



# TOWN OF APPLE VALLEY APPLE VALLEY COMMUNITY RESOURCE FOUNDATION BOARD STAFF REPORT

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**To:** Honorable Mayor and Town Council                      **Date:** March 13, 2018

**From:** Kofi Antobam, Director of Finance                      **Item No:** 9  
Finance Department

**Subject:** PRESENTATION OF THE APPLE VALLEY COMMUNITY RESOURCE  
FOUNDATION 2016-17 ANNUAL REPORT

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

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## RECOMMENDED ACTION:

That the Board receive and file the Apple Valley Community Resource Foundation Annual Report for the fiscal year ended June 30, 2017.

## SUMMARY:

The Apple Valley Community Resource Foundation was created on August 14, 2001 by the Town of Apple Valley to lessen the burdens of government and promote and support cultural, recreational, and human services needs in the Town.

The attached annual report for the fiscal year ended June 30, 2017 is a continuation of our efforts to more fully disclose the activities of the Foundation and the financial resources available to the Foundation to further completion of its mission, goals and objectives.

The attached compilation of the financial statements for the Foundation as of June 30, 2017 was prepared by the public accounting firm of Van Lant and Fankhanel, LLP, who have issued their Independent Accountant's Report upon the accompanying the financial statements.

The Foundation's programs and activities have been divided into four major programmatic areas. They are; 1) Parks and Recreation, 2) Animal Care, 3) Community and Human Services, and 4) Arts and Culture.

The launch of our first Support Apple Valley Events (SAVE) fund-raising campaign in 2012 greatly raised our visibility and activity, and as such staff realized the need to share the Community Foundation's story with the community that we serve. The attached Annual Report highlights some of the successes we have achieved and also some of the goals we have set for the coming year.

The Annual Report was distributed to the Board with this agenda packet. Staff will have additional copies of the report available at the meeting. The Annual Report has also been put on the Foundation's website for the benefit of members of the Community and those more interested in the Foundation's activities.

**ATTACHMENT:**

AVCRF Annual Report for the fiscal year ended June 30, 2017

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# Apple Valley

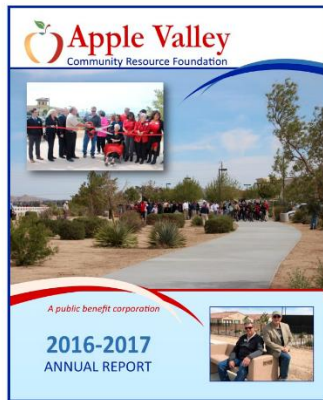
Community Resource Foundation



*A public benefit corporation*

## 2016-2017 ANNUAL REPORT





### **About the Cover**

12 benches were installed along the Mojave Riverwalk South thanks to a generous donation of \$48,000 from an Apple Valley resident. The 12-foot wide concrete multi-use trail begins at Bear Valley Road and stretches 2.75 miles along the Mojave River. The Riverwalk is a recreational amenity that is one piece of a growing network of interconnected paths for non-motorized transportation such as walking, jogging or biking.



## 2016-2017 ANNUAL REPORT

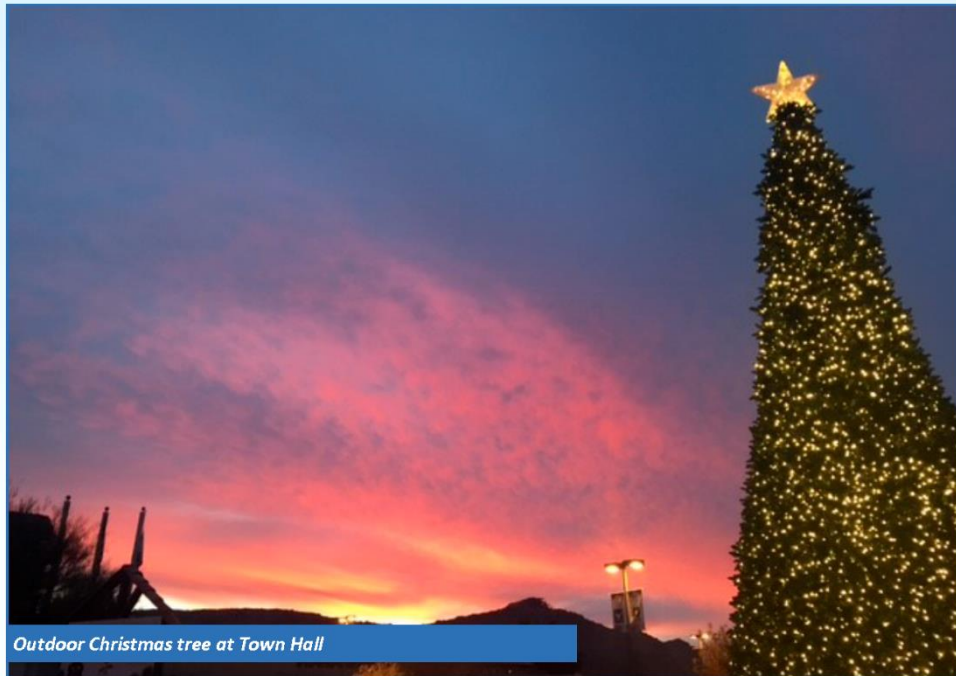
**March 2018**

**Prepared by:**

- **Department of Finance**
  - Kofi Antobam, Director of Finance
  - Christina Rudsell, Executive Secretary
- **Animal Services**
  - Gina Schwin-Whiteside, Director of Stakeholder Engagement & Communications
  - Adriana Atteberry, Animal Services Supervisor
- **Parks and Recreation**
  - Ralph Wright, Parks and Recreation Manager
  - Debbie Rivera, Administrative Secretary

# AVCRF

*...making a difference*



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# MESSAGE to the Community

## *From the Executive Director*

In 2001, the Apple Valley Town Council authorized the formation of the Apple Valley Community Resource Foundation (AVCRF), providing a new avenue to encourage donations and support from our citizens, businesses and corporate partners. Through this not-for-profit public benefit corporation, doors to new opportunities have opened – both for funding sources, as well as opportunities to serve our community.

