



# TOWN OF APPLE VALLEY

## TOWN COUNCIL STAFF REPORT

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**To:** Honorable Mayor and Town Council      **Date:** July 8, 2014  
**From:** Marc Puckett, Assistant Town Manager      **Item No:** 4  
**Subject:** TREASURER'S REPORT – MAY 2014 AND SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE FOR THE PARKS AND RECREATION FUND AND THE APPLE VALLEY GOLF COURSE FUND

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

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### RECOMMENDED ACTION:

That Town Council receive and file the May 2014 Treasurer's Report

### SUMMARY:

The May 2014 Treasurer's Report is attached for Town Council review. The attached investment portfolio for the fiscal year-to-date period ended May 31 is presented to Town Council for Council's review. 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 period ended May 31, 2014. This investment performance report lists the various types of securities, institutions the securities were purchased from, maturity dates and interest rates for all securities held in the Town's investment portfolio as of the end of the reporting period. All of the Town's investments as of May 31, 2014, are in compliance with the Investment Policy adopted by Council on June 11, 2013 and the California Government Code except as otherwise may be noted or disclosed herein. All market values provided in this report were obtained from the various financial institutions associated with the various accounts. Market values for LAIF were provided by the State Treasurer's Office. The market value shown for the Town's LAIF investment represents the Town's contractual rights to its LAIF account and does not represent the value of the underlying portfolio securities. As of May 31, 2014, 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 2014.

### **FISCAL IMPACT:**

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



Town of Apple Valley  
Treasurer's Report  
As of May 31, 2014

Institution/Investment Type	Carrying Amount	Market Value	Interest Rate Yield	Maturity Date	Quarterly Comparisons of Carrying Amounts				
					Feb-14	Nov-13	Aug-13	May-13	
Funds under control of Town:									
Checking Account	\$ 684,722.00	\$ 684,722.00	None	On Demand	\$ 3,345,395.27	\$ 3,442,424.92	\$ 2,117,633.21	\$ 295,140.59	
Public Money Market Account	\$ 205,734.76	\$ 205,734.76	0.30%		\$ 205,579.27	\$ 205,427.27	\$ 205,273.70	\$ 205,118.56	
Apple Valley Golf Course Deposit Account	\$ 77,721.70	\$ 77,721.70	None	On Demand	\$ 50,538.70	\$ 64,519.56	\$ 75,409.26	\$ 73,729.65	
Apple Valley Golf Course A/P Account	\$ 383.79	\$ 383.79	None	On Demand	\$ 383.79	\$ 383.79	\$ 383.79	\$ 383.79	
Petty Cash	\$ 5,550.00	\$ 5,550.00	N/A	On Demand	\$ 5,550.00	\$ 5,250.00	\$ 5,250.00	\$ 6,850.00	
Public Desert Gold Account	\$ 4,280,704.77	\$ 4,280,704.77	0.35%		\$ 4,276,930.60	\$ 4,273,241.69	\$ 4,269,515.03	\$ 4,265,765.73	
AV Redevelopment Obligation Retirement Fd.	\$ 1,493,462.23	\$ 1,493,462.23	0.30%	On Demand	\$ 1,492,333.49	\$ 7,062.71	\$ 2,436,278.74	\$ 2,434,437.43	
Union Bank Money Market	\$ 1,350,157.96	\$ 1,350,157.96	2.00%		\$ 1,350,125.77	\$ 1,350,090.99	\$ 1,350,056.96	\$ 1,350,000.00	
Gov Obligations FHLMC 3134G4V54	\$ 2,000,000.00	\$ 2,005,560.00	1.87%	2/27/2019	\$ 2,000,000.00	\$ -	\$ -	\$ -	
Gov Obligations FHLMC 3134G53V5	\$ 1,000,000.00	\$ 1,002,910.00	2.05%	5/22/2019	\$ -	\$ -	\$ -	\$ -	
Gov Obligations FHLB 3130A1G36	\$ 1,000,000.00	\$ 1,002,270.00	1.50%	7/17/2014	\$ -	\$ -	\$ -	\$ -	
State of Calif., Local Agency Investment Fund Percent of total portfolio: 35%	\$ 20,268,001.19	\$ 20,274,428.54	0.23%	On Demand	\$ 20,256,487.08	\$ 20,242,779.27	\$ 29,723,552.90	\$ 29,705,515.81	
Total funds under control of Town	\$ 32,366,438.40	\$ 32,383,605.75			\$ 32,983,323.97	\$ 29,591,180.20	\$ 40,183,353.59	\$ 38,336,941.56	
Funds controlled by Fiscal Agent:									
US Bank	\$ 25,204,481.50	\$ 25,204,481.50	0.00%	On Demand	\$ 23,228,130.65	\$ 24,094,617.28	\$ 24,969,573.68	\$ 25,180,844.47	
Total Fiscal Agent funds	\$ 25,204,481.50	\$ 25,204,481.50			\$ 23,228,130.65	\$ 24,094,617.28	\$ 24,969,573.68	\$ 25,180,844.47	
Grand Total	\$ 57,570,919.90	\$ 57,588,087.25			\$ 56,211,454.62	\$ 53,685,797.48	\$ 65,152,927.27	\$ 63,517,786.03	

