,891                                     | 173,487                                     | 177,415                                |
| CAVE  | 17,136                                      | 16,612                                      | 65  | -                                      |
| Day Camp                                      | 60,453                                      | 51,265                                      | 52,107                                      | 49,177                                 |
| Instructor Classes                            | 166,280                                     | 146,384                                     | 150,752                                     | 159,950                                |
| PIO Events                                    | 196,972                                     | 215,055                                     | 206,247                                     | 177,738                                |
| Recreation                                    | 137,892                                     | 78,011                                      | 156,070                                     | 124,815                                |
| Recreation Department Events                  | 88,611                                      | 85,736                                      | 88,862                                      | 88,567                                 |
| Rentals                                       | 74,366                                      | 80,728                                      | 84,323                                      | 96,392                                 |
| Skate Park Facilities                         | 7,583                                       | 248,532                                     | 1,059                                       | 5,000                                  |
| User Groups                                   | 46,914                                      | 48,318                                      | 34,902                                      | 31,339                                 |
| Youth Sports                                  | 91,305                                      | 94,488                                      | 102,525                                     | 108,382                                |
| <b>Subtotal Fund 2510</b>                     | <b>3,905,800</b>                            | <b>4,110,227</b>                            | <b>3,761,328</b>                            | <b>3,279,948</b>                       |
| <b><u>Redevelopment Agency:</u></b>           |   |   |   |  |
| RDA PA#1 Low/Mod (2710)                       | 37,132                                      | 104,659                                     | 146,042                                     | -                                      |
| RDA PA#2 Low/Mod (2720)                       | 426,948                                     | 401,084                                     | 243,471                                     | -                                      |
| VVEDA Redev Oblig Ret Fund PA#1 (2725)        | -   | -   | 914,633                                     | 1,867,580                              |
| Redev Oblig Ret Fund PA#2 (2730)              | -   | -   | 2,532,360                                   | 16,754,975                             |
| RDA PA#1 80% (3010)                           | 3,917,238                                   | 2,476,223                                   | 369,936                                     | -                                      |
| RDA PA#2 80% (3020)                           | 13,111,829                                  | 9,292,808                                   | 749,583                                     | -                                      |
| RDA PA#1 Capital Projects (4010)              | (172)                                       | 102,928                                     | 413,207                                     | -                                      |
| RDA PA#2 Capital Projects (4020)              | 11,755                                      | 257,431                                     | 1,356,387                                   | -                                      |
| <b>Subtotal Redevelopment Agency</b>          | <b>17,467,598</b>                           | <b>12,530,474</b>                           | <b>6,579,577</b>                            | <b>18,622,555</b>                      |
| <b><u>Apple Valley Golf Course (5710)</u></b> |   |   |   |  |

**TOWN OF APPLE VALLEY, CALIFORNIA  
BUDGET COMPARISON  
BY FUND/BY DEPARTMENT**

| <u>Fund/Department</u>    | <u>FY 09-10<br/>Actual<br/>Expenditures</u> | <u>FY 10-11<br/>Actual<br/>Expenditures</u> | <u>FY 11-12<br/>Actual<br/>Expenditures</u> | <u>FY 12-13<br/>Amended<br/>Budget</u> |
|---------------------------|---|---|---|--|
| Non-Departmental          | 1,061,519                                   | (113,945)                                   | 110,926                                     | 573,500                                |
| Administration            | 273,445                                     | 139,780                                     | 144,189                                     | 500                                    |
| Food & Beverage           | 488,168                                     | 206,886                                     | 4,398                                       | -                                      |
| Cart Barn                 | 60,030                                      | 66,137                                      | 73,358                                      | -                                      |
| Grounds                   | 848,340                                     | 882,492                                     | 763,321                                     | 418,100                                |
| Facilities                | 206,973                                     | 218,318                                     | 246,535                                     | 111,100                                |
