



Town Council Agenda Report

Date: March 26, 2019 Item No. 13

To: Honorable Mayor and Town Council

Subject: FISCAL YEAR 2018-2019 MID-YEAR BUDGET REVIEW

From: Douglas Robertson, Town Manager

Submitted by: Sydnie Harris, Director of Finance
Finance Department

Budgeted Item: Yes No N/A

RECOMMENDED ACTION:

- A. That the Town Council receive and file the Fiscal Year 2018-2019 Mid-Year Budget Review Report.
- B. Approve Budget Amendment Number 19-27 incorporating revenue and expenditure changes and carry forwards as proposed herein.

SUMMARY:

Discussed herein for your review and consideration is the Fiscal Year 2018-2019 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, 2018, the fiscal mid-year for Fiscal Year 2018-2019. 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 26, 2018. 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 which 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 2018-2019 Operating and Capital Improvement Budget.

BACKGROUND:

The Town Council adopted the FY 2018-2019 Operating and Capital Improvement budget on June 26, 2018. The Adopted Operating and Capital Improvement budget is the Town's one-year spending plan for FY 2018-2019. It serves as a planning guide for the ensuing fiscal year and demonstrates progress towards implementation of the Town Council's long-term goals as outlined in the Vision 2020 plan. The adopted budget also demonstrates how established short-term goals and objectives will be implemented over the next year. It demonstrates how available resources are matched against the Town's service priorities to provide essential services to the community. 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 upon the budget and the implementation of spending priorities outlined therein. These events necessitate adjusting the budget projections from time to time during the course of the fiscal year to keep the spending plan up-to-date based on current financial conditions.

Staff is proceeding to implement a "best practices" approach to the budget development process. In doing so, staff modified the mid-year budget process 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 2019-2020.

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 estimated revenue projections in the FY 2018-2019 General Fund adopted budget amount to an increase of \$1,463,310. On an "all funds" basis, total revenues are proposed to increase by an additional \$1,210,338 and total expenditures are proposed to increase by \$1,809,368. These mid-year adjustments to the FY 2018-2019 General Fund adopted budget will be considered by Council at its March 26 Town Council meeting and are summarized in Budget Adjustment number 19-27 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 March 26, 2019, 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. To that end, it is noteworthy that the Town's Standard & Poor's debt rating was recently re-confirmed as an "A" rating.

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 FY 2018-2019 was \$31.5 million. The table below is a summary of the total resources and resource requirements for the adopted FY 2018-2019 General Fund budget:

TABLE 1

General Fund Summary	
Estimated Revenues	\$ 28,271,491
Transfers In	3,255,400
Approp. From Fund Balance	- 0 -
Total Resources	\$ 31,526,891
Adopted Budget	\$ 31,526,891
Balance	-0-

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 the adopted budget (appropriations) for the 2018-19 fiscal year to actual performance by department for the past three (3) fiscal years 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 2018-2019 budget highlighted below and as outlined in the attached Budget Adjustment Number 19-27 (Only significant General Fund changes have been highlighted):

Revenues:

Letter of Credit: On October 9, 2018, the Town authorized the execution and delivery of a Revolving Credit Agreement Relating to a Revolving Line of Credit in the principal amount of \$10,000,000. Of this amount the Town withdrew and deposit into its general

bank account \$3,000,000 to support the Town's fiscal obligations. The proceeds of the letter of credit have increased the General Fund revenue total by \$3,000,000.

Engineering Permit: During the preparation of the 2018-2019 revenue budget for Engineering department, there was an expectation to meet the moderate projected revenue budget of \$98,300. During the course of the 2018-2019 fiscal year, a permit was obtained by the Big Lots Corporation that generated additional revenue of \$295,750, exceeded the budget by 350%. As a result, a proposed revenue increase in the General Fund was requested from \$98,300 to \$453,000.

Franchise Fees: The franchise fee agreement with the Town's Waste Management service provider was reviewed during the 2018-2019 fiscal year. It has been determined that the franchise fees collected have been transferred into the General Fund using a calculation based on incorrect rate categories. The calculations have been corrected and in accordance to the new calculations the franchise fee transfer has been decreased by \$1,006,200. This correction only involves the internal method of allocating franchise fees and does not impact public rates for Waste Management services.

Expenditures:

Letter of Credit: The letter of credit, as detailed previously, required one-time costs at its inception. A \$180,000 expenditure to reflect these costs will be amended at the approval of mid-year. Monthly interest payments are also a requirement for the letter or credit. An expenditure line in the amount of \$90,000 will be added to the General Fund expenditures at mid-year as well as the subsequent years through the completion of the life of the letter of credit.