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) First Empire Securities Inc.
- 6) Mutual Securities, Inc.

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: Kofi Antobam, Assistant Director of Finance

Marc Puckett, Asst. Town Manager, Finance & Administration/Treasurer

Town of Apple Valley  
**Parks & Recreation Fund**  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 For the Month Ended May 31, 2014

	Budget	Current Month	Fiscal Year-to-date	Prior Fiscal Year-to-date
<b>Revenue - General</b>				
Property Taxes	\$ 2,000,000	\$ 69,547	\$ 1,460,640	\$ 1,384,216
Cell Tower Rents	60,000	5,866	68,730	59,198
Other - General	49,750	1,174	4,566	4,981
<b>Total Revenue - General</b>	<b>2,109,750</b>	<b>76,587</b>	<b>1,533,935</b>	<b>1,448,395</b>
<b>Expenditures - General</b>				
Interest Expense	12,000	-	7,221	11,566
<b>Total Expenditures - General</b>	<b>12,000</b>	<b>-</b>	<b>7,221</b>	<b>11,566</b>
<b>General Revenue Over (Under) Expenditures</b>	<b>2,097,750</b>	<b>76,587</b>	<b>1,526,714</b>	<b>1,436,828</b>
<b>Recreation:</b>				
Revenues <sup>1</sup>	873,506	102,033	834,922	850,866
Expenditures <sup>1</sup>	1,576,890	101,868	1,200,172	1,269,002
<b>Recreation Rev. Over (Under) Expenditures</b>	<b>(703,384)</b>	<b>164</b>	<b>(365,250)</b>	<b>(418,136)</b>
<b>Parks:</b>				
Parks Grounds Expenditures	1,698,650	129,712	1,430,454	1,288,379
Facilities Maintenance Expenditures	247,804	16,980	222,326	221,919
<b>Total Parks Expenditures</b>	<b>(1,946,454)</b>	<b>(146,692)</b>	<b>(1,652,781)</b>	<b>(1,510,298)</b>
<b>Other Revenue (Expenditure) Items</b>				
Transfer(s) (to) From Other Funds	545,885	-	-	430,212
<b>Net change in Fund Balance</b>	<b>\$ (6,203)</b>	<b>\$ (69,941)</b>	<b>(491,317)</b>	<b>(61,394)</b>
<b>Fund Balance - beginning</b>	<b>(6,162,464)</b>		<b>(6,162,464)</b>	<b>(5,728,164)</b>
<b>Fund Balance - ending</b>	<b>\$ (6,168,667)</b>		<b>\$ (6,653,781)</b>	<b>\$ (5,789,557)</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	37,170	4,055	23,059	23,648
Adult Sports - Expenditures	54,323	3,258	35,607	40,099
<b>Total - Adult Sports</b>	<b>(17,153)</b>	<b>797</b>	<b>(12,548)</b>	<b>(16,451)</b>
Aquatic Complex - Revenue	250,053	45,169	210,286	210,147
Aquatic Complex - Expenditures	452,298	33,769	380,164	374,297
<b>Total - Aquatic Complex</b>	<b>(202,245)</b>	<b>11,401</b>	<b>(169,878)</b>	<b>(164,151)</b>
ASAP - Revenue	182,880	14,107	202,057	216,533
ASAP - Expenditures	200,560	15,865	151,912	174,658
<b>Total - ASAP</b>	<b>(17,680)</b>	<b>(1,758)</b>	<b>50,145</b>	<b>41,875</b>
CAVE - Revenue	-	-	-	-
CAVE - Expenditures	-	-	-	-
<b>Total - CAVE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Day Camp - Revenue	34,532	8,421	23,854	25,817
Day Camp - Expenditures	51,854	1,659	37,488	36,355
<b>Total - Day Camp</b>	<b>(17,322)</b>	<b>6,761</b>	<b>(13,634)</b>	<b>(10,538)</b>
Instructor Classes - Revenue	136,135	12,675	110,641	116,845
Instructor Classes - Expenditures	167,191	11,350	120,799	133,696
<b>Total - Instructor Classes</b>	<b>(31,056)</b>	<b>1,325</b>	<b>(10,158)</b>	<b>(16,851)</b>
PIO Events - Revenue	14,500	2,540	13,755	9,392
PIO Events - Expenditures	180,356	6,862	114,173	140,340
<b>Total - PIO Events</b>	<b>(165,856)</b>	<b>(4,322)</b>	<b>(100,418)</b>	<b>(130,948)</b>
Recreation - Revenue	13,420	433	11,547	13,016
Recreation - Expenditures	224,970	13,300	174,680	169,513
<b>Total - Recreation</b>	<b>(211,550)</b>	<b>(12,867)</b>	<b>(163,133)</b>	<b>(156,497)</b>
Rentals - Revenue	124,000	4,088	158,739	170,714
Rentals - Expenditures	99,238	6,022	69,966	82,986
<b>Total - Rentals</b>	<b>24,762</b>	<b>(1,933)</b>	<b>88,773</b>	<b>87,728</b>

