

TOWN OF APPLE VALLEY

TOWN COUNCIL STAFF REPORT

To: Honorable Mayor and Town Council

Date: January 22, 2019

From: Sydnie Harris, Director of Finance
Finance Department

Item No: 2

Subject: TREASURER'S REPORT – JUNE 2018

T.M. Approval: _____

Budgeted Item: Yes No N/A

RECOMMENDED ACTION:

That Town Council receive and file the June 2018 Treasurer's Report

SUMMARY:

The June 2018 Treasurer's Report is attached for Town Council review. The attached investment portfolio for the fiscal year-to-date period ended June 30 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 June 30, 2018. This investment performance report lists the various types of securities, institutions the securities were purchased from, maturity dates and interest rates for all securities held in the Town's investment portfolio as of the end of the reporting period. All of the Town's investments as of June 30, 2018, are in compliance with the Investment Policy adopted by Council on June 27, 2017 and the California Government Code except as otherwise be noted or disclosed herein. All market values provided in this report were obtained from the various financial institutions associated with the various accounts. Market values for LAIF were provided by the State Treasurer's Office. The market value shown for the Town's LAIF investment represents the Town's contractual rights to its LAIF account and does not represent the value of the underlying portfolio securities. As of June 30, 2018, 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 June 2018.

FISCAL IMPACT:

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



Town of Apple Valley
Treasurer's Report
As of June 30, 2018

Institution/Investment Type	Carrying Amount	Market Value		Interest Rate Yield	Maturity Date	Quarterly Comparisons of Carrying Amounts			
						Mar-18	Dec-17	Sep-17	Jun-17
Funds under control of Town:									
Checking Account	\$ 4,605,881.81	\$ 4,605,881.81	(1)	None	On Demand	\$ 1,966,725.85	\$ 2,264,170.73	\$ 1,503,585.95	\$ 7,541,499.97
Public Money Market Account	\$ 208,204.25	\$ 208,204.25	(4)	0.30%		\$ 208,100.47	\$ 207,946.61	\$ 207,789.45	\$ 207,647.40
Apple Valley Golf Course Deposit Account	\$ 67,067.25	\$ 67,067.25	(4)	None	On Demand	\$ 55,444.22	\$ 106,938.88	\$ 111,968.00	\$ 66,391.47
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	\$ 4,342,292.20	\$ 4,342,292.20	(4)	0.35%		\$ 4,338,505.31	\$ 4,334,763.20	\$ 4,330,941.37	\$ 4,327,137.91
AV Redevelopment Obligation Retirement Fd.	\$ 5,472,253.11	\$ 5,472,253.11	(4)	0.30%	On Demand	\$ 4,631,093.32	\$ 4,627,669.19	\$ 2,847,296.77	\$ 2,846,159.82
Union Bank Money Market	\$ 1,372,749.86	\$ 1,372,749.86	(1)	2.00%		\$ 1,367,392.04	\$ 1,363,440.25	\$ 1,360,297.39	\$ 1,357,421.84
Wilmington Trust Bank	\$ 1,455,761.86	\$ 1,455,761.86	(7)	None	On Demand	\$ 2,327,113.38	\$ 3,144,971.86	\$ 3,374,719.95	\$ 928,322.98
M&T Bank	\$ 43,445.87	\$ 43,445.87	(8)	None	On Demand	\$ 34,126.76	\$ 46,160.70	\$ 65,991.04	\$ 42,125.68
Cash/Money Funds/Bank Deposits	\$ -	\$ -	(5)	None		\$ -	\$ -	\$ 813.22	\$ -
Enerbank USA Salt Lake City Utah CD29266NZ67	\$ -	\$ -	(5)	1.10%	3/29/2018	\$ -	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
Synchrony BK Retail CD 87165FBT0	\$ -	\$ -	(5)	2.05%	7/11/2019	\$ -	\$ -	\$ -	\$ -
Barclays BK Del Retail CD 06740KHF7	\$ -	\$ -	(5)	2.05%	7/16/2019	\$ -	\$ -	\$ 250,000.00	\$ 250,000.00
Discover BK Greenwood Del CD 2546712N9	\$ 250,000.00	\$ 248,940.00	(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	\$ -	\$ -	\$ -	\$ -
Sallie Mae BK Salt Lake City CD 795450SQ9	\$ 250,000.00	\$ 248,682.50	(5)	2.11%	8/27/2019	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
Worlds Foremost BK Sydney CD 981571AS1	\$ 200,000.00	\$ 199,196.00	(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	\$ -	\$ -	(5)	2.10%	8/28/2019	\$ -	\$ -	\$ 250,000.00	\$ 250,000.00
Park Natl BK Newark Ohio CD 700654AT3	\$ 250,000.00	\$ 248,610.00	(5)	2.16%	9/12/2019	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
Belmont SVGS BK Mass CD 080515BD0	\$ -	\$ -	(5)	1.85%	10/23/2019	\$ -	\$ -	\$ 250,000.00	\$ 250,000.00
BMW BK North Amer Salt Lake City CD 05580AAZ7	\$ 250,000.00	\$ 248,702.50	(5)	2.16%	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	\$ 248,667.50	(5)	2.21%	12/10/2019	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
American Express Centurion BK CD 02587DWX2	\$ 250,000.00	\$ 248,030.00	(5)	2.21%	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	\$ 237,560.00	(5)	1.84%	10/26/2021	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
Goldman Sachs BK USA NY CD 38148PKN6	\$ 250,000.00	\$ 243,392.50	(5)	2.46%	6/7/2022	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
Synchrony BK Retail CD 87164XRC2	\$ 250,000.00	\$ 243,377.50	(5)	2.46%	6/9/2022	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
Capital One Natl Assn McLean VA CD 14042RJK8	\$ 250,000.00	\$ 241,770.00	(5)	2.42%	10/12/2022	\$ 250,000.00	\$ 250,000.00	\$ -	\$ -
Barclays BK Del Retail CD 06740KLP0	\$ 250,000.00	\$ 241,502.50	(5)	2.43%	11/8/2022	\$ 250,000.00	\$ 250,000.00	\$ -	\$ -
American Express Fed Svgs BK CD 02587CHC7	\$ 250,000.00	\$ 241,355.00	(5)	2.58%	12/5/2022	\$ 250,000.00	\$ 250,000.00	\$ -	\$ -
Morgan Stanley BK NA CD 61747MR37	\$ 250,000.00	\$ 246,062.50	(5)	2.94%	3/29/2023	\$ 250,000.00	\$ -	\$ -	\$ -
Cash/Fidelity Govt MMTK Capital Reserves CL	\$ -	\$ -	(6)	0.13%		\$ -	\$ -	\$ -	\$ -
Ally BK Midvale Utah CD 02006LRD7	\$ -	\$ -	(6)	1.35%	5/29/2018	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
Compass BK Birmingham ALA 20451PLA2	\$ -	\$ -	(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	\$ 248,400.00	(6)	1.60%	5/28/2019	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00