Other Budgetary Issues:

Sales Tax: In the 2019-2020 budget year, there is an expectation of a decline of approximately 2.4% in the amount of sales tax revenue estimates. This could mean a decrease in General Fund revenue in the amount of \$63,520.

Including all adjustments to revenues and appropriations, the General Fund budget for FY 2018-2019 is estimated to be approximately \$31.8 million. The following table is a summary of the total resources and resource requirements for the adopted FY 2018-2019 General Fund budget including the adjustments as proposed:

TABLE 2

General Fund Summary	
Estimated Revenues	\$ 28,291,758
Proposed Rev. Adjustments	2,469,510
Transfers In	2,249,200
Approp. From Fund Balance	(1,166,577)
Total Resources	\$ 31,843,891
Adopted Budget	\$ 31,526,891
Prop. Approp. Adjustments	317,000
Total Adj. Appropriations	\$ 31,843,891
Balance	-0-

SUMMARY

The FY 2018-2019 budget was adopted with no 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 2017-2018. As of December 31, 2018, net revenue adjustments increased total available resources in the General Fund by \$1,463,310. Additionally, net appropriation increases in the General Fund amounted to \$317,000. These net adjustments increased the fund balance in the General Fund by \$1,166,577 as of mid-year. These proposed revenue and expenditure adjustments are outlined in Exhibit A (Attachment 2).

ALTERNATIVES CONSIDERED

No alternatives were considered.

FISCAL REVIEW

The attached Exhibit A summarizes the adopted adjustments in revenue estimates and appropriations (expenditures) to the current year's adopted operating and capital improvement budget reviewed herein. The attached budget adjustment, 19-27, summarizes the adopted increases 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, 2018.

The net result of these changes in revenue estimates and appropriation adjustments increased the General Fund fund balance by \$1,166,577 of the FY 2018-2019 mid-year budget report.

CONCLUSION

The attached budget adjustment (BA# 19-27) and carry forwards proposed to Council for consideration at its March 26, 2019 Council Meeting summarize proposed changes in the adopted FY 2018-2019 Operating Budget. 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.

ATTACHMENTS:

- 1) Budget Adjustment 19-27
- 2) Exhibit A – Mid Year Budget Adjustment Summary
- 3) Budget to Actual Comparison by Fund/Department/Division
- 4) Adopted General Fund Revenue Budget
- 5) Calculation of Projected Fund Balances – June 30, 2019
- 6) FY 2017-2018 Project Carry-forward



TOWN OF APPLE VALLEY

BUDGET AMENDMENT REQUEST

Requesting Department	Prepared By	Date Prepared
Finance	Sydney Harris	March 26, 2019

REVENUES AND OTHER FINANCING SOURCES

Account Description	Fund	Dept	Account No.	Amendment Amount
Various General Fund Revenue	1001	Various	Various	1,463,310
MSHCP	4910	4822	6816	72,938
Municipal Spay-Neuter	4910	4829	6816	15,000
Refunds, Reimb, Rebates	2021	0000	4181	210,600
Sanitary Sewer Collection Sys	4770	0000	6600	911,800
REVENUE TOTAL				2,673,648

EXPENDITURES AND OTHER FINANCING USES

Account Description	Fund	Dept	Account No.	Amendment Amount
Various General Fund Expenditure	1001	Various	Various	317,000
Engineering	2510	5210	9525	1,535,524
AVCO Disposal	5510	7510	8924	(43,156)
EXPENDITURE TOTAL				1,809,368

PURPOSE

Adjusts revenues and expenditures based on actual amounts at mid-year. Will also adjust personnel costs in accordance with org structure changes.

Department Director	Date	Finance Mgr. / Dir.of Finance	Date
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Town Manager	Date	Entered by	Date
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Exhibit A

**Town of Apple Valley
Mid-Year Budget Adjustment Summary
Revenue
Fiscal Year 2018-2019**

Fund	Dept	Object	Account Description	Amended FY 2018-19	Actual 12/31/18	Year-End Revised	Increase (Decrease)
General Fund							
1001	0000	4110	Motor Vehicle In-Lieu	33,000	-	-	(33,000)
1001	0000	7000	Bond Proceeds/LOC	485,000	-	-	(485,000)
1001	0000	4170	Other Revenue Sources	350,100	8,952	9,500	(340,600)
1001	0000	6160	Plan Checks - Engineering	75,000	81,529	86,000	11,000
1001	0000	6188	Transportation Permits	23,000	358,363	365,720	342,720
1001	0000	4181	Refunds, Reimb, Rebates	90,000	2,468	8,500	(81,500)
1001	0000	4600	Line of Credit	-	3,000,000	3,000,000	3,000,000
1001	0000	6156	Misc Revenue-Planning	57,440	1,564	3,040	(54,400)
1001	0000	4465	Lien Processing	1,000	2,478	3,000	2,000
1001	0000	4450-5000	Impound/ACO pickup (County)	-	6,076	9,000	9,000
1001	0000	4430-5000	Licensing (County)	-	21,822	30,500	30,500
1001	0000	4420	Animal Control Permits	5,000	8,079	9,000	4,000