Through the support of our donors, we offer cultural experiences; place animals in loving homes; promote a healthy lifestyle and provide many more one-time and ongoing projects and programs.



▶ **“Together, local action *can* meet local needs.”**

- KATHIE MARTIN, EXECUTIVE DIRECTOR

We are proud to present this fifth Annual Report for the AVCRF. Our Support Apple Valley Events (SAVE) campaign, first launched in 2012, has continued to raise our visibility and activity. We are excited to share our story with our donors and with the community we serve. Read more in this Annual Report to learn of our successes and goals.

We believe that impact attracts resources. As we recount our successes in these pages, we also prepare to lead major program and capital campaigns in the coming year. Watch our impact grow in Apple Valley, and join in with your own resources. Together, local action *can* meet local needs.

A handwritten signature in black ink that reads "Kathie Martin". The signature is written in a cursive, flowing style.

Kathie Martin  
*Executive Director - Fiscal Year 2016-2017*

# Purpose

The Apple Valley Community Resource Foundation was organized to *lessen the burdens* of government and to *promote and support* the cultural, recreational and human services needs of the Town of Apple Valley.

## Parks and Recreation

To support and create opportunities to participate in quality programs and events for the community, including recreational programs for children and persons with disabilities.



## Animal Care

To provide programs and services to advance the understanding and care of animals in our community and in our shelter.



## Community and Human Services

To create programs that benefit families, individuals and children in need, including the elderly, low-income and disabled.



## Arts and Culture

To promote and develop projects that provide a representation of the various cultures in Apple Valley through architectural design, art and community events.



# Description of Programs

The AVCRF serves as a repository for donations to support a wide-range of programs in each of the four focus areas. Below are highlights from a few of these.

## ▶ Parks and Recreation

### PROGRAMMING AND DONATIONS

The Town of Apple Valley Parks and Recreation Department puts on many classes, events and programs throughout the year. Many of these programs would not be possible without donations that we receive from various groups and Apple Valley residents. The recent donations helped sponsor the Teen Zone program, Special Apples programs, Open Pickleball program and Toddler Olympics. These donations help improve the programs and we greatly appreciate them.



### HEALTHY APPLE VALLEY

Donations from a number of areas and fundraisers have allowed the Town to continue healthy recreation programs for the age zero to five population free of charge. Donations have also been instrumental in the annual Heart Games and Reverse Triathlon that raise funds for healthy programs and amenities.

APPLE VALLEY COMMUNITY RESOURCE FOUNDATION

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### PARK IMPROVEMENTS

Donations and fundraisers contribute to projects to improve our parks. Using funds raised from the Community Development Block Grant, Heart Games and the Reverse Triathlon, much needed exercise equipment and a basketball court was installed at Mendel Park. We look to continue improving our parks with continued help from donations and fundraisers.

### OPEN PICKLEBALL

The Parks and Recreation Department received a generous donation from an Apple Valley resident to help start an Open Pickleball League. This donation allowed us to purchase equipment for patrons to be able to participate. Increasing participation numbers have allowed the league to run on a regular basis.



# Description of Programs

## ▶ Animal Care

### SAVING LIVES

Thanks to our generous sponsors and donors, we are providing a “Better Way of Life” for the animals in our community. Funds raised at annual events such as the FURBALL, Paws n’ Claws Pet Fair and Cruisin’ Fur Critters assist low-income pet owners with medical costs including spaying/neutering their animals, help reduce euthanasia and increase the numbers of sheltered animals being returned to their owners or adopted into permanent loving homes.



### PAWS N’ CLAWS PET FAIR

The Paws n’ Claws Pet Fair is a free-admission animal-friendly community event, which provides pet owners and animal lovers access to low-cost animal health services, pet adoptions, and interaction with people and animal related businesses.



### CRUISIN’ FUR CRITTERS

Motorcycle enthusiasts and animal lovers come out for adventure, fun and a chance to ride with friends. Riders help raise funds to assist with animal adoptions, pet care items and emergency medical needs.

### FURBALL BENEFIT DINNER

The largest fundraiser for animal care resources is the annual FURBALL Benefit Dinner. This themed dinner raises money to enhance animal sheltering services and assist homeless pets in our community.



# Description of Programs

## ▶ Community and Human Services

### BLIGHT REDUCTION

Community Clean Up and Neighborhood Blight Reduction Days are two services provided by the Town of Apple Valley which benefited from donations to the AVCRF. In 2017, both services resulted in the collection and disposal of 87.72 tons of trash, 40.69 tons of tires and 10.92 tons of recyclable metal.



