



TOWN OF APPLE VALLEY

TOWN COUNCIL STAFF REPORT

To: Honorable Mayor and Town Council **Date:** October 24, 2017
From: Marc Puckett, Assistant Town Manager **Item No:** 4
Subject: TREASURER'S REPORT – AUGUST 2017 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

RECOMMENDED ACTION:

That Town Council receive and file the August 2017 Treasurer's Report.

SUMMARY:

The August 2017 Treasurer's Report is attached for Town Council review. The attached investment portfolio for the fiscal year-to-date period ended August 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 (6) months of expenditures.

BACKGROUND:

Attached is the Treasurer's Report for the period ended August 31, 2017. 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 August 31, 2017, are in compliance with the Investment Policy adopted by Council on June 27, 2017 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 August 31, 2017, the Town has adequate cash reserves necessary to meet its obligations for the next six (6) 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 August 2017.

FISCAL IMPACT:

The Town's investment portfolio has adequate liquidity to meet the budgeted and actual expenditures of the Town for the next six (6) months.



Town of Apple Valley
Treasurer's Report
As of August 31, 2017

Institution/Investment Type	Carrying Amount	Market Value	Interest Rate Yield	Maturity Date	Quarterly Comparisons of Carrying Amounts				
					May-17	Feb-17	Nov-16	Aug-16	
Funds under control of Town:									
Checking Account	\$ 2,296,763.20	\$ 2,296,763.20	(1)	None	On Demand	\$ 6,305,138.60	\$ 5,490,878.99	\$ 810,345.26	\$ 707,402.76
Public Money Market Account	\$ 207,738.22	\$ 207,738.22	(4)	0.30%		\$ 207,596.21	\$ 207,439.31	\$ 207,285.94	\$ 207,130.98
Apple Valley Golf Course Deposit Account	\$ 58,634.99	\$ 58,634.99	(4)	None	On Demand	\$ 76,600.87	\$ 50,862.30	\$ 61,209.21	\$ 119,787.97
Petty Cash	\$ 5,350.00	\$ 5,350.00		N/A	On Demand	\$ 5,350.00	\$ 5,350.00	\$ 5,350.00	\$ 5,350.00
Public Desert Gold Account	\$ 4,329,695.85	\$ 4,329,695.85	(4)	0.35%		\$ 4,325,893.48	\$ 4,322,079.47	\$ 4,318,351.62	\$ 4,314,585.62
AV Redevelopment Obligation Retirement Fd.	\$ 2,846,594.87	\$ 2,846,594.87	(4)	0.30%	On Demand	\$ 1,769,232.45	\$ 1,766,896.05	\$ 2,937,961.35	\$ 2,935,765.00
Union Bank Money Market	\$ 1,359,274.54	\$ 1,359,274.54	(1)	2.00%		\$ 1,355,954.39	\$ 1,354,843.36	\$ 1,353,540.67	\$ 1,352,559.66
Wilmington Trust Bank	\$ 2,801,522.12	\$ 2,801,522.12	(7)	None	On Demand	\$ 455,869.77	\$ 250,000.00	\$ -	\$ -
M&T Bank	\$ 81,603.11	\$ 81,603.11	(8)	None	On Demand	\$ 29,516.40	\$ -	\$ -	\$ -
Enerbank USA Salt Lake City Utah CD29266NZ67	\$ 250,000.00	\$ 249,722.50	(5)	1.10%	3/29/2018	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
Synchrony BK Retail CD 87165FBT0	\$ -	\$ -	(5)	2.05%	7/11/2019	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
Barclays BK Del Retail CD 06740KHF7	\$ 250,000.00	\$ 251,455.00	(5)	2.05%	7/16/2019	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
Discover BK Greenwood Del CD 2546712N9	\$ 250,000.00	\$ 251,455.00	(5)	2.05%	7/16/2019	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
Goldman Sachs BK USA NY CD 38147JS78	\$ -	\$ -	(5)	2.05%	7/16/2019	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
Sallie Mae BK Salt Lake City CD 795450SQ9	\$ 250,000.00	\$ 251,437.50	(5)	2.10%	8/27/2019	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
Worlds Foremost BK Sydney CD 981571AS1	\$ 200,000.00	\$ 201,582.00	(5)	2.10%	8/27/2019	\$ 200,000.00	\$ 200,000.00	\$ 200,000.00	\$ 200,000.00
American Express Fed Svgs BK CD 02587CAZ3	\$ 250,000.00	\$ 251,440.00	(5)	2.10%	8/28/2019	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
Park Natl BK Newark Ohio CD 700654AT3	\$ 250,000.00	\$ 251,480.00	(5)	2.15%	9/12/2019	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
Belmont SVGS BK Mass CD 080515BD0	\$ 250,000.00	\$ 251,577.50	(5)	1.85%	10/23/2019	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