1001	0000	4167	Subordination Fee	-	2,000	3,250	3,250
1001	0000	4145	Debris Recycling	3,100	4,500	4,500	1,400
1001	0000	6172	Site Plan Review	3,660	36,442	49,000	45,340
1001	0000	6111	COO Fees	-	10,256	13,000	13,000
1001	0000	6110	Cert of Compliance	-	1,808	1,800	1,800
1001	0000	6999-5511	Transfer In - Franchise Fee 5510	2,051,100	-	1,044,900	(1,006,200)
General Fund Totals				3,177,400	3,546,338	4,640,710	1,463,310
Project Manager Grants							
4910	4822	6816	MSHCP	-	72,938	72,938	72,938
4910	4829	6816	Municipal Spay-Neuter	-	15,000	15,000	15,000
Project Manager Grants Totals				-	87,938	87,938	87,938
Measure I							
2021	0000	4181	Refunds, Reimb, Rebates	50,000	251,830	260,600	210,600
Sanitary Sewer Facilities							
4770	0000	6600	Sanitary Sewer Collection Sys	-	890,509	911,800	911,800
Grand Total				3,227,400	4,776,615	5,901,048	2,673,648

Exhibit B

**Budget Comparison
By Fund/By Department**

	FY 15-16	FY 16-17	FY 17-18	FY 18-19
Fund/Department	Actual Expenditures	Actual Expenditures	Actual Expenditures	Amended Budget
<u>General Fund (1001)</u>				
Town Council	250,351	246,323	276,807	235,298
Town Attorney	739,117	1,114,367	1,457,870	620,000
Town Manager	617,464	527,854	602,879	540,488
Finance	1,317,333	1,168,622	1,172,233	831,192
Town Clerk	484,904	757,184	379,119	413,859
Public Information	573,064	493,979	619,634	312,676
Human Resources	516,533	465,478	521,057	211,501
Information Technology	357,361	307,027	365,024	296,157
General Government	3,948,770	5,329,766	3,885,059	3,213,335
Public Facilities	2,260,382	1,963,573	1,401,294	2,136,153
Police	12,444,942	13,434,956	13,753,917	14,594,833
Emergency Preparedness	77,666	189,464	150,064	161,403
Animal Control	750,826	694,235	726,863	685,948
Animal Shelter	1,291,128	1,228,179	1,273,904	1,315,281
Public Services - Admin	657,040	244,697	134,695	-
Code Enforcement	1,026,505	920,586	910,649	866,237
Building & Safety	601,989	648,586	773,405	764,515
Economic Development	108,409	98,946	51,872	165,868
Engineering	509,832	531,173	556,236	535,600
Planning	1,005,057	721,893	657,897	685,833
Subtotal Fund 1001	29,538,673	31,086,888	29,670,478	28,586,177
<u>Parks & Recreation (2510)</u>				
Brewster Park	269,594	241,676	298,625	260,790
Civic Center Park	142,805	218,816	239,955	235,379

Corwin Park	47,965	53,715	61,709	56,696
Grounds Operations	520,862	531,060	109,050	97,050
Horsemen's Center	94,782	128,698	73,694	68,861
James Woody Park	190,781	241,547	243,153	235,773
Lion's Park	29,677	30,331	37,872	34,932
Mendel Park	54,961	40,657	56,266	49,585
Mt. Vista Park	-	-	-	-
Schmidt Park	71,351	74,771	81,523	89,350
Sycamore Rocks Park	26,519	35,018	36,681	31,666
Three Diamond Skate Park	4,833	1,925	5,961	6,052
Thunderbird Park	56,181	79,192	72,926	68,372
Virginia Park	45,999	54,693	63,159	21,884
Yucca Loma Park	51,473	48,875	59,538	53,223
Subtotal Parks	1,607,783	1,780,974	1,440,112	1,309,613
Facilities Operations	29,000	24,925	27,651	26,327
Brewster Facilities	8,688	6,587	5,299	3,902
Civic Center Amphitheater Facilities	2,601	5,157	6,149	4,852
Corwin Facilities	6,764	4,480	4,799	3,502
Thunderbird Facilities	-	-	-	2,215
Horsemen's Facilities	7,032	5,228	5,299	4,905
James Woody Park Auditorium	116,056	104,904	103,182	87,441
James Woody Park Gymnasium	87,969	83,103	88,839	62,540
James Woody Park PAL Center	2,760	2,928	5,960	3,414
James Woody Park Restroom	15,241	12,172	12,734	7,933
Subtotal Facilities	276,111	249,484	259,912	207,031
Adult Sports	38,252	37,929	45,738	44,162
Aquatic Program	445,742	439,034	452,937	430,582
ASAP	223,771	226,784	285,915	297,617