## ▶ Arts and Culture

### CONCERTS

Thousands of citizens helped us celebrate the 11th Anniversary Season of the Sunset Concert Series this year. In 2016 - 2017, we offered 16 live music performances at two local venues. The Concerts in the Courtyard, held under a gazebo at a local shopping center food court, offer a more intimate setting for a variety of musical styles including folk, classical, bluegrass, country and more. On average, 200 people attend, patronizing the local eateries before, during and after the shows. The Sunset Concert Series is held in the Civic Center Park Amphitheater, and attracts as many as 2,000 attendees on Thursdays, seven weeks each summer.



### CHRISTMAS TREE LIGHTING

Holiday cheer abounds at our annual Christmas Tree Lighting Ceremony. An estimated 2,000 attendees enjoy holiday cheer while Santa and the Town Council light our "Grand Tree of Lights." While the snow is falling, local organizations and businesses give away treats and the Town of Apple Valley offers free hot cocoa and an ornament commemorating the holiday. Santa arrives at the tree lighting courtesy of the Apple Valley Fire Protection District. The tree was purchased in 2015 in part by donations from the Rotary Club of Apple Valley, Scott and Susan Nassif, Apple Valley Communications, The Village of Apple Valley and Hitt Plumbing.

# Accomplishments

While many programs and projects are supported by funds raised through the AVCRF, here are a few highlights of our accomplishments in 2017.

## ✓ Parks and Recreation

- Installed exercise equipment at Mendel Park with funds allocated from the Heart Games, Reverse Triathlon and a Community Development Block Grant.



## ✓ Community and Human Services

- Established a culture of healthy habits at the top level of Town government.

## ✓ Arts and Culture

- Provided 16 varied concert experiences with a total audience of approximately 15,000 people.



## Future Goals

We anticipate an exciting year in 2018, with plans for some of our most ambitious projects yet. Some of our goals include:

### Parks and Recreation:

As we encourage expanded use of existing parks, we are developing plans for an announcer's booth for the rodeo arena at Horsemen's Center and adding active use amenities.

### Arts and Culture:

Conduct a successful capital campaign for improvements at the Civic Center Amphitheater, such as shade, permanent seating and lighting.

### Community and Human Services:

Secure funding to offer an outdoor theater performance at the Civic Center Park Amphitheater.

# Accomplishments

## ✓ Animal Care

- Spayed/Neutered over **100** cats with our trap neuter release Program.
- **Holiday Adoption Special 2017.** Apple Valley Animal Services (AVAS) did a total of **202 adoptions** and **78 rescues** during the months of November and December. The reduction of adoption fees was possible due to successful fundraising efforts.
- Received a donation from the Wal-Mart Distribution Center and other donations from residents in the community for our four-legged victims of Hurricane Harvey. These donations were transported to Texas with a convoy that left August 31, 2017.



### FURBALL 2017 "Fiesta"

- The largest fundraiser for animal care resources. Funds help increase spay/neuter assistance programs and pet placement.
- **\$35,736 Fund Balance**



### CRUISIN' FUR CRITTERS 2016

- More than \$3,000 was raised and 27 pets were adopted. Funds help provide necessary equipment for field officers to keep staff members safe and ensure humane animal treatment when impounding roaming animals.
- **\$ 6,317 Fund Balance**



### JUNIOR PET KEEPER CAMPS 2017

- These week long camps provide mentoring opportunities for our future pet owners and community leaders. The goal is to establish pet responsibility that will carry over into adulthood.
- **\$6,600 Fund Balance**

# Future Goals - Animal Care

## ▶ 13th Annual Paws N' Claws Pet Fair



- Partner with **Shear Realty** to host the 13th Annual Pet Fair on **October 20, 2018**.
- Provide **2,000 attendees with event gift bags** filled with pet related items sponsored by local businesses.
- Provide **low-cost vaccinations and microchips**.

## ▶ 8th Annual FURBALL DISCO



- Host the 8th Annual FURBALL on **April 14, 2018**.
- **Raise \$10,000 to fund spay/neuter programs** that help decrease the over-population of unwanted pets and reduce euthanasia.

## ▶ 6th Annual Cruisin' Fur Critters



- Co-Host the 6th Annual Cruisin' Fur Critters with **Coldwell Banker** on **May 12, 2018**.
- **Raise \$5,000 to fund pet care equipment and public education classes**.