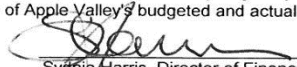
Barclays BK Del CD 06740KHF7	\$ 250,000.00	\$ 248,940.00	(6)	2.05%	7/16/2019	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
Discover BK Greenwood Del CD 2546712N9	\$ 250,000.00	\$ 248,940.00	(6)	2.05%	7/16/2019	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
Goldman Sachs BK USA NY CD 38147JS78	\$ 250,000.00	\$ 248,787.50	(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	\$ 248,915.00	(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	\$ 248,955.00	(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	\$ 246,230.00	(6)	1.95%	5/22/2020	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
American Express Centrn 02587DYH5	\$ 250,000.00	\$ 245,540.00	(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	\$ 246,397.50	(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	\$ 247,097.50	(6)	2.30%	7/29/2020	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
Capital One Natl Assn VA 14042E4Z0	\$ 250,000.00	\$ 247,097.50	(6)	2.30%	7/29/2020	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
American Experess Centrn 02587DB64	\$ 250,000.00	\$ 245,987.50	(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	\$ 246,727.50	(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	\$ 246,785.00	(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	\$ 245,127.50	(6)	2.25%	9/23/2020	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
Sallie Mae BK Salt Lake City CD 795450Q99	\$ 250,000.00	\$ 249,542.50	(6)	3.25%	5/30/2023	\$ -	\$ -	\$ -	\$ -
UBS BK USA Salt Lake City UT CD 90348JCR9	\$ 250,000.00	\$ 248,410.00	(6)	3.15%	5/30/2023	\$ -	\$ -	\$ -	\$ -
State of Calif., Local Agency Investment Fund <i>Percent of total portfolio: 41%</i>	\$ 19,105,174.78	\$ 19,069,388.28	(2)	1.85%	On Demand	\$ 15,550,294.13	\$ 12,507,045.64	\$ 15,962,615.71	\$ 13,730,995.11
Total funds under control of Town	\$ 44,378,180.99	\$ 44,236,122.99				\$ 38,184,145.48	\$ 36,308,457.06	\$ 37,471,368.85	\$ 38,753,052.18
Funds controlled by Fiscal Agent:									
US Bank	\$ 2,541,094.82	\$ 2,541,094.82	(3)	0.00%	On Demand	\$ 2,533,660.20	\$ 2,529,074.75	\$ 2,525,809.02	\$ 2,523,369.98
Total Fiscal Agent funds	\$ 2,541,094.82	\$ 2,541,094.82				\$ 2,533,660.20	\$ 2,529,074.75	\$ 2,525,809.02	\$ 2,523,369.98
Grand Total	\$ 46,919,275.81	\$ 46,777,217.81				\$ 40,717,805.68	\$ 38,837,531.81	\$ 39,997,177.87	\$ 41,276,422.16