Day Camp	68,513	63,688	63,058	67,045
Instructor Classes	169,500	146,463	171,235	151,418
PIO Events	194,456	173,263	164,207	99,457
Recreation	155,601	178,286	161,629	121,427
Recreation Department Events	99,470	68,464	61,060	57,905
Rentals	92,780	86,568	92,908	78,905
Skate Park Facilities	162		5,000	4,000
User Groups	40,899	23,587	37,716	37,198
Youth Sports	100,212	94,649	97,128	110,621
Subtotal Recreation	1,629,358	1,538,715	1,638,531	1,500,337
Subtotal Fund 2510	3,513,252	3,569,173	3,338,555	# 3,016,981
Apple Valley Golf Course (5710)				
Non-Departmental	234,318	217,016	145,282	225,700
Administration	125,807	112,041	135,875	127,679
Food & Beverage	1,727	3,824	-	24,121
Cart Barn	100,193	115,825	97,500	94,000
Grounds	493,892	419,777	523,675	452,025
Facilities	71,096	84,835	88,244	97,541
Parking Lot	-		-	-
Pro Shop	40,399	58,693	68,525	43,500
Tennis Court	1,153	15,835	500	100
Subtotal Fund 5710	1,068,585	1,027,846	1,059,601	1,064,666
Grand Total	34,120,510	35,683,907	34,068,634	# 32,667,824

Exhibit B

Adopted 18-19 General Fund Revenue

GENERAL FUND REVENUE 1001					
Code	Revenue Classification	Actual Revenue 2015-16	Actual Revenue 2016-17	Actual Revenue 2017-18	Amended Budget 2018-19
	LOCAL TAXES				
4020	Property Tax	2,561,451	2,697,531	2,806,887	2,951,000
4025	Property Tax - Sales Tax Backfill	1,036,791			
4030	Property Tax (VLF Backfill)	5,806,584	6,095,614	6,455,212	6,252,500
4055	Sales & Use Tax	4,813,996	5,806,008	6,479,162	6,284,500
4070	VVEDA Loan Reimbursement	672	2,196	2,268	
4085	Franchise Taxes	1,996,951	1,973,977	2,038,598	2,119,000
4095	Transient Occupancy Tax	5,923	5,196	9,008	7,700
4096	PEG Fees	52,486	170,131	152,308	122,000
4110	Motor Vehicle In-Lieu	28,807	33,445	-	33,000
4134	Tax increment/Pass through	398,336	442,593	580,907	400,000
4142	Business License Fees	164,788	174,154	183,114	170,000
4142-5	CASp-SB1186	1,646	1,733	5,451	0
6999	Transfer In - 5510 Franchise Fee	0	2,005,553	2,998,041	2,051,100
4176	Property Transfer Tax	251,710	252,507	307,264	218,420
	Subtotal - Local Taxes	17,120,142	19,660,638	22,018,220	20,609,220
	FINES & FEES & PUBLIC SAFETY CONTRIBUTIONS				
4355	Police Fines & Forfeitures	71,441	70,481	48,383	75,000
4365	Police Reports & Charges	12,312	18,185	18,622	15,000
4377	Tow Release	46,150	35,400	32,250	40,700
6927	Police Grants	127,955	157,057	160,890	125,000
	Subtotal - Fines & Fees	257,858	281,123	260,145	255,700
	PUBLIC SERVICES				
4145	Debris Recycling	7,500		17,500	3,100
4160	Microfilming	6,801	6,257	5,923	5,760
4167	Subordination Fee	0	4,750	7,000	0
4410	Animal Control Citation Fines	40,427	40,956	59,310	45,000
4420	Animal Control Permits	6,948	12,144	8,681	5,000