▶ Sponsor 25 guests for Night at the Shelter on August 24, 2018

▶ Provide educational trainers for Pet Keeper Camps in March and October 2018

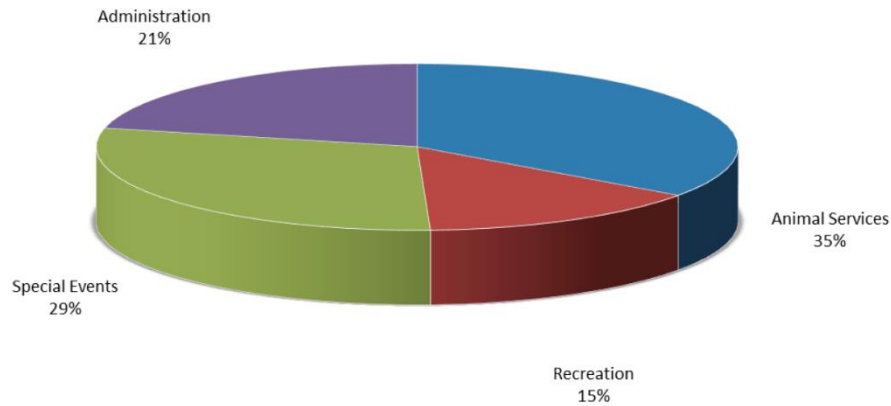


ANNUAL REPORT 2016-2017



# Financial Highlights

## Revenues by Department - FY 2016-17

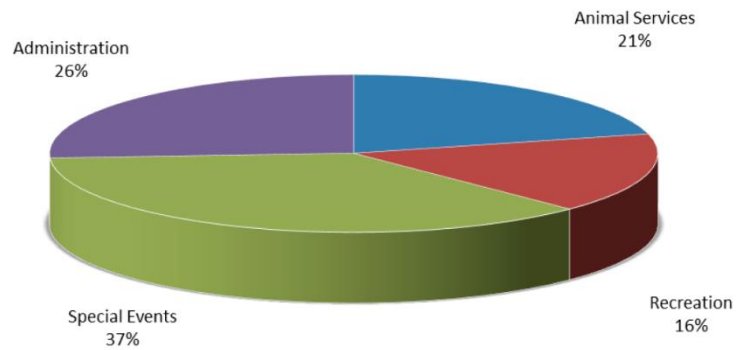


For Fiscal Year 2016-17, total revenues from grants and contributions amounted to \$234,223. Of this amount, 29% or \$68,565 was dedicated for special events such as the Summer Concert Series and Concerts in the Courtyard supported by the Parks and Recreation Department. A total of \$81,801 or 35% of the FY 16-17 contributions were dedicated for programming such as the Pet Fair, Me and My Shadow, the Fur Ball and many other adoption events conducted by the Animal Services staff. 15% or \$33,766 was donated to Recreation programming such as the Triathlon, Heart Games and the Special Apples therapeutic recreation program. The remaining 21% or \$50,091 was for interest income and a donation for the purchase and installation of benches along the Mojave Riverwalk South.



# Financial Highlights

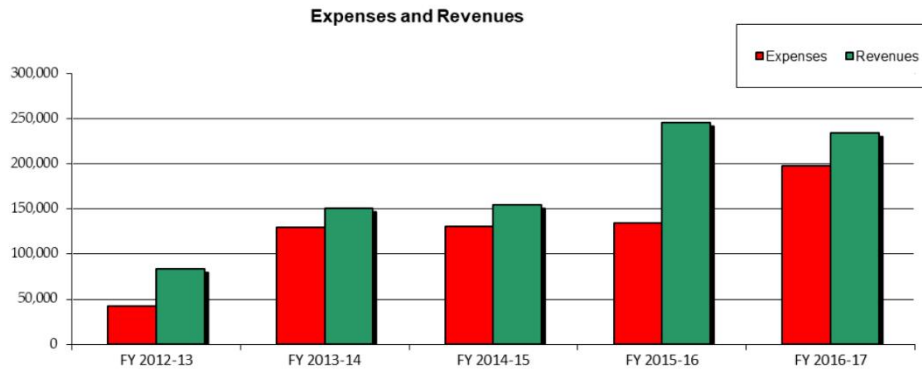
## Expenses by Department - FY 2016-17



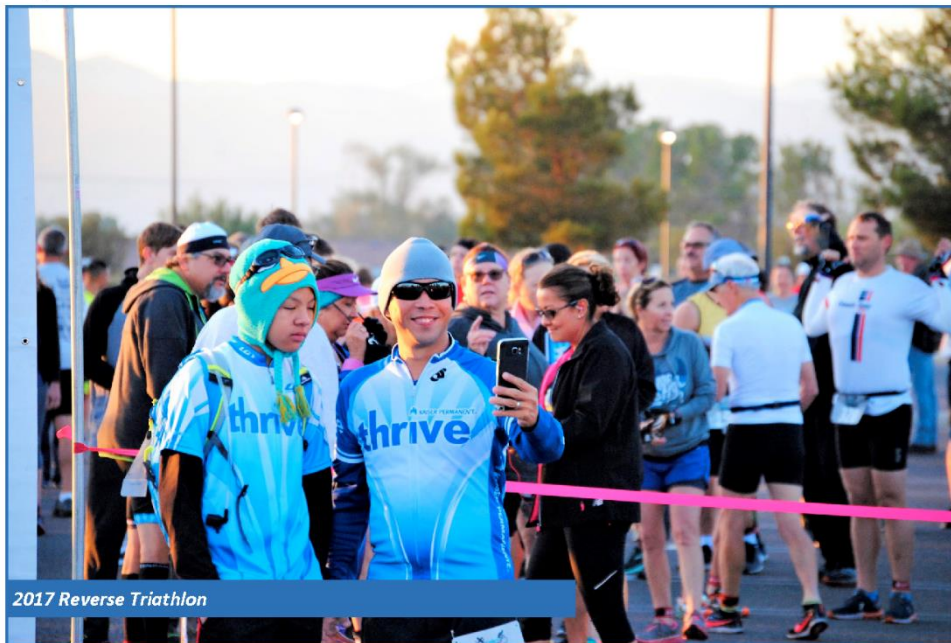
For Fiscal Year 2016-17, 21% or \$41,561 of the total expenditures were spent on Animal Services programming activities. A total of \$72,217 or 37% of expenditures were spent on special events supported by the Parks and Recreation Department and 16% or \$32,415 of the expenditures were spent in support of activities conducted by the Recreation department. The remaining 26% or \$51,249 were spent on other activities including the purchase and installation of benches along the Mojave Riverwalk South.