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Programs:	Budget	Current Month	Fiscal Year-to-date	Prior Fiscal Year-to-date
Skate Park - Revenue	-	-	-	-
Skate Park - Expenditures	5,000	-	-	860
<b>Total - Skate Park</b>	<b>(5,000)</b>	<b>-</b>	<b>-</b>	<b>(860)</b>
User Groups - Revenue	27,000	-	32,354	17,236
User Groups - Expenditures	32,440	3,044	27,596	28,138
<b>Total - User Groups</b>	<b>(5,440)</b>	<b>(3,044)</b>	<b>4,758</b>	<b>(10,903)</b>
Youth Sports - Revenue	53,816	10,544	48,630	47,520
Youth Sports - Expenditures	108,660	6,740	87,786	88,060
<b>Total - Youth Sports</b>	<b>(54,844)</b>	<b>3,805</b>	<b>(39,156)</b>	<b>(40,541)</b>
<b>Total Revenue</b>	<b>873,506</b>	<b>102,033</b>	<b>834,922</b>	<b>850,866</b>
<b>Total Expenditures</b>	<b>1,576,890</b>	<b>101,868</b>	<b>1,200,172</b>	<b>1,269,002</b>
<b>Net - ALL</b>	<b>(703,384)</b>	<b>164</b>	<b>(365,250)</b>	<b>(418,136)</b>

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	Current Year Budget	Current Month	Year-to-date	Last Year-to- date
Parks:				
Brewster	284,156	35,614	226,959	226,186
Civic Center Park	238,858	6,153	208,450	187,493
Corwin Park	42,248	5,929	36,915	34,097
Grounds Operations	518,904	42,174	438,718	408,593
Horsemen's Center	61,705	4,954	56,718	51,494
James Woody Park	296,888	21,641	262,055	176,429
Lion's Park	21,271	640	18,348	17,262
Mendel	28,950	1,210	23,785	25,812
Mt. Vista	3,475	26	256	3,691
Schmidt	37,624	993	27,938	24,440
Sycamore Rocks	35,349	5,253	25,355	24,203
3 Diamond Skate	4,887	290	3,506	3,365
Thunderbird	53,989	1,141	49,225	47,965
Virginia	46,355	679	32,873	32,990
Yucca Loma	23,991	3,014	19,355	24,359
	<u>1,698,650</u>	<u>129,712</u>	<u>1,430,454</u>	<u>1,288,379</u>