4430	Animal Licenses	255,670	226,374	248,381	250,000
4430-5	Animal Licenses - County	32,843	40,563	44,297	0
4435	Animal Services Shelter Contract	69,465	98,692	(33,819)	0
4435-5	Animal Services Sheltering - County	377,790	373,498	416,922	487,120
4440	Field P/U Apprehension	6,372	6,676	7,803	6,500
4450	Field P/U Release	14,906	15,350	14,488	14,000
4450-5	Field P/U Release - County	11,300	11,822	12,055	0
4460	Impound Boarding Fees	24,043	35,090	27,711	25,000
4460-5	Impound Boarding Fees - County	5,137	5,316	4,505	0
4465	Lien Fees	469	1,095	2,198	1,000
4470	Miscellaneous AC	48,617	44,178	44,580	50,000
4470-5	Miscellaneous - County	1,633	271	461	0
4480	Owner Turn in @ Shelter	13,485	11,517	17,076	19,400
4480-5	Owner Turn in @ Shelter - County	12,989	13,745	10,660	0
4490	Pet Adoptions	105,687	102,094	96,786	96,000
4500	Quarantine Fees	2,500	3,095	3,615	2,700
4510	Rabies Vaccination	14,717	14,011	13,288	15,000
4517	Shelter Cap. Impr. County Payment	0		-	0
4520	Shelter Donations	53	45	241	0
4530	Over/Short	59	-	24	0
4540	Spay and Neuter Deposit	6,159	4,925	3,497	4,600
4550	State Mandated Fees AC	6,309	7,804	6,900	7,500
5580	Short/Over Recreation	(5)	36	(76.80)	0
6050	Code Enforcement Fines	241,169	278,298	181,822	160,000
6070	Property Maint Inspections	218,869	207,695	254,193	252,000
6816	Grants	0	-	-	49,800
6168	Right-of-Way Permits	70,370	81,986	88,551	70,000
	Total - Public Services	1,602,281	1,648,283	1,564,571	1,569,480
	BUILDING AND SAFETY				
6108	Building Permits	421,402	680,609	597,522	580,320
6110	Cer of Compliance	0	1,380	-	0
6111	COO Fees	15,274	13,984	20,591	0
6114	CSA	3,050		-	0
6120	Electrical	180,482.82	156,632	153,160	180,620
6122	Extension Request	3,084.75	22,487	25,299	0

6130	Grading	12,575	16,378	26,039	14,090
6134	Inspections (Other)	16,673	21,464	31,511	33,800
6138	Landscape Review	0	465	621	0
6148	Mechanical	45,616	45,808	46,985	56,020
6152	Misc Revenue - Building & Safety	138,904	146,618	126,735	205,100
6158	Plan Check	196,999	199,325	242,938	264,590
6162	Plumbing	34,442	45,407	50,225	50,770
6169	SB 1473	427	388	440	0
6174	SMI Tax	239	336	722	0
	Total - Building & Safety	1,069,168	1,351,279	1,322,788	1,385,310
	PLANNING AND ZONING				
6104	Appeals	0	738	495	500
6112	Copies and Reproduction	1,859	617	812	630
6118	Development Permit	10,476	13,045	30,661	65,120
6128	General Plan Amendment	(3,394)		(3,202)	-
6132	Home Occupation Permit	8,676	10,699	10,235	10,680
6142	Lot Line Adjustment	2,326		636	-
6150	Minor Sub-divisions	638	155	-	-
6156	Miscellaneous Revenue - Planning	3,338	3,638	2,181	57,440
6165	Open Space	132	302	18	-
6170	Sign Permit	10,064	3,561	3,854	5,700
6172	Site Plan Review	75,153	106,697	88,509	3,660
6176	Special Events	1,496	4,711	1,352	12,600
6178	Specific Plan	0	6,182	-	3,650
6180	Tentative Parcel Map	3,079	7,646	24,957	30,130
6182	Tentative Tract Map	(66)	145	4,707	36,290
6192	Use Permit	29,209	38,856	53,646	66,890
6195	Variance (Deviations)	5,204	4,584	6,164	5,110
6197	Zone Change	0	18,419	-	-
	Total - Planning Fees	148,190	219,995	225,024	298,400
	ENGINEERING				
6154	Miscellaneous -Engineering	0	-	10	300
6160	Plan Check	85,461	41,877	57,957	75,000
6188	Transportation Permits	21,332	19,067	31,054	23,000