BMW BK North Amer Salt Lake City CD 05580AAZ7	\$ 250,000.00	\$ 252,605.00	(5)	2.15%	12/10/2019	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
CIT BK Salt Lake City Utah CD 17284C5K6	\$ 250,000.00	\$ 252,547.50	(5)	2.20%	12/10/2019	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
American Express Centurion BK CD 02587DWX2	\$ 250,000.00	\$ 251,932.50	(5)	2.20%	12/11/2019	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
Capital One BK USA NTNL Assn CD 140420M23	\$ 250,000.00	\$ 245,140.00	(5)	1.75%	10/26/2021	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ -
Goldman Sachs BK USA NY CD 38148PKN6	\$ 250,000.00	\$ 252,527.50	(5)	2.40%	6/7/2022	\$ -	\$ -	\$ -	\$ -
Synchrony BK Retail CD 87164XRC2	\$ 250,000.00	\$ 252,505.00	(5)	2.40%	6/9/2022	\$ -	\$ -	\$ -	\$ -
Federal Home LN Mtg Corp Med Term 3134G8SX8	\$ -	\$ -	(5)	1.25%	4/14/2021	\$ -	\$ -	\$ -	\$ 750,000.00
Cash/Fidelity Govt MMKT Capital Reserves CL	\$ -	\$ -	(6)	0.13%		\$ -	\$ -	\$ 1,638.36	\$ -
Ally BK Midvale Utah CD 02006LRD7	\$ 250,000.00	\$ 249,760.00	(6)	1.35%	5/29/2018	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
Compass BK Birmingham ALA 20451PLA2	\$ 250,000.00	\$ 249,872.50	(6)	1.30%	5/29/2018	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
State BK India Chicago ILL 856283YM2	\$ 250,000.00	\$ 249,960.00	(6)	1.60%	7/17/2019	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
Barclays BK Del CD 06740KHF7	\$ 250,000.00	\$ 251,455.00	(6)	2.05%	7/16/2019	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
Discover BK Greenwood Del CD 2546712N9	\$ 250,000.00	\$ 251,455.00	(6)	2.05%	7/16/2019	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
Goldman Sachs BK USA NY CD 38147JS78	\$ 250,000.00	\$ 251,177.50	(6)	2.05%	7/16/2019	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
American Express BK FSB Utah CD 02587CAF7	\$ 250,000.00	\$ 251,455.00	(6)	1.95%	7/17/2019	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
Synchrony BK Retail CD 87165FBX1	\$ 250,000.00	\$ 251,500.00	(6)	2.05%	7/18/2019	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
BMW BK North Amer Salt Lake City CD 05580ABS2	\$ 250,000.00	\$ 250,910.00	(6)	1.95%	5/22/2020	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
American Express Centr 02587DYH5	\$ 250,000.00	\$ 250,895.00	(6)	2.05%	5/28/2020	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
CIT BK Salt Lake City Utah CD 17284DBB7	\$ 250,000.00	\$ 251,230.00	(6)	2.00%	5/28/2020	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
Capital One BK USA Natl Assn 140420TX8	\$ 250,000.00	\$ 252,882.50	(6)	2.30%	7/29/2020	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
Capital One BK USA Natl Assn VA 14042E4Z0	\$ 250,000.00	\$ 252,882.50	(6)	2.00%	7/29/2020	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
American Express Centr 02587DB64	\$ 250,000.00	\$ 252,860.00	(6)	2.30%	9/23/2020	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
Barclays BK Del CD 06740KJQ1	\$ 250,000.00	\$ 252,907.50	(6)	2.20%	9/23/2020	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
Capital One BK USA Natl Assn 140420VX5	\$ 250,000.00	\$ 252,977.50	(6)	2.30%	9/23/2020	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
Goldman Sachs BK USA NY CD 38148JP88	\$ 250,000.00	\$ 252,920.00	(6)	2.25%	9/23/2020	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
State of Calif., Local Agency Investment Fund Percent of total portfolio: 33%	\$ 15,962,615.71	\$ 15,948,185.51	(2)	1.08%	On Demand	\$ 13,730,995.11	\$ 13,704,774.57	\$ 8,686,831.93	\$ 14,864,965.78
Total funds under control of Town	\$ 37,649,792.61	\$ 37,679,869.41				\$ 35,962,147.28	\$ 34,853,124.05	\$ 26,082,514.34	\$ 32,707,547.77
Funds controlled by Fiscal Agent:									
US Bank	\$ 10,728,427.04	\$ 10,728,427.04	(3)	0.00%	On Demand	\$ 4,889,780.36	\$ 2,701,345.92	\$ 3,603,709.25	\$ 3,225,573.90
Total Fiscal Agent funds	\$ 10,728,427.04	\$ 10,728,427.04				\$ 4,889,780.36	\$ 2,701,345.92	\$ 3,603,709.25	\$ 3,225,573.90
Grand Total	\$ 48,378,219.65	\$ 48,408,296.45				\$ 40,851,927.64	\$ 37,554,469.97	\$ 29,686,223.59	\$ 35,933,121.67