| Parking Lot               | -   | -   | 465   | -                                      |
| Pro Shop                  | 151,098                                     | 110,332                                     | 102,464                                     | 75,700                                 |
| Tennis Court              | 3,173                                       | 1,025                                       | 2,384                                       | -                                      |
| <b>Subtotal Fund 5710</b> | <b>3,092,746</b>                            | <b>1,511,025</b>                            | <b>1,448,040</b>                            | <b>1,178,900</b>                       |
| <b>Grand Total</b>        | <b>42,200,818</b>                           | <b>37,630,407</b>                           | <b>35,050,543</b>                           | <b>46,295,413</b>                      |

| GENERAL FUND REVENUE                       |                                     |                        |                        |                        |                        |
|--|-------------------------------------|------------------------|------------------------|------------------------|------------------------|
| Code                                       | Revenue Classification              | Actual Revenue 2009-10 | Actual Revenue 2010-11 | Actual Revenue 2011-12 | Amended Budget 2012-13 |
| LOCAL TAXES                                |                                     |                        |                        |                        |                        |
| 4020                                       | Property Tax                        | 2,189,849              | 2,049,373              | 2,172,489              | 2,300,000              |
| 4025                                       | Property Tax (Sales Tax Backfill)   | 1,189,135              | 1,382,393              | 1,267,248              | 1,409,000              |
| 4030                                       | Property Tax (VLF Backfill)         | 5,734,168              | 5,168,855              | 5,132,738              | 5,170,000              |
| 4055                                       | Sales & Use Tax                     | 3,689,967              | 3,819,221              | 4,139,105              | 4,068,000              |
| 4070                                       | VVEDA Reimbursement                 | 62,437                 | -                      | -                      | -                      |
| 4085                                       | Franchise Taxes                     | 1,565,696              | 1,727,194              | 1,720,033              | 1,700,000              |
| 4095                                       | Transient Occupancy Tax             | 9,823                  | 6,051                  | 6,670                  | 8,000                  |
| 4110                                       | Motor Vehicle In-Lieu               | 197,306                | 318,318                | 34,778                 | -                      |
| 4134                                       | Tax increment/Pass through          | 109,355                | 40,152                 | 132,576                | -                      |
| 4142                                       | Business License Fees               | 185,438                | 179,195                | 168,488                | 180,000                |
| 4144                                       | CSA 17                              | -                      | 1,630,304              | -                      | -                      |
| 4176                                       | Property Transfer Tax               | 164,574                | 141,983                | 150,085                | 140,000                |
| Subtotal - Local Taxes                     |                                     | 15,097,748             | 16,463,039             | 14,924,210             | 14,975,000             |
| FINES & FEES & PUBLIC SAFETY CONTRIBUTIONS |                                     |                        |                        |                        |                        |
| 4355                                       | Police Fines & Forfeitures          | 134,562                | 127,488                | 91,423                 | 120,000                |
| 4360                                       | False Alarms                        | -                      | 100                    | -                      | -                      |
| 4365                                       | Police Reports & Charges            | -                      | -                      | 2,197                  | 5,000                  |
| 4377                                       | Tow Release                         | 119,485                | 101,800                | 81,200                 | 75,000                 |
| 6925                                       | OTS Sobriety Check Point            | -                      | -                      | 63,920                 | 50,000                 |
| 6927                                       | Police Grants                       | 264,043                | 134,902                | 119,817                | 190,000                |
| Subtotal - Fines & Fees                    |                                     | 518,090                | 364,290                | 358,557                | 440,000                |
| PUBLIC SERVICES                            |                                     |                        |                        |                        |                        |
| 4145                                       | Debris Recycling                    | 2,500                  | 1,500                  | -                      | 1,000                  |
| 4160                                       | Microfilming                        | 4,634                  | 4,162                  | 4,731                  | 5,000                  |