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: Sydnie Harris


Sydnie Harris, Director of Finance/Treasurer

Town of Apple Valley
Apple Valley Golf Course Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 For the Month Ended June 30, 2018

	Budget	Current Month	Fiscal Year-to-date	Prior Fiscal Year-to-date
Revenue				
Green Fees	\$ 600,000	\$ 51,991	\$ 581,686	\$ 575,904
SGM Food & Beverage 2%	3,000	3,159	6,422	7,210
Interest	-	-	-	-
Rentals	20,000	5,136	30,713	29,818
Other	-	(27)	35	15,783
Total Revenue	623,000	60,259	618,856	628,715
Operating Expenditures				
Non-departmental	145,282	123,594	252,339	217,017
Golf Club Administration	135,875	17,858	116,802	112,041
Food & Beverage Operations	-	-	(110)	3,824
Cart Barn	97,500	12,521	113,293	115,826
Golf Course Grounds ¹	523,675	56,461	401,610	419,777
Golf Course Facilities	88,244	13,583	84,397	84,835
Pro Shop	68,525	6,778	55,332	58,693
Tennis Court	500	-	2,269	15,835
Total Operating Expenditures	1,059,601	230,795	1,025,932	1,027,847
Income (Loss) from Operations	(436,601)	(170,536)	(407,076)	(399,133)
Other Revenue (Expenditure) Items				
Interest Expense	-	(21,521)	-	-
Transfer(s) (to) From Other Funds	436,601	436,601	436,601	333,748
Net change in Fund Balance	-	287,586	29,525	(65,385)
Fund Balance - beginning	(2,168,886)	-	(2,168,886)	(2,103,501)
Fund Balance - ending	\$ (2,168,886)	-	\$ (2,139,361)	\$ (2,168,886)

¹ See attached line item details

Town of Apple Valley
Apple Valley Golf Course Fund
 Details of Golf Course Grounds
 For the Month Ended June 30, 2018

	Budget	Current Month	Fiscal Year-to-date	Prior Fiscal Year-to-date
Golf Course Grounds				
Water	20,000	1,010	7,776	10,585
Other Utilities	61,200	13,513	72,068	59,656
Range Supplies	3,500	4,572	10,669	9,397
Building Maintenance	1,500	164	363	1,655
Grounds Maintenance	65,000	2,080	72,766	87,777
Contract Services (a)	198,000	24,872	187,474	197,680
Leased Equipment	100,000	-	-	2,104
Capital Projects	22,500	-	-	-
Other	51,975	10,251	50,494	50,923
Total Operating Expenditures	523,675	56,461	401,610	419,777

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

Town of Apple Valley
Parks & Recreation Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 For the Month Ended June 30, 2018