	Total - Engineering	106,793	60,944	89,022	98,300
	Sub Total - Community Development	1,324,151	1,632,218	1,636,834	1,782,010
	OTHER REVENUES				
4165	Miscellaneous Penalties or Fines	440	1,046	672	700
4168	Notary Fees	160	110	80	200
4170	Other Revenue Sources	8,637	170,698	70,964	350,100
7000	Bond Proceeds/Line of Credit	0		-	485,000
4141	Advertising Revenue	21,676	13,035	1,707	5,000
4172	Passport Fees	37,996	42,150	43,520	27,000
4181	Refunds, Reimbursements	210,151	151,520	206,045	90,000
4183	Gain/Loss on Disposal of Fixed Assets	0	-	-	-
4183-7500	SCE Incentive Payments	25,338	10,714	-	-
4184	Short/Over	66	(45)	627	-
4185	State Mandated Reimbursements	72,732	26,119	22,392	3,000
4255	Interest Earnings	173,871	31,621	239,129	50,000
4352	Booking Fees	1,102	-	-	200
4370	Restitution	1,472	2,056	2,370	1,000
5700	Rentals	24,389	17,493	12,533	12,000
6999	Administrative Overhead 5810	0	275,625	946,300	900,000
6808	EMPG Grant	41,539	21,487	16,984	20,000
6996	Town Store Sales	354	600	431	400
6999	Administrative Overhead 2010	813,743	1,102,006	817,600	817,600
6999	Administrative Overhead 2510	455,148	448,842	-	-
6999	Administrative Overhead 5010	1,896,510	748,409	748,400	748,400
6999	Administrative Overhead 5510	4,085,783	789,489	789,400	789,400
	Subtotal - Other Revenues	7,871,107	3,852,974	3,919,154	4,300,000
	Total Revenue - General	28,175,540	27,075,237	29,398,924	28,516,410
PARKS & RECREATION - 2510					
	Parks & Recreation - Revenue				
4020	Taxes			1,820,206	1,640,000

4181	Refunds, Reimb, Rebates			4,387	-
5570	Misc Recreation Revenue			(7,270)	1,000
5580	Short/Over Recreation			-	-
5700	Rents			78,814	87,726
6999	Transfer in - General Fund			691,181	303,965
	Sub-Total - General Revenues	0	0	2,587,317	2,032,691
6610	Adult Sports				
5020	Adult Basketball			8,538	8,400
5030	Adult Basketball Tny			-	-
5035	Adult Kickball			-	-
5040	Adult Soccer			-	-
5050	Open Gym			15,049	14,700
5060	Softball			7,045	7,000
5090	Volleyball			5,220	-
5580	Short/Over Recreation			-	-
	Sub-Total - Adult Sports Revenue	0	0	35,852	30,100
6640	Civic Center Aquatics Complex				
5120	Apple Valley Swim Club			7,474	8,000
5125	Concession Sales - Pool			5,586	5,500
5140	Evening Lap Swim			1,738	900
5145	Evening Rec Swim			3,471	10,080
5150	Guard Start			1,152	1,040
5155	Lifeguard Training			4,733	5,600
5160	Morning Lap Swim			12,807	15,375
5165	Open Diver Water Course			2,423	-
5170	Open Rec Swim			45,086	39,940
5175	Pool Rentals			58,642	56,000
5180	Pool Special Events			7,69	7,325
5185	Splash Dance			-	-
5190	Swim Lessons			60,908	68,800
5195	Water Aerobics			13,261	12,350
5197	Water Polo			-	-
5580	Short/Over Recreation			(18)	-
	Sub-Total - Civic Center Aquatics	0	0	224,872	230,910

6670	ASAP				
5510	After School Program		0	301,564	303,000
	Sub-Total - Afterschool Program	0	0	301,564	303,000
6730	Day Camp				
5255	Day Camp		0	49,970	44,000
	Sub-Total - Day Camp	0	0	49,970	44,000
6760	Instructor Classes				
5305	Academic Tots			12,154	14,500
5315	Archery			855	-
5320	Arts & Crafts			31,908	25,000
5325	Ballet & Tap			12,721	9,250
5330	Baton Twirling			2,905	2,100
5335	Belly Dancing			475	500
5345	Cheer-Tumbling			9,730	8,000
5350	Child & Babysitting Safety			-	-
5355	CPR & First Aid			878	3,000
5360	Dog Obedience			768	600
5365	Drivers Ed			956	600
5370	Fencing			-	-
5375	Golf Lessons			152	500
5380	Guitar Lessons			3,179	3,000
5390	Hip Hop Dance			-	-
5405	Low Impact Aerobics			2,620	5,500
5415	Parent & Tot			2,435	5,000
5430	Rent-A-Santa			-	-
5435	Salsa & Latin Dance			-	-
5465	Summer Camps			3,959	3,575
5475	Tae Kwon Do			16,210	18,000
5480	Tai Chi			9,431	10,000
5485	Tennis			5,255	8,000
5491	Workshops and Clinics			452	-
5498	Yoga			9,774	16,400
5901	Admin Fee			7,077	-
5902	SCMAF fee			3,442	-
5580	Short/Over Recreation			(10)	-