| 4410                                       | Animal Control Citation Fines       | 23,987                 | 20,851                 | 28,834                 | 20,000                 |
| 4420                                       | Animal Control Permits              | 2,550                  | 2,175                  | 3,206                  | 3,000                  |
| 4430                                       | Animal Licenses                     | 268,686                | 264,369                | 275,261                | 260,000                |
| 4435                                       | Animal Services Sheltering Contract | -                      | -                      | -                      | 221,460                |
| 4440                                       | Field P/U Apprehension              | 9,943                  | 9,001                  | 10,724                 | 10,000                 |
| 4450                                       | Field P/U Release                   | 7,162                  | 7,304                  | 5,750                  | 6,000                  |
| 4460                                       | Impound Boarding Fees               | 22,079                 | 21,075                 | 23,553                 | 20,000                 |
| 4465                                       | Lien Fees                           | 2,136                  | 701                    | 779                    | 1,000                  |
| 4470                                       | Miscellaneous AC                    | 20,816                 | 17,358                 | 16,125                 | 22,000                 |
| 4480                                       | Owner Turn in @ Shelter             | 13,432                 | 18,090                 | 18,118                 | 15,000                 |
| 4490                                       | Pet Adoptions                       | 56,600                 | 81,089                 | 80,816                 | 70,000                 |
| 4500                                       | Quarantine Fees                     | 1,150                  | 1,595                  | 2,000                  | 1,500                  |
| 4510                                       | Rabies Vaccination                  | 3,852                  | 8,456                  | 8,253                  | 14,000                 |
| 4517                                       | Shelter Cap Imp County Payments     | -                      | -                      | -                      | 35,000                 |
| 4520                                       | Shelter Donations                   | -                      | 253                    | 405                    | -                      |
| 4530                                       | Over/Short                          | 140                    | 11                     | 62                     | -                      |
| 4540                                       | Spay and Neuter Deposit             | 2,540                  | 4,065                  | 3,594                  | 2,500                  |
| 4550                                       | State Mandated Fees AC              | 7,705                  | 6,590                  | 6,943                  | 6,000                  |
| 5580                                       | Short/Over Recreation               | 146                    | -                      | 95                     | -                      |
| 6050                                       | Code Enforcement Fines              | 586,629                | 639,250                | 370,186                | 300,000                |
| 6070                                       | Property Maint Inspections          | 113,981                | 107,989                | 99,372                 | 120,000                |
| 6168                                       | Right-of-Way Permits                | 39,799                 | 53,300                 | 42,115                 | 40,000                 |
| Total - Public Services                    |                                     | 1,190,467              | 1,269,184              | 1,000,922              | 1,173,460              |
| Building & Safety                          |                                     |                        |                        |                        |                        |
| 6108                                       | Building Permits                    | 197,880                | 220,864                | 165,677                | 300,000                |
| 6114                                       | CSA                                 | -                      | 1,550                  | 2,995                  | -                      |
| 6120                                       | Electrical                          | 27,159                 | 30,558                 | 46,400                 | 30,000                 |
| 6130                                       | Grading                             | 2,970                  | 4,150                  | 1,807                  | 2,500                  |
| 6134                                       | Inspections (Other)                 | 10,528                 | 9,372                  | 10,396                 | 10,000                 |
| 6148                                       | Mechanical                          | 28,183                 | 26,708                 | 22,853                 | 25,000                 |
| 6152                                       | Misc Revenue - Building & Safety    | 2,690                  | 3,453                  | 6,019                  | 3,500                  |
| 6158                                       | Plan Check                          | 86,466                 | 80,009                 | 113,599                | 95,000                 |
| 6162                                       | Plumbing                            | 36,163                 | 36,852                 | 29,730                 | 30,000                 |