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	Current Year Budget	Current Month	Year-to-date	Last Year-to- date
Facilities:				
Facilities Operations	27,476	2,473	25,231	25,549
Brewster Facilities	6,240	434	6,265	5,916
Amphitheater Facilities	1,255	-	1,168	418
Corwin Facilities	4,506	905	4,510	4,298
Ferrarese Facilities	-	-	-	21
Horsemen's Facilities	5,220	367	4,939	5,040
James Woody Auditorium	99,878	6,517	87,566	89,981
James Woody Gym	87,598	5,387	78,668	78,312
James Woody Pal Center	2,411	190	2,311	2,025
James Woody Restroom	13,220	707	11,668	10,360
	<u>247,804</u>	<u>16,980</u>	<u>222,326</u>	<u>221,919</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, 2014

	Budget	Current Month	Fiscal Year-to-date	Prior Fiscal Year-to-date
<b>Revenue</b>				
Green Fees	\$ 821,100	\$ 59,805	\$ 596,070	\$ 499,456
Food & Beverage Sales	6,500	-	-	-
Interest	-	-	-	-
Other	34,000	(157)	1,238	36,226
<b>Total Revenue</b>	<b>861,600</b>	<b>59,647</b>	<b>597,308</b>	<b>535,681</b>
<b>Operating Expenditures</b>				
Non-departmental	248,315	7,430	90,445	85,889
Golf Club Administration	91,850	12,410	131,023	113,490
Food & Beverage Operations	7,250	(3,218)	7,510	7,106
Cart Barn	70,650	7,626	91,105	60,075
Golf Course Grounds <sup>1</sup>	552,650	47,998	406,088	524,874
Golf Course Facilities	205,277	6,889	76,488	181,884
Pro Shop	84,400	7,556	50,662	67,593
Tennis Court	100	128	1,189	420
<b>Total Operating Expenditures</b>	<b>1,260,492</b>	<b>86,818</b>	<b>854,510</b>	<b>1,041,332</b>
<b>Income (Loss) from Operations</b>	<b>(398,892)</b>	<b>(27,170)</b>	<b>(257,201)</b>	<b>(505,650)</b>
<b>Other Revenue (Expenditure) Items</b>				
Interest Expense	-	-	(3,570)	(5,561)
Transfer(s) (to) From Other Funds	333,892	-	-	-
<b>Net change in Fund Balance</b>	<b>(65,000)</b>	<b>(27,170)</b>	<b>(260,772)</b>	<b>(511,211)</b>
<b>Fund Balance - beginning</b>	<b>(1,709,131)</b>		<b>(1,709,131)</b>	<b>(1,072,596)</b>
<b>Fund Balance - ending</b>	<b>\$ (1,774,131)</b>		<b>\$ (1,969,903)</b>	<b>\$ (1,583,807)</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, 2014

	Budget	Current Month	Fiscal Year-to-date	Prior Fiscal Year-to-date
<b>Golf Course Grounds</b>				
Water	86,300	20,217	110,854	96,445
Other Utilities	15,350	4,678	39,117	38,344
Range Supplies	174,450	-	3,504	1,740
Building Maintenance	1,800	-	1,414	1,337
Grounds Maintenance	162,450	2,506	52,341	79,382
Contract Services (a)	33,500	14,954	157,140	253,813
Leased Equipment	24,400	702	1,404	1,460
Other	54,400	4,941	40,314	52,351
<b>Total Operating Expenditures</b>	<b>552,650</b>	<b>47,998</b>	<b>406,088</b>	<b>524,874</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.