	Budget	Current Month	Fiscal Year-to-date	Prior Fiscal Year-to-date
Revenue - General				
Property Taxes	\$ 1,600,000	\$ 46,950	\$ 1,820,206	\$ 1,739,940
Cell Tower Rents	80,000	13,333	78,814	105,323
Grants	140,520	-	-	-
Other - General	2,200	1,869	(2,883)	11,204
Total Revenue - General	<u>1,822,720</u>	<u>62,152</u>	<u>1,896,136</u>	<u>1,856,467</u>
Expenditures - General				
Interest Expense	-	-	24,586	-
Total Expenditures - General	<u>-</u>	<u>-</u>	<u>24,586</u>	<u>-</u>
General Revenue Over (Under) Expenditures	<u>1,822,720</u>	<u>62,152</u>	<u>1,871,550</u>	<u>1,856,467</u>
Recreation:				
Revenues ¹	958,115	96,194	1,040,747	988,693
Expenditures ¹	<u>1,630,656</u>	<u>251,684</u>	<u>1,560,594</u>	<u>1,538,700</u>
Recreation Rev. Over (Under) Expenditures	<u>(672,541)</u>	<u>(155,489)</u>	<u>(519,847)</u>	<u>(550,007)</u>
Parks:				
Parks Grounds Expenditures	1,580,632	256,044	1,707,952	1,885,551
Facilities Maintenance Expenditures	<u>267,729</u>	<u>34,406</u>	<u>230,461</u>	<u>249,485</u>
Total Parks Expenditures	<u>(1,848,361)</u>	<u>(290,450)</u>	<u>(1,938,414)</u>	<u>(2,135,036)</u>
Other Revenue (Expenditure) Items				
Transfer(s) (to) From Other Funds	<u>7,290,745</u>	<u>691,181</u>	<u>691,181</u>	<u>913,773</u>
Net change in Fund Balance	<u>\$ 6,592,563</u>	<u>\$ 307,394</u>	<u>\$ 104,471</u>	<u>\$ 85,197</u>
Fund Balance - beginning	<u>(6,599,565)</u>		<u>(6,599,565)</u>	<u>(6,637,633)</u>
Fund Balance - ending	<u>\$ (7,002)</u>		<u>\$ (6,495,095)</u>	<u>\$ (6,552,436)</u>

¹ See attached list by program

Programs:	Budget	Current Month	Fiscal Year-to-date	Prior Fiscal Year-to-date
Adult Sports - Revenue	27,787	3,899	35,852	25,220
Adult Sports - Expenditures	45,738	5,167	42,342	37,913
Total - Adult Sports	(17,951)	(1,268)	(6,491)	(12,693)
Aquatic Complex - Revenue	237,623	50,034	224,872	242,666
Aquatic Complex - Expenditures	452,937	98,700	436,773	439,034
Total - Aquatic Complex	(215,314)	(48,666)	(211,902)	(196,369)
ASAP - Revenue	280,000	2,651	301,564	256,161
ASAP - Expenditures	285,915	21,832	258,137	226,784
Total - ASAP	(5,915)	(19,181)	43,427	29,377
Day Camp - Revenue	38,500	14,125	49,970	47,341
Day Camp - Expenditures	63,058	12,641	54,745	63,688
Total - Day Camp	(24,558)	1,484	(4,775)	(16,346)
Instructor Classes - Revenue	139,383	16,593	137,325	152,416
Instructor Classes - Expenditures	171,235	25,603	131,044	146,464
Total - Instructor Classes	(31,852)	(9,010)	6,281	5,952
PIO Events - Revenue	13,500	7,306	27,054	24,904
PIO Events - Expenditures	164,207	37,949	161,505	173,263
Total - PIO Events	(150,707)	(30,643)	(134,451)	(148,359)
Recreation - Revenue	14,335	1,350	13,338	15,577
Recreation - Expenditures	224,814	19,930	267,890	246,749
Total - Recreation	(210,479)	(18,580)	(254,552)	(231,172)
Rentals - Revenue	134,000	(1,674)	177,264	140,681
Rentals - Expenditures	82,908	9,961	86,338	86,568
Total - Rentals	51,092	(11,635)	90,925	54,113
Skate Park - Revenue	-	-	-	-
Skate Park - Expenditures	5,000	1,285	1,285	-
Total - Skate Park	(5,000)	(1,285)	(1,285)	-

Programs:	Budget	Current Month	Fiscal Year-to-date	Prior Fiscal Year-to-date
User Groups - Revenue	27,500	1,261	33,267	34,529
User Groups - Expenditures	<u>37,716</u>	<u>3,147</u>	<u>25,895</u>	<u>23,587</u>
Total - User Groups	<u>(10,216)</u>	<u>(1,886)</u>	<u>7,372</u>	<u>10,942</u>
Youth Sports - Revenue	45,487	649	40,242	49,198
Youth Sports - Expenditures	<u>97,128</u>	<u>15,468</u>	<u>94,640</u>	<u>94,649</u>
Total - Youth Sports	<u>(51,641)</u>	<u>(14,819)</u>	<u>(54,397)</u>	<u>(45,452)</u>
Total Revenue	958,115	96,194	1,040,747	988,693
Total Expenditures	<u>1,630,656</u>	<u>251,684</u>	<u>1,560,594</u>	<u>1,538,700</u>
Net - ALL	<u>(672,541)</u>	<u>(155,489)</u>	<u>(519,847)</u>	<u>(550,007)</u>