| 6169                                       | SB 1473                             | -                      | 372                    | (60)                   | -                      |
| 6174                                       | SMI Tax                             | 177                    | 511                    | (308)                  | -                      |
| Total - Building & Safety                  |                                     | 392,216                | 414,399                | 399,108                | 496,000                |



| GENERAL FUND REVENUE |  |                        |                        |                        |                        |
|----------------------|--|------------------------|------------------------|------------------------|------------------------|
| Code                 | Revenue Classification                   | Actual Revenue 2009-10 | Actual Revenue 2010-11 | Actual Revenue 2011-12 | Amended Budget 2012-13 |
| 6104                 | Planning & Zoning                        |                        |                        |                        |                        |
|                      | Appeals                                  | 224                    | 468                    | 224                    | 500                    |
| 6110                 | Certificate of Compliance                | 1,733                  | 2,346                  | 1,564                  | 1,500                  |
| 6112                 | Copies and Reproduction                  | 3,558                  | 4,847                  | 1,533                  | 3,000                  |
| 6118                 | Development Permit                       | 11,506                 | 5,942                  | 5,062                  | 12,000                 |
| 6128                 | General Plan Amendment                   | 11,436                 | 16,464                 | (1,455)                | 12,000                 |
| 6132                 | Home Occupation Permit                   | 6,875                  | 8,580                  | 5,885                  | 5,000                  |
| 6142                 | Lot Line Adjustment                      | 2,742                  | 1,960                  | 589                    | 2,000                  |
| 6144                 | Lot Merger                               | 1,168                  | 584                    | 2,336                  | 2,000                  |
| 6150                 | Minor Sub-divisions                      | 91                     | -                      | 626                    | -                      |
| 6156                 | Miscellaneous Revenue - Planning         | 8,273                  | 1,737                  | 2,129                  | 7,800                  |
| 6165                 | Open Space                               | 613                    | 21                     | 270                    | -                      |
| 6167                 | Refund Processing Fees                   | 88                     | -                      | -                      | -                      |
| 6170                 | Sign Permit                              | 3,572                  | 2,434                  | 2,162                  | 1,500                  |
| 6172                 | Site Plan Review                         | 22,348                 | 23,162                 | 30,961                 | 7,000                  |
| 6176                 | Special Events                           | 2,848                  | 1,291                  | 1,372                  | 1,000                  |
| 6178                 | Specific Plan                            | 11,700                 | -                      | -                      | -                      |
| 6180                 | Tentative Parcel Map                     | 3,801                  | -                      | 3,502                  | 3,000                  |
| 6182                 | Tentative Tract Map                      | -                      | 8,148                  | 17,857                 | 3,000                  |
| 6192                 | Use Permit                               | 37,685                 | 39,783                 | 16,661                 | 30,000                 |
| 6195                 | Variance (Deviations)                    | 3,748                  | 2,339                  | 447                    | 2,000                  |
|                      | <b>Total - Planning Fees</b>             | <b>134,009</b>         | <b>120,106</b>         | <b>91,725</b>          | <b>93,300</b>          |
|                      | Engineering                              |                        |                        |                        |                        |
| 6154                 | Miscellaneous p Engineering              | 142                    | 146                    | -                      | -                      |
| 6160                 | Plan Check                               | 22,835                 | 6,256                  | 67,057                 | 20,000                 |
| 6184                 | Transportation Impact Fees               | 233                    | -                      | -                      | -                      |
| 6188                 | Transportation Permits                   | 5,711                  | 3,022                  | 43,956                 | 10,000                 |
|                      | <b>Total - Engineering</b>               | <b>28,921</b>          | <b>9,424</b>           | <b>111,013</b>         | <b>30,000</b>          |
|                      | <b>Sub Total - Community Development</b> | <b>555,146</b>         | <b>543,929</b>         | <b>601,846</b>         | <b>619,300</b>         |
|                      | OTHER REVENUES                           |                        |                        |                        |                        |
| 4148                 | Donations                                | 10                     | -                      | -                      | -                      |