# Financial Highlights



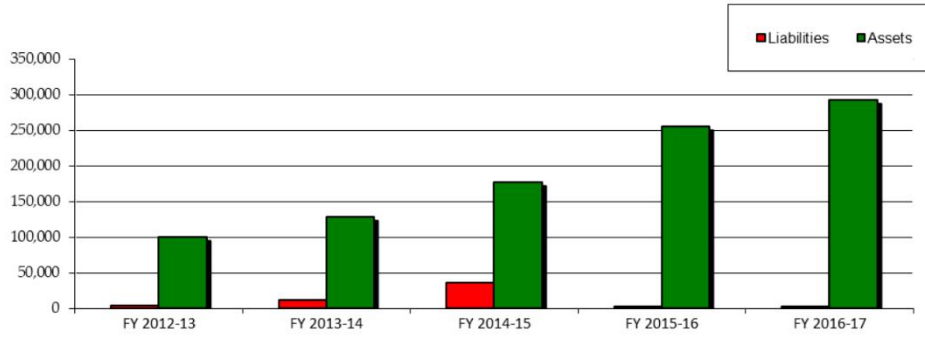
For the five-year period ended, June 30, 2017, the Foundation received a total of \$869,453 in grants and contributions. During that same period, a total of \$633,956 was expended on programs supported by the Foundation. In total, contribution revenues exceeded program expenditures during these five fiscal years by \$235,497. These funds are dedicated to future programming for the purposes for which they were donated.



2017 Reverse Triathlon

# Financial Highlights

## Assets and Liabilities



Total assets amounted to \$292,575 as of the end of the 2016-17 fiscal year. Total assets exceeded total liabilities as of the end of the fiscal year by \$289,704. The net position (net assets) of the Foundation increased by \$36,781 or 15% as of the end of the 2016-17 fiscal year.



# Independent Accountant's Compilation Report



## INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

To the Members of the Board of Directors  
of the Apple Valley Community Resource Foundation  
Apple Valley, California

Management is responsible for the accompanying financial statements of the governmental activities and the general fund of the Apple Valley Community Resource Foundation, California (the "Foundation") (a nonprofit organization), as of and for the year ended June 30, 2017, and the related notes to the financial statements which collectively comprise the Foundation's basic financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The accompanying supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. The supplementary information was not subject to our compilation engagement. We do not express an opinion, a conclusion, nor provide any assurance on such information.

*Van Lant & Fankhanel, LLP*

December 29, 2017

Van Lant & Fankhanel, LLP  
25901 Kellogg Street  
Loma Linda, CA 92354  
909.856.6879

# Statement of NET POSITION

June 30, 2017

ASSETS	Governmental Activities
Current Assets:	
Cash	\$ 292,077
Interest Receivable	498
Total Current Assets	292,575
Noncurrent Assets:	-
Total Noncurrent Assets	-
<b>TOTAL ASSETS</b>	<b>292,575</b>
LIABILITIES	
Current Liabilities:	
Accounts Payable	2,871
Total Current Liabilities	2,871
Noncurrent Liabilities	-
Total Noncurrent Liabilities	-
<b>TOTAL LIABILITIES</b>	<b>2,871</b>
NET POSITION	
Unrestricted	289,704
<b>TOTAL NET POSITION</b>	<b>289,704</b>

See accompanying notes and accountant's compilation report.

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ANNUAL REPORT 2016-2017

# Statement of ACTIVITIES

Year Ended June 30, 2017

Functions/Programs	Expenses	Program Revenues			Governmental Activities Net (Expenses) Revenues
		Charges for Services	Operating Grants and Contributions	Total	Governmental Activities
Governmental Activities:					
Animal Services	\$ 41,546	\$ -	\$ 81,801	\$ 81,801	\$ 40,255
Recreation	32,415	-	33,766	33,766	1,351
Special Events	71,717	-	68,565	68,565	(3,152)
Administration	50,732	-	46,968	46,968	(3,764)
<b>Total Governmental Activities</b>	<b>\$ 196,410</b>	<b>\$ -</b>	<b>\$ 231,100</b>	<b>\$ 231,100</b>	<b>\$ 34,690</b>
General Revenues:					
Interest Income					2,091
Total General Revenues					2,091
Change in Net Position					36,781
Net Position - Beginning					252,923
Net Position - Ending					\$ 289,704

# Balance Sheet Governmental Fund

June 30, 2017

ASSETS	General Fund
Cash	\$ 292,077
Interest Receivable	498

<b>TOTAL CURRENT ASSETS</b>	<b>\$ 292,575</b>
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## LIABILITIES AND FUND BALANCES

Liabilities:	
Accounts Payable	\$ 2,871

<b>TOTAL LIABILITIES</b>	<b>2,871</b>
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Fund Balances:	
Unassigned	289,704

<b>TOTAL FUND BALANCES</b>	<b>289,704</b>
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<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 292,575</b>
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Civic Center Park Aquatic Center

See accompanying notes and accountant's compilation report.