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. 7) Wilmington Trust Bank 8) M&T Bank

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 Artobam, 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 August 31, 2017

	Budget	Current Month	Fiscal Year-to-date	Prior Fiscal Year-to-date
Revenue - General				
Property Taxes	\$ 1,600,000	\$ -	\$ -	\$ -
Cell Tower Rents	80,000	11,625	7,502	21,305
Other - General	2,200	821	1,696	12,372
Total Revenue - General	1,682,200	12,446	9,198	33,677
Expenditures - General				
Interest Expense	-	-	(11,352)	(8,173)
Total Expenditures - General	-	-	(11,352)	(8,173)
General Revenue Over (Under) Expenditures	1,682,200	12,446	20,550	41,850
Recreation:				
Revenues ¹	958,115	66,576	136,534	142,889
Expenditures ¹	1,628,531	121,932	277,588	272,997
Recreation Rev. Over (Under) Expenditures	(670,416)	(55,356)	(141,054)	(130,108)
Parks:				
Parks Grounds Expenditures	1,440,112	141,171	198,655	140,548
Facilities Maintenance Expenditures	262,853	15,402	24,574	31,186
Total Parks Expenditures	(1,702,965)	(156,573)	(223,229)	(171,734)
Other Revenue (Expenditure) Items				
Transfer(s) (to) From Other Funds	691,181	-	-	-
Net change in Fund Balance	\$ -	\$ (199,483)	\$ (343,732)	\$ (259,992)
Fund Balance - beginning	(6,599,565)		(6,599,565)	(6,637,633)
Fund Balance - ending	\$ (6,599,565)		\$ (6,943,297)	\$ (6,897,625)

¹ See attached list by program

Programs:	Budget	Current Month	Fiscal Year-to-date	Prior Fiscal Year-to-date
Adult Sports - Revenue	27,787	2,102	3,507	3,223
Adult Sports - Expenditures	45,738	4,077	7,031	6,473
Total - Adult Sports	(17,951)	(1,975)	(3,524)	(3,250)
Aquatic Complex - Revenue	237,623	10,097	50,242	51,131
Aquatic Complex - Expenditures	452,937	41,384	78,006	81,871
Total - Aquatic Complex	(215,314)	(31,287)	(27,763)	(30,740)
ASAP - Revenue	280,000	24,911	28,679	27,995
ASAP - Expenditures	285,915	17,392	21,669	19,131
Total - ASAP	(5,915)	7,519	7,010	8,864
Day Camp - Revenue	38,500	263	7,563	7,860
Day Camp - Expenditures	63,058	9,219	19,927	15,448
Total - Day Camp	(24,558)	(8,956)	(12,364)	(7,588)
Instructor Classes - Revenue	139,383	12,037	18,695	23,733
Instructor Classes - Expenditures	171,235	8,700	13,244	18,082
Total - Instructor Classes	(31,852)	3,337	5,451	5,652
PIO Events - Revenue	13,500	900	5,777	4,914
PIO Events - Expenditures	164,207	10,985	80,458	74,201
Total - PIO Events	(150,707)	(10,085)	(74,682)	(69,287)
Recreation - Revenue	14,335	195	2,098	2,212
Recreation - Expenditures	222,689	15,538	30,173	29,326
Total - Recreation	(208,354)	(15,343)	(28,075)	(27,114)
Rentals - Revenue	134,000	14,108	18,052	22,368
Rentals - Expenditures	82,908	6,776	12,070	12,368
Total - Rentals	51,092	7,332	5,981	10,000
Skate Park - Revenue	-	-	-	-
Skate Park - Expenditures	5,000	-	-	-
Total - Skate Park	(5,000)	-	-	-