| 4165                 | Miscellaneous Penalties or Fines         | 2,150                  | 2,031                  | 1,203                  | 2,100                  |
| 4168                 | Notary Fees                              | 20                     | 40                     | 20                     | -                      |
| 4170                 | Sale of Cell Easement                    | -                      | 345,617                | 354,330                | -                      |
| 4172                 | Passport Fees                            | 16,718                 | 16,155                 | 15,618                 | 15,000                 |
| 4181                 | Refunds, Reimbursements                  | 7,796                  | 273,235                | 158,848                | 275,750                |
| 4183                 | Gain/Loss on Disposal of Fixed Asset     | -                      | -                      | -                      | 450,000                |
| 4183-7               | SCE Incentive Payments                   | -                      | -                      | 10,005                 | -                      |
| 4184                 | Short/Over                               | -                      | -                      | -                      | -                      |
| 4185                 | State Mandated Reimbursements            | 19,089                 | 30,166                 | 35,859                 | 36,000                 |
| 4255                 | Interest Earnings                        | 232,385                | 66,935                 | 15,790                 | 88,400                 |
| 4352                 | Booking Fees                             | 1,597                  | 2,372                  | 522                    | 600                    |
| 4370                 | Restitution                              | 5,467                  | 912                    | 1,597                  | 1,000                  |
| 5540                 | Sponsorship Revenue                      | 5,600                  | 5,450                  | -                      | -                      |
| 5700                 | Cell Tower & Office Space Rentals        | -                      | 1,738                  | 3,525                  | 3,500                  |
| 6690                 | Water Use Fees                           | 28,800                 | -                      | 28,796                 | 20,000                 |
| 6808                 | EMPG Grant                               | 11,498                 | 10,985                 | 18,962                 | 8,900                  |
| 6931                 | Seat Belt Compliance                     | -                      | -                      | 1,749                  | -                      |
| 6996                 | Town Store Sales                         | 1,964                  | 807                    | 1,560                  | 12,000                 |
| 6999                 | Transfer In - Street Maint. Fund 2010    | -                      | -                      | 737,364                | 761,203                |
| 6999                 | Transfer In - Parks & Rec. Fund 2510     | -                      | -                      | 346,499                | 343,300                |
| 6999                 | Transfer In - Police Grants Fund 2610    | -                      | -                      | -                      | 149,797                |
| 6999                 | Transfer In - RDA VVEDA (2725)           | -                      | -                      | 150,598                | -                      |
| 6999                 | Transfer In - RDA PA No. 2 (2730)        | -                      | -                      | 150,599                | -                      |
| 6999                 | Transfer In - RDA/VVEDA Fund 4010        | -                      | -                      | 210,837                | -                      |
| 6999                 | Transfer In - RDA PA No. 2 Fund 4010     | -                      | -                      | 210,837                | -                      |
| 6999                 | Transfer In - Wastewater Fund 5010       | -                      | -                      | 1,664,026              | 1,668,583              |
| 6999                 | Transfer In - Solid Waste Fund 5510      | -                      | -                      | 1,601,001              | 2,364,416              |
| 6999                 | Transfer In - 5510 Franchise Fee         | 480,350                | 470,510                | 483,655                | -                      |
|                      | <b>Subtotal - Other Revenues</b>         | <b>813,444</b>         | <b>1,226,953</b>       | <b>6,203,800</b>       | <b>6,200,549</b>       |
|                      | <b>TOTAL - GENERAL FUND REVENUES</b>     | <b>18,174,895</b>      | <b>19,867,395</b>      | <b>23,089,335</b>      | <b>23,408,309</b>      |

**Town of Apple Valley**  
**CALCULATION OF PROJECTED FUND BALANCES**  
for the Fiscal Year Ending June 30, 2013

| Fund Description                      | Fund Balances 07/01/12 | Estimated Revenues FY 12-13 | Amended Operating Budget FY 12-13 | Amended Capital Budget FY 12-13 | Total Amended Budget FY 12-13 | Estimated Revenues Over (Under) Adopted Budget | Transfers In     | Transfers Out    | Projected Ending Fund Balances 06/30/13 |
|---------------------------------------|------------------------|-----------------------------|-----------------------------------|---------------------------------|-------------------------------|--|------------------|------------------|---|
| <b>General Fund</b>                   | <b>17,323,241</b>      | <b>16,121,010</b>           | <b>21,168,698</b>                 | -                               | <b>21,168,698</b>             | <b>(3,047,688)</b>                             | <b>5,287,299</b> | <b>2,045,312</b> | <b>17,517,540</b>                       |