5863	Cooking- Kitchen Smarts			-	-
	Sub-Total - Instructor Classes	0	-	137,325	133,525
6790	PIO Events				
5510	Community Yard Sales			3,094	2,000
5515	Craft Fairs			2,780	1,750
5525	Freedom Festival			7,062	5,500
5535	Concerts in the Park			5,170	4,750
5538	PBID Marketing			9,331	0
5540	Sponsorship Revenue			(382.67)	0
	Sub-Total - PIO Events	0	0	27,054	14,000
6820	Recreation				
4143	Concession/Vending Sales			-	-
	Sub-Total - Recreation			-	-
6850	Rec Dept Events				
5580	Short/Over Recreation			166	-
5605	AV Idol			-	-
5610	AV Most Talented Kid			186	210
5620	Bunny Run			4,268	3,600
5627	Cross Country Meet			165	265
5630	Eggstravaganza			-	-
5635	Firecracker Run			3,159	3,325
5644	Healthy Apple Valley			497	1,000
5665	Special Apples			468	800
5670	Teen Events			222	500
5672	Tour de Apple Valley			-	-
5680	Turkey 5K Run			3,665	3,825
5690	Teen Zone			246	400
5691	Toddler Olympics			295	600
	Sub-Total - Rec Dept Events	0	0	13,338	14,525
6880	Rentals				
5580	Short/Over Recreation			-	-
5700	Rentals			110,798	95,000
5710	Lights			36,104	18,500
5720	Parking Fee			30,361	17,500
	Sub-Total - Rentals	0	0	177,264	131,000

6900	Skate Park Facilities				
4170	Other Revenue Sources		-	-	-
	Sub-Total - Rentals	0		-	-
6940	User Groups				
5805	User Group Disposal Fees			(6,060)	2,850
5810	Rents			39,327	27,500
	Sub-Total - User Groups Revenue	0	0	33,267	30,350
6970	Youth Sports				
5855	Adventures in PW Sports			3,214	3,000
5862	Coed Volleyball			731	6,000
5865	Father Son Basketball Tournament			(140)	200
5870	Winter Pee Wee/Hot Shots Basketball			7,819	4,320
5872	Peewee Soccer			-	-
5874	Summer Peewee/Hotshots Basketball			-	3,360
5875	Summer Youth Basketball			10,165	9,600
5885	T-Ball			-	-
5890	Youth Basketball			18,453	19,800
5895	Youth Track Meet			-	100
	Sub-Total-Youth Sports Revenue	0	0	40,242	46,380
	Total Revenue - Parks and Recreation	0	0	3,628,064	3,010,481
	TOTAL - GENERAL FUND REVENUES	28,175,540	27,075,237	33,026,988	31,526,891

Exhibit B

Town of Apple Valley
CALCULATION OF PROJECTED FUND BALANCES
for the Fiscal Year Ending June 30, 2019

		Estimated					Projected	
		Fund	Carry Forward	Estimated	Operating/Capital			Ending Fund
Fund		Balances	from	Revenues	Expenditures	Transfers In	Transfers Out	Balances
No.	Fund Description	07/01/18	FY 2017-18	FY 18-19	FY 18-19			6/30/2019
1001	General Fund	1,770,927	19,282	33,008,218	31,879,891	4,300,300	1,816,335	5,363,937
Special Revenue Funds:								
2010	Gas Tax Fund	(87,327)	9,660	1,517,451	1,480,903	524,700	817,600	(343,679)
2011	Road Maintenance and Rehabilitation	522,637		1,302,450	1,302,450			522,637
2013	Article 3	-		-	-	-	-	-
2015	Article 8	3,364,038	2,209	524,000	1,535,524	-	524,000	1,828,514
2021	Measure I Local 2040	4,202,553	1,457,160	5,411,966	6,520,516	-	-	3,094,003
2040	Air Pollution Control	380		-	9,000	-	-	(8,620)
2120	CDBG	1	73,617	1,049,458	1,187,887	199,664	-	61,236
2131	NSP 3	3,057		200,000	200,000	-	-	3,057
2320	Apple Valley Home	(44,619)		1,212,593	1,195,546	-	-	(27,572)
2330	Victorville Home	(45,729)		901,560	912,993	-	-	(57,162)