## Reconciliation of the Governmental Fund Balance Sheet to the **Government-Wide Statement of Net Position**

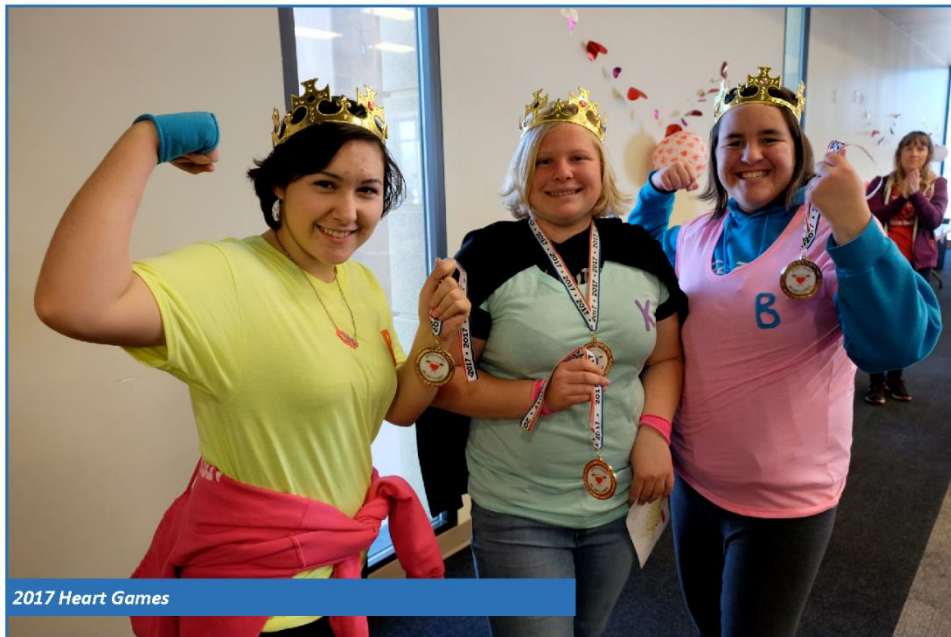
June 30, 2017

**Fund balances - total governmental fund** **\$ 289,704**

Amounts reported for governmental activities in the statement of net position are different because:

- Capital assets used in governmental activities are not financial resources. Therefore, they are not reported in the fund financial statements. -
- Long-term liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds. -

**Net position of Governmental Activities** **\$ 289,704**



APPLE VALLEY COMMUNITY RESOURCE FOUNDATION

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See accompanying notes and accountant's compilation report.

# Statement of Revenues, Expenditures, and Changes in Fund Balances Governmental Fund

Year Ended June 30, 2017

REVENUES	General Fund
Donations:	
Animal Services	\$ 81,801
Recreation	33,766
Special Events	68,565
Administration	48,000
Interest Income	2,091
<b>TOTAL REVENUES</b>	<b>234,223</b>

EXPENDITURES	
Animal Services	41,561
Recreation	32,415
Special Events	72,217
Administration	51,249
<b>TOTAL EXPENDITURES</b>	<b>197,442</b>
Net Change in Fund Balances	36,781
Fund Balance, Beginning of Year	252,923
Fund Balance, End of Year	\$ 289,704



See accompanying notes and accountant's compilation report.

## Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of Governmental Fund to the Statement of Activities

Year Ended June 30, 2017

### Net change in fund balances - governmental fund

\$ 36,781

Amounts reported for governmental activities in the Statement of Activities are different because:

- Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation of \$-0- exceeded capital outlay of \$-0- in the current period.
- Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

### Change in net position of governmental activities.

\$ 36,781



# Apple Valley Community Resource Foundation Notes to Financial Statements

*Year Ended June 30, 2017*

## **1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The basic financial statements of the Apple Valley Community Resource Foundation (Foundation) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental agencies. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the Foundation's accounting policies are described below.

### **A. Nature of Business and Reporting Entity**

The Foundation (a California nonprofit corporation) was created on August 14, 2001 by the Town of Apple, to lessen the burdens of government and to promote and support cultural, recreational, and human services needs in the Town of Apple Valley (Town). The Town Council appoints the Foundation's Board Members and management positions. The Foundation is primarily supported by donations from the general public. It is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. It is also exempt from State income taxes, subject to compliance with applicable laws and regulations.

The Foundation is a component unit of the Town and, accordingly, the financial statements of the Foundation are included in the financial statements of the Town. The Foundation is an integral part of the reporting entity of the Town. The funds of the Foundation have been blended within the financial statements of the Town because the Town Council is the governing board of the Foundation and exercises control over the operations of the Foundation. Only the funds of the Foundation are included herein; therefore, these financial statements do not purport to represent the financial position or results of operations of the Town. The Foundation has the same fiscal year as the Town. The Comprehensive Annual Financial Report of the Town can be obtained from the Finance Department of the Town.

### **B. Basis of Accounting and Measurement Focus**

The accounts of the Foundation are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The balances and activity of the Foundation are recorded in the General Fund. The General Fund is used to account for all financial resources except those required to be accounted for in another fund. Since the Foundation is not required to account for activity in another fund, all activity of the Foundation is recorded in the General Fund.

# Apple Valley Community Resource Foundation Notes to Financial Statements

Year Ended June 30, 2017

## 1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

### Government-wide Financial Statements

The Foundation's government-wide financial statements include a Statement of Net Position and a Statement of Activities and Changes in Net Position. These financial statements present summaries of activities for the Foundation.