| <b>Special Revenue Funds:</b>         |                        |                             |                                   |                                 |                               |  |                  |                  |   |
| Gas Tax Fund                          | 29,751                 | 1,830,013                   | 1,166,010                         | -                               | 1,166,010                     | 664,003  | 275,394          | 761,203          | 207,945                                 |
| Article 8                             | 79,348                 | 275,394                     | -                                 | -                               | -                             | 275,394  | -                | 275,394          | 79,348                                  |
| Measure I Local                       | 60,024                 | -                           | -                                 | -                               | -                             | -  | -                | -                | -                                       |
| Measure I Local 2040                  | 2,758,798              | 1,756,325                   | -                                 | 3,349,500                       | 3,349,500                     | (1,593,175)                                    | -                | -                | 1,165,623                               |
| Measure I Regional                    | 2,728,517              | -                           | -                                 | -                               | -                             | -  | -                | -                | -                                       |
| Measure I Transit                     | 128,645                | -                           | -                                 | -                               | -                             | -  | -                | -                | -                                       |
| Prop 1B                               | 3,935                  | -                           | -                                 | -                               | -                             | -  | -                | -                | -                                       |
| Air Pollution Control                 | 86,694                 | 47,410                      | 47,320                            | -                               | 47,320                        | 90   | -                | -                | 85,784                                  |
| SANBAG Stimulus                       | (1,392)                | -                           | -                                 | -                               | -                             | -  | -                | -                | -                                       |
| CDBG Program Income                   | 3,406                  | -                           | -                                 | -                               | -                             | -  | -                | -                | -                                       |
| CDBG                                  | (63,674)               | 931,054                     | 931,054                           | -                               | 931,054                       | -  | -                | -                | (63,674)                                |
| NSP 3                                 | -                      | 1,382,226                   | 1,382,226                         | -                               | 1,382,226                     | -  | -                | -                | -                                       |
| HCD State Program                     | 23,932                 | -                           | -                                 | -                               | -                             | -  | -                | -                | -                                       |
| Apple Valley Home                     | (28,661)               | 697,773                     | 697,773                           | -                               | 697,773                       | -  | -                | -                | (28,661)                                |
| Victorville Home                      | -                      | 298,112                     | 298,112                           | -                               | 298,112                       | -  | -                | -                | -                                       |
| Call Home                             | 147,327                | 900,000                     | 900,000                           | -                               | 900,000                       | -  | -                | -                | 147,327                                 |
| Parks & Recreation                    | 5,728,164              | 2,849,736                   | 2,936,648                         | -                               | 2,936,648                     | (66,912)                                       | 445,619          | 343,300          | 5,743,571                               |
| Quimby Funds                          | 25,826                 | 10,500                      | -                                 | -                               | -                             | 10,500   | -                | 15,407           | 20,919                                  |
| Police Grants                         | 6,640                  | 295,497                     | 145,700                           | -                               | 145,700                       | 149,797  | -                | 149,797          | 6,640                                   |
| Asset Seizure                         | 22,809                 | -                           | -                                 | -                               | -                             | -  | -                | -                | 22,809                                  |