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Programs:	Budget	Current Month	Fiscal Year-to-date	Prior Fiscal Year-to-date
User Groups - Revenue	27,500	1,462	1,462	(3,263)
User Groups - Expenditures	<u>37,716</u>	<u>1,945</u>	<u>3,541</u>	<u>3,592</u>
Total - User Groups	<u>(10,216)</u>	<u>(483)</u>	<u>(2,079)</u>	<u>(6,856)</u>
Youth Sports - Revenue	45,487	501	461	2,716
Youth Sports - Expenditures	<u>97,128</u>	<u>5,916</u>	<u>11,468</u>	<u>12,506</u>
Total - Youth Sports	<u>(51,641)</u>	<u>(5,415)</u>	<u>(11,008)</u>	<u>(9,790)</u>
Total Revenue	958,115	66,576	136,534	142,889
Total Expenditures	<u>1,628,531</u>	<u>121,932</u>	<u>277,588</u>	<u>272,997</u>
Net - ALL	<u>(670,416)</u>	<u>(55,356)</u>	<u>(141,054)</u>	<u>(130,108)</u>

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	Current Year Budget	Current Month	Year-to-date	Last Year-to- date
Parks:				
Brewster	298,625	7,042	11,328	8,386
Civic Center Park	239,955	51,848	59,286	36,409
Corwin Park	61,709	15,130	16,966	11,119
Grounds Operations	109,050	7,777	9,335	10,200
Horsemen's Center	73,694	5,017	25,591	9,007
James Woody Park	243,153	5,456	9,110	16,772
Lion's Park	37,872	8,512	10,132	5,192
Mendel	56,266	3,158	4,899	4,952
Schmidt	81,523	2,059	3,954	6,226
Sycamore Rocks	36,681	2,688	4,650	3,200
3 Diamond Skate	5,961	379	451	670
Thunderbird	72,926	19,812	21,875	17,402
Virginia	63,159	10,318	17,455	6,780
Yucca Loma	59,538	1,975	3,624	4,233
	<u>1,440,112</u>	<u>141,171</u>	<u>198,655</u>	<u>140,548</u>

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	Current Year Budget	Current Month	Year-to-date	Last Year-to- date
Facilities:				
Facilities Operations	27,651	1,877	2,890	2,795
Brewster Facilities	5,299	321	541	1,085
Amphitheater Facilities	6,149	363	815	185
Corwin Facilities	4,799	304	471	969
Thunderbird Facilities	2,941	-	-	-
Horsemen's Facilities	5,299	249	416	969
James Woody Auditorium	103,182	5,984	9,652	12,687
James Woody Gym	88,839	5,027	7,800	10,360
James Woody Pal Center	5,960	293	476	321
James Woody Restroom	12,734	985	1,513	1,816
	<u>262,853</u>	<u>15,402</u>	<u>24,574</u>	<u>31,186</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 August 31, 2017

	Budget	Current Month	Fiscal Year-to-date	Prior Fiscal Year-to-date
Revenue				
Green Fees	\$ 600,000	\$ 45,662	\$ 88,292	\$ 99,195
SGM Food & Beverage 2%	3,000	-	-	-
Interest	-	-	6,207	4,389
Rentals	20,000	2,540	5,034	2,421
Other	-	(11)	(41)	66
Total Revenue	623,000	48,191	99,492	106,070
Operating Expenditures				
Non-departmental	145,282	9,293	18,475	19,720
Golf Club Administration	135,875	8,898	17,323	20,319
Food & Beverage Operations	-	-	-	325
Cart Barn	97,500	10,695	19,465	17,862
Golf Course Grounds ¹	523,675	36,665	68,604	49,669
Golf Course Facilities	88,244	6,549	7,287	10,468
Pro Shop	68,525	4,640	9,289	6,157
Tennis Court	500	104	629	11,200
Total Operating Expenditures	1,059,601	76,845	141,073	135,719
Income (Loss) from Operations	(436,601)	(28,654)	(41,581)	(29,649)
Other Revenue (Expenditure) Items				
Interest Expense	-	-	-	-
Transfer(s) (to) From Other Funds	436,601	-	-	-
Net change in Fund Balance	-	(28,654)	(41,581)	(29,649)
Fund Balance - beginning	(2,168,886)		(2,168,886)	(2,103,501)
Fund Balance - ending	\$ (2,168,886)		\$ (2,210,467)	\$ (2,133,150)

¹ See attached line item details

Town of Apple Valley
Apple Valley Golf Course Fund
 Details of Golf Course Grounds
 For the Month Ended August 31, 2017

	Budget	Current Month	Fiscal Year-to-date	Prior Fiscal Year-to-date
Golf Course Grounds				
Water	20,000	1,969	1,969	1,583
Other Utilities	61,200	8,340	8,340	8,806
Range Supplies	3,500	175	175	1,361
Building Maintenance	1,500	-	-	-
Grounds Maintenance	65,000	5,834	20,173	3,485
Contract Services (a)	198,000	15,755	32,117	29,338
Leased Equipment	100,000	-	-	-
Capital Projects	22,500	-	-	-
Other	51,975	4,592	5,831	5,095
Total Operating Expenditures	523,675	36,665	68,604	49,669

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