The Government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are expenses that are clearly identifiable with a specific program, project, function or segment. Program revenues of the Foundation include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The government-wide financial statements are presented on an *economic resources* measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

### Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balance for all governmental funds. All governmental funds are accounted for on a spending or current financial resources measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the balance sheets. The Statement of Revenues, Expenditures and Changes in Fund Balance presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

# Apple Valley Community Resource Foundation Notes to Financial Statements

Year Ended June 30, 2017

## 1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

The Reconciliations of the Fund Financial Statements to the Government-Wide Financial Statements are provided to explain the differences created by the integrated approach of GASB Statement No. 34. Charges for services, intergovernmental revenues, and interest associated with the current fiscal period are all considered to be susceptible to accrual, and therefore have been recognized as revenues within the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received. The Foundation reports a single governmental fund – the General Fund.

### C. Cash

The Foundation's cash consists of deposits with financial institutions.

### D. Capital Assets

Capital assets consist of machinery and equipment which is stated at historical cost, net of accumulated depreciation, except for the portions acquired by contribution, which are recorded at fair value at the time received. The Foundation utilizes a capitalization threshold of \$5,000. Depreciation is recorded using the straight-line method. Estimated useful life of 15 years is used in computing depreciation of machinery and equipment. However, as of June 30, 2017, the Foundation does not report any capital assets.

### E. Long-Term Obligations

In the Government-wide Financial Statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities. The fund financial statements do not present long-term debt. However, as of June 30, 2017, the Foundation does not report any long-term obligations.

### F. Net Position

In the Government-Wide Financial Statements, net position is classified in the following categories, as applicable:

Net Investment in Capital Assets - This amount consists of capital assets net of accumulated depreciation.

Restricted Net Position - This amount is restricted by external creditors, grantors, contributors, laws or regulations of other governments.

Unrestricted Net Position - This amount represents net position that does not meet the definition of "Invested in Capital Assets" or "Restricted Net Position."

# Apple Valley Community Resource Foundation Notes to Financial Statements

Year Ended June 30, 2017

## 1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

### G. Fund Balance

In the Fund Financial Statements, the General Fund reports unassigned fund balance, a category that is used for balances that have no restrictions placed on them.

### H. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense) until then. The Foundation currently has no items that qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Foundation currently has no items that qualify for reporting in this category.

### I. Net Position Flow Assumption

Sometimes the Foundation will fund outlays for a particular purpose from both restricted (e.g. restricted grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the statement of net position, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Foundation's policy to consider restricted net position to have been depleted before unrestricted net position.

### J. Fund Balance Assumption

Sometimes the Foundation will fund outlays for a particular purpose from both restricted and unrestricted resources (total fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the Foundation's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

# Apple Valley Community Resource Foundation Notes to Financial Statements

*Year Ended June 30, 2017*

## **1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

### **K. Use of Estimates**

The preparation of basic financial statements in conformity with generally accepted accounting principles requires Foundation management to make estimates and assumptions that affect certain amounts and disclosures. Accordingly, actual results could differ from those estimates.

## **2) CASH AND INVESTMENTS**

The Foundation's cash represents deposits with financial institutions (checking account), which is insured by the FDIC. The Foundation does not have a deposit policy for custodial credit risk.

The Foundation currently does not maintain any other deposits or investments.

## **3) RISK MANAGEMENT**

The Foundation is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The Foundation participates in the Town's risk management program, which includes membership in the California Joint Powers Insurance Authority (JPA). Disclosures relating to the Town's participation in the JPA can be found in the Town's Comprehensive Annual Financial Report.

## **4) COMMITMENTS AND CONTINGENCIES**

The Foundation is subject to litigation arising in the normal course of business. In the opinion of the Foundation's management, there is no pending litigation that is likely to have a material adverse effect on the financial position of the Foundation.

As of June 30, 2017, in the opinion of Foundation management, there were no other outstanding matters that would have a significant effect on the financial position of the Foundation.