| Drug & Gang Prevention                | -                      | -                           | -                                 | -                               | -                             | -  | -                | -                | 2,957                                   |
| Assessment District LL                | 898,548                | 325,200                     | 160,250                           | -                               | 160,250                       | 164,950  | -                | -                | 1,063,498                               |
| FEMA                                  | (277,546)              | -                           | -                                 | -                               | -                             | -  | -                | -                | (277,546)                               |
| <b>Subtotal Special Revenue Funds</b> | <b>12,363,048</b>      | <b>11,599,240</b>           | <b>8,665,093</b>                  | <b>3,349,500</b>                | <b>12,014,593</b>             | <b>(415,353)</b>                               | <b>721,013</b>   | <b>1,545,101</b> | <b>8,176,540</b>                        |
| <b>Debt Service Funds:</b>            |                        |                             |                                   |                                 |                               |  |                  |                  |   |
| 1999 COPS                             | (2,794)                | -                           | 405,000                           | -                               | 405,000                       | (405,000)                                      | 405,000          | -                | (2,794)                                 |
| 2001 COPS                             | (1,679)                | -                           | 322,000                           | -                               | 322,000                       | (322,000)                                      | 322,000          | -                | (1,679)                                 |
| 2007 Town Hall                        | -                      | -                           | 888,100                           | -                               | 888,100                       | (888,100)                                      | 888,100          | -                | -                                       |
| <b>Subtotal Debt Service Funds</b>    | <b>(4,473)</b>         | <b>-</b>                    | <b>1,615,100</b>                  | <b>-</b>                        | <b>1,615,100</b>              | <b>(1,615,100)</b>                             | <b>1,615,100</b> | <b>-</b>         | <b>(4,473)</b>                          |

9-16



**Town of Apple Valley**  
**CALCULATION OF PROJECTED FUND BALANCES**  
for the Fiscal Year Ending June 30, 2013

| Fund Description                       | Fund Balances 07/01/12 | Estimated Revenues FY 12-13 | Amended Operating Budget FY 12-13 | Amended Capital Budget FY 12-13 | Total Amended Budget FY 12-13 | Estimated Revenues Over (Under) Adopted Budget | Transfers In      | Transfers Out     | Projected Ending Fund Balances 06/30/13 |
|--|------------------------|-----------------------------|-----------------------------------|---------------------------------|-------------------------------|--|-------------------|-------------------|---|
|  |                        |                             |                                   |                                 |                               |  |                   |                   |   |
| <b>Capital Improvement Funds:</b>      |                        |                             |                                   |                                 |                               |  |                   |                   |   |
| NAVISP                                 | 1,637,170              | 4,000                       | -                                 | -                               | -                             | 4,000  | -                 | -                 | 1,641,170                               |
| Government Facilities                  | (75,605)               | -                           | -                                 | -                               | -                             | -  | -                 | -                 | (75,605)                                |
| Capital Improvement TIF Fund           | 9,299,815              | 725,000                     | -                                 | 13,926,000                      | 13,926,000                    | (13,201,000)                                   | 12,400,000        | -                 | 8,498,815                               |
| Animal Control Facilities              | 98,874                 | 1,750                       | -                                 | -                               | -                             | 1,750  | -                 | -                 | 100,624                                 |
| Law Enforcement Facilities             | 17,654                 | 12,100                      | -                                 | -                               | -                             | 12,100   | -                 | -                 | 29,754                                  |
| General Government Facilities          | 32,540                 | 30,000                      | -                                 | -                               | -                             | 30,000   | -                 | -                 | 62,540                                  |
| Public Meeting Facilities              | 69,992                 | 5,010                       | -                                 | -                               | -                             | 5,010  | -                 | -                 | 75,002                                  |
| Aquatic Facilities                     | 45,314                 | 3,040                       | -                                 | -                               | -                             | 3,040  | -                 | -                 | 48,354                                  |