2410	Cal Home			60,000			
		2,668,211	60,000		-	-	2,668,211
2510	Parks & Recreation	(6,495,094)	2,849,301	3,016,981	303,965	-	(6,358,809)
2520	Quimby Funds	673,661	158,009	-	-	-	831,670
2610	Police Grants	(28,611)	22,779	54,111	-	-	(59,943)
2620	Asset Seizure	1,915	4,343	-	-	-	6,258
2630	Drug & Gang Prevention	6,056	-	-	-	-	6,056
2810	Assessment District LL	1,505,860	315,000	474,801	-	-	1,346,059
	Subtotal Special Revenue Funds	6,246,989	1,542,646	15,528,910	17,950,712	1,028,329	1,341,600
							3,511,916
Debt Service Funds:							
4105	1999 COPS			408,000			
		764	-		408,000		764
4108	2007 Town Hall	903,167	-	958,335	958,335		903,167
	Subtotal Debt Service Funds	903,932	-	-	1,366,335	1,366,335	-
							903,932
Capital Improvement Funds:							
4050	NAVISP			965,274			
		1,697,386	-		-	-	732,112
4410	Capital Improvement TIF Fund	6,996,372	395,723	1,030,548	1,844,373	-	6,182,547
4710	Animal Control Facilities	144,376	2,632	-	-	-	147,008
4720	Law Enforcement Facilities	68,797	16,865	-	-	-	85,662
4730	General Government Facilities	274,118	64,634	-	-	-	338,752
4740	Public Meeting Facilities	270,688	12,554	-	-	-	283,242

4750	Aquatic Facilities				-	-	-	111,201
		107,151		4,050				
4760	Storm Drains				747,247			
		2,130,995		190,000				1,573,749
4770	Sanitary Sewer Facilities							
		1,232,889		911,760				2,144,649
4910	Project Manager Grants				132,351			
		(36,334)	56,262	144,191				(24,493)
	Subtotal Capital Projects Funds	12,886,439	451,985	2,377,233	3,689,244			11,574,428
	Total Governmental Funds	21,808,287	2,013,912	50,914,362	54,886,182	6,694,964	3,157,935	21,354,214
	Enterprise Funds:							
5010	Wastewater				6,921,794			
		9,010,487		7,382,564			748,400	8,722,857
5510	Solid Waste				8,553,825			
		2,000,730		11,906,471			2,754,189	2,599,187
5710	Apple Valley Golf Course				1,064,666			
		(3,571,518)		626,085		450,000		(3,560,099)
5810	Apple Valley Choice Energy				13,669,920			
		2,653,049		16,302,234			900,000	4,385,363
	Total Enterprise Funds	10,092,748	-	19,915,120	16,540,284	450,000	4,402,589	12,147,308
2725	VVEDA Successor Agency Fund				1,065,433			
		1,918,795		1,071,250				1,924,612
2730	AV RDA Successor Agency Fund				2,633,768			
		680,765		2,615,650				662,647
		2,599,560	-	3,686,900	3,699,201	-	-	2,587,259
	GRAND TOTAL	31,901,035	2,013,912	70,829,481	71,426,466	7,144,964	7,560,524	33,501,522

Exhibit B

**Carry Forward – Open Purchase Orders
Budget Year 2018-19**

<u>PO Number</u>	<u>Vendor</u>	<u>Project</u>	<u>GL Code</u>	<u>Amount</u>
1718-000028	Advantage Inc	Our Town Newsletters	1001-1070-7277-0000	9,281.60
1718-000074	The Urkoy Group	MSHCP	1001-4610-8940-0000	10,000.00
Sub-total				19,281.60
1718-000068	Traffic Management Inc	Yucca Loma Bridge Repairs	2010-5010-7935-0000	9,660.22
1718-000056	Merrell Johnson	John Glenn	2015-0000-9500-0000	2,208.75
1718-000059	KOA	SRTS	2021-5210-9260-0000	130,514.27
1314-000039	Dokken	Bear Valley Bridge	2021-5210-9282-0000	1,113,632.29
0910-000031	Dokken	HWY 18/AV Rd	2021-5210-9410-0000	16,831.06
1718-000067	VSS International	Paving	2021-5210-9525-0000	6,874.86
1718-000046	KOA	HWY 18/AV Rd	2021-5210-9593-0000	159,987.97
1718-000050	Advantec	Bear Valley Corridor	2021-5210-9599-0000	29,320.00
Sub-total				1,457,160.45

1718-000060	Miracle Recreation Equipment	Playground Equipment	2120-4210-7430-0703	42,470.74
1718-000061	Ortco Inc	James Woody Playground	2120-4210-7430-0703	19,386.00
1718-000064	All American Fence Erector	James Woody Fence	2120-4210-7430-0703	11,760.00
Sub-total				73,616.74
0910-000060	Dokken	Yucca Loma Bridge	4410-5210-9588-0000	4,360.23
1718-000073	Natures Image	Landscape Maintenance	4410-5210-9588-0000	94,749.27
0910-000060	Dokken	Yucca Loma Bridge	4410-5210-9595-0000	296,613.40
Sub-total				395,722.90
1314-000047	Solution Strategies	MSHCP	4910-4822-8940-0000	56,261.76
Grand Total				2,013,912.42