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Town of Apple Valley

# Supplemental Information

Year-End Summary 2016-2017  
Fund 8610



Town of Apple Valley

## Apple Valley Community Resource Foundation Year-End Summary 2016-2017

## Fund 8610

Dept	Program	Balance July 1, 2016	FY 2016-2017		Balance June 30, 2017	
			Revenue	Expense	Transfers	
<b>Animal Services</b>						
8080	Adoptions	6,517.21	-	-	-	6,517.21
8085	Accessories	31.65	968.35	-	-	1,000.00
8090	Bird Aviary	36.54	-	-	-	36.54
8100	Cruisin' Fur Critters	7,339.98	15.00	1,052.23	-	6,302.75
8105	Elsa the Great Dane Medical Fund	982.96	-	65.00	-	917.96
8110	Fur Ball	27,856.21	14,789.59	7,509.07	-	35,136.73
8115	Me and My Shadow	11,456.50	2,615.00	7,743.39	-	6,328.11
8120	Medical Assistance/Animal Care	(1,016.85)	3,177.50	1,315.31	-	845.34
8125	New Shelter Facility	141.21	10.00	-	-	151.21
8130	Night at the Shelter	57.37	-	-	-	57.37
8140	Pet Fair	(2,978.12)	10,852.90	6,979.36	-	895.42
8170	Spay Day USA	290.00	300.00	-	-	590.00
8195	Undesignated Shelter	62,932.34	49,072.79	16,897.06	-	95,108.07
<b>Animal Services Totals</b>		<b>113,647.00</b>	<b>81,801.13</b>	<b>41,561.42</b>	<b>-</b>	<b>153,886.71</b>
<b>Recreation</b>						
8203	AV Aquatic Center	5,987.20	-	26.17	-	5,961.03
8205	AV Triathlon	32,458.49	21,225.50	18,743.79	-	34,940.20
8210	AV Wave - Coaches Fund	(111.00)	-	-	-	(111.00)
8212	AV Wave - Incentives	-	-	-	-	-
8216	AV Wave - Swim Suits	496.86	-	31.58	-	465.28
8218	AV Wave - Undesignated	49.34	-	-	-	49.34
8219	Horsemen's Center Improvements	3,500.00	.	.	.	3,500.00
8220	James Woody Park	568.43	-	-	-	568.43
8221	Healthy Apple Valley	2,860.93	187.00	-	-	3,047.93
8223	Heart Games	3,597.68	1,670.00	3,163.43	-	2,104.25
8250	Recreation - Undesignated	4,906.54	1,889.20	1,677.90	-	5,117.84
8260	Special Apples	1,866.49	2,424.00	620.28	-	3,670.21
8263	St Mary's Scholarship	1,058.48	-	-	-	1,058.48
8264	Teen Zone	1,621.50	326.00	2,072.45	-	(124.95)
8265	Vantastic	5,000.00	-	198.40	-	4,801.60
8267	Yucca Loma Scholarship	1.00	250.00	-	-	251.00
8270	Wellness Room	165.44	-	-	-	165.44

Continued on page 29

## Apple Valley Community Resource Foundation Year-End Summary 2016-2017

## Fund 8610

Dept	Program	Balance	FY 2016-2017		Transfers	Balance
		July 1, 2016	Revenue	Expense		June 30, 2017
<b>Recreation - Continued</b>						
8271	Michael H. Martin Gymnasium	-	5,320.00	5,690.19	-	(370.19)
8280	Undesignated - Recreation Events	-	474.50	190.39	-	284.11
<b>Recreation Totals</b>		<b>64,027.38</b>	<b>33,766.20</b>	<b>32,414.58</b>	-	<b>65,379.00</b>
<b>Special Events</b>						
8310	Community Clean-Up	(40.89)	-	1,367.68	-	(1,408.57)
8315	Concert in the Courtyard	1,644.81	7,500.00	5,342.00	-	3,802.81
8317	Emergency Preparedness Fair	392.61	1,250.00	250.00	-	1,392.61
8320	Equine Festival	4,717.66	-	-	-	4,717.66
8323	Evening on the Town	(6,035.04)	5,418.26	17,500.77	17,321.69	(795.86)
8325	Freedom Festival	(3,479.26)	-	2,394.83	3,479.26	(2,394.83)
8330	Green Apple Calendar	1.83	-	-	-	1.83
8335	Golf Course	750.00	5,000.00	5,748.00	-	2.00
8340	Holiday Cheer	1,317.44	48.00	-	-	1,365.44
8346	Mayor's Weight Loss Challenge	(13.41)	-	-	-	(13.41)
8350	Military Banners	12.00	-	-	-	12.00
8353	Sunset Theater	1,729.41	1,968.19	-	-	3,697.60
8355	PD Gym Equipment	100.33	-	100.33	-	-
8360	Sunset Concerts	1,021.26	-	12,707.48	-	(11,686.22)
8370	Undesignated Events	58,504.51	47,050.00	26,672.86	(20,800.95)	58,080.70
8380	Volunteer Program	262.06	-	133.34	-	128.72
8390	Winter Wonderland	11,006.94	-	-	-	11,006.94
8411	Equestrian Committee	-	30.50	-	-	30.50
8410	AV Rider Challenge	206.64	300.00	-	-	506.64
<b>PIO Totals</b>		<b>72,098.90</b>	<b>68,564.95</b>	<b>72,217.29</b>	-	<b>68,446.56</b>
<b>Administration</b>						
0000	Non-Departmental	1,746.83	2,090.92	-	-	3,837.75
8400	Undesignated Administration	1,403.00	-	2,260.00	-	(857.00)
8420	Mojave River Walk	-	48,000.00	48,989.57	-	(989.57)
<b>Administration Totals</b>		<b>3,149.83</b>	<b>50,090.92</b>	<b>51,249.57</b>	-	<b>1,991.18</b>
<b>GRAND TOTAL</b>		<b>252,923.11</b>	<b>234,223.20</b>	<b>197,442.86</b>	-	<b>289,703.45</b>

# Acknowledgements

## *AVCRF Board of Directors*



*(l to r) Curt Emick, Board Member; Scott Nassif, Board Member; Barb Stanton, Board Member; Larry Cusack, Board Vice-Chairman; Art Bishop, Board Chairman*

This report was made possible by the leadership and support of the governing body of the Apple Valley Community Resource Foundation (AVCRF).

The preparation of this report on a timely basis is a team effort, requiring the dedication and cooperation of all staff involved in its preparation and continued support of the AVCRF Board of Directors. The guidance and suggestions from the accounting firm of Van Lant & Fankhanel, LLP, were also invaluable in completion of this report.



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**It's easy to S.A.V.E - just give!**



We invite you to help preserve "A Better Way of Life" with a tax-deductible donation to our Special Events fund. For more information on becoming a community partner, visit [www.AppleValleyEvents.org](http://www.AppleValleyEvents.org) or call (760) 240-7000 x 7072.