| Storm Drains                           | 969,012                | 25,500                      | -                                 | 400,000                         | 400,000                       | (374,500)                                      | -                 | -                 | 594,512                                 |
| Sanitary Sewer Facilities              | 937,505                | 3,300                       | -                                 | -                               | -                             | 3,300  | -                 | -                 | 940,805                                 |
| Project Manager Grants                 | (468,461)              | 2,322,727                   | 2,820,727                         | -                               | 2,820,727                     | (488,000)                                      | -                 | -                 | (956,461)                               |
| <b>Subtotal Capital Projects Funds</b> | <b>12,563,810</b>      | <b>3,142,427</b>            | <b>2,820,727</b>                  | <b>14,326,000</b>               | <b>17,146,727</b>             | <b>(14,004,300)</b>                            | <b>12,400,000</b> | <b>-</b>          | <b>10,959,510</b>                       |
| <b>Total Governmental Funds</b>        | <b>42,245,626</b>      | <b>32,862,677</b>           | <b>34,269,618</b>                 | <b>17,675,500</b>               | <b>51,945,118</b>             | <b>(19,082,441)</b>                            | <b>20,023,412</b> | <b>3,590,413</b>  | <b>36,649,117</b>                       |
| <b>Enterprise Funds:</b>               |                        |                             |                                   |                                 |                               |  |                   |                   |   |
| Wastewater                             | 5,691,811              | 4,293,500                   | 3,937,823                         | 3,023,570                       | 6,961,393                     | (2,667,893)                                    | -                 | 1,668,583         | 1,355,335                               |
| Solid Waste                            | 4,108,224              | 10,921,500                  | 8,259,638                         | -                               | 8,259,638                     | 2,661,862                                      | -                 | 2,364,416         | 4,405,670                               |
| Apple Valley Golf Course               | (2,578,591)            | 861,600                     | 1,178,900                         | -                               | 1,178,900                     | (317,300)                                      | -                 | -                 | (2,895,891)                             |
| <b>Total Enterprise Funds</b>          | <b>7,221,444</b>       | <b>16,076,600</b>           | <b>13,376,361</b>                 | <b>3,023,570</b>                | <b>16,399,931</b>             | <b>(323,331)</b>                               | <b>-</b>          | <b>4,032,999</b>  | <b>2,865,114</b>                        |
| <b>Redevelopment Agency</b>            |                        |                             |                                   |                                 |                               |  |                   |                   |   |
| WVEDA Successor Agency Fund            | (1,048,829)            | 1,867,580                   | 1,867,580                         | -                               | 1,867,580                     | -  | -                 | -                 | (1,048,829)                             |
| AV RDA Successor Agency Fund           | 15,268,185             | 4,354,975                   | 4,354,975                         | -                               | 4,354,975                     | -  | -                 | 12,400,000        | 2,868,185                               |
| WVEDA Debt Service (80%)               | -                      | -                           | -                                 | -                               | -                             | -  | -                 | -                 | -                                       |
| PA#2 Debt Service (80%)                | -                      | -                           | -                                 | -                               | -                             | -  | -                 | -                 | -                                       |
| WVEDA Low/Mod (20%)                    | 7,287,883              | -                           | -                                 | -                               | -                             | -  | -                 | -                 | 7,287,883                               |
| PA#2 Low/Mod (20%)                     | 9,516,341              | -                           | -                                 | -                               | -                             | -  | -                 | -                 | 9,516,341                               |
| WVEDA - Capital Projects               | -                      | -                           | -                                 | -                               | -                             | -  | -                 | -                 | -                                       |
| PA#2 - Capital Projects                | -                      | -                           | -                                 | -                               | -                             | -  | -                 | -                 | -                                       |
| <b>GRAND TOTAL</b>                     | <b>80,490,650</b>      | <b>55,161,832</b>           | <b>53,868,534</b>                 | <b>20,699,070</b>               | <b>74,567,604</b>             | <b>(19,405,772)</b>                            | <b>20,023,412</b> | <b>20,023,412</b> | <b>58,137,811</b>                       |

9-17