



Town Council Agenda Report

Date: June 22, 2020 Item No: 8

To: Honorable Mayor and Town Council

Subject: FY 2020-21 BUDGET OF THE APPLE VALLEY VILLAGE PROPERTY AND BUSINESS IMPROVEMENT DISTRICT (PBID) ASSOCIATION

From: Douglas Robertson, Town Manager

Submitted by: Kenneth Sousa, Public Relations Specialist

Budgeted Item: Yes No N/A

RECOMMENDED ACTION:

That the Town Council approve the Fiscal Year 2020-21 Budget of the Apple Valley Village Property and Business Improvement District Association (PBID Association).

SUMMARY:

The PBID Association Board unanimously adopted its FY2020-21 Budget (Attachment A) on May 20, 2020, approving key programs and services consistent with its adopted District Management Plan, including continuation of marketing activities, kiosk and banner signage, parade and street fair events, private security services and event-specific security (provided by the County Sheriff's Department), the Aesthetics Rehabilitation Grant Program (ARGP), Highway 18 landscape/drainage improvements and maintenance, and administrative activities.

The Association estimates FY2019-20 year-end operational expenses of \$211,155 plus \$60,000 in Town-administered programs for a total of \$271,155 in expenses.

The Association's approved budget for the new FY2020-21 is \$787,500 for both operational and capital expenses and an additional \$185,000 for contract services administered directly by the Town which includes enhanced police services in the Village area and ongoing Highway 18 Median landscape maintenance costs.

The Town will remit to the Association a portion of their collected annual assessment dollars for day-to-day activities, approximately \$186,500, (\$787,500 minus Association's cash on hand of \$601,000). The Association remains accountable for all funds it directly administers and is required to submit expense reports and financial statements to the Town annually. An annual Agreed-Upon Procedures Report will be completed by a

third-party Certified Public Accountant by October 1, 2020, and subsequently submitted to the Town to receive and file.

Based upon the foregoing, staff recommends adoption of the form motion.

BACKGROUND:

In 2007 the Town Council adopted a resolution establishing the Apple Valley Village Property and Business Improvement District (PBID) for five years (FY2007-08—FY2011-12) to levy annual assessments against the PBID’s assessable parcels to be used solely for purposes described in the PBID’s adopted Management District Plan (Plan). In 2008, the PBID property owners formed and incorporated the Village PBID Association (Association), a 501 c (4) nonprofit corporation. The Association Board was subsequently selected to act as the PBID administering body and entered into an Agreement for Services with the Town in December 2008 to implement the Plan and to access and expend assessment revenues. In 2017, the Association led a successful grassroots campaign to renew the PBID for an additional five-year period, FY2017-18—FY2021-22.

Pursuant to the Agreement, the Town remits to the Association the PBID assessment revenues (collected by the County of San Bernardino and paid to the Town) on an as-needed basis and in accordance with an approved annual Budget. Components of the Budget that are directly administered by the Town will be paid directly by the Town. Components of the Budget that are directly administered by the Association will be paid directly by the Association and may be advanced to the Association annually upon Town Council approval of that year’s Annual Budget Report.

FISCAL IMPACT:

The PBID Association’s annual budget only utilizes PBID Assessment Revenues and has no direct impact on Town funds.

ATTACHMENT:

- A. Apple Valley Village PBID Association FY 2020-21 Budget

Attachment A

Apple Valley Village Property and Business Improvement District Association Fiscal Year 2020-21 Budget

REVENUES			
	Proposed Budget		
	2020-21		
Total Beginning Balance (includes Town-held assessment revenues)			484,000
PBID Association Cash on Hand			601,000
Assessment and Interest Revenues			224,000
Total Available Balance			1,309,000
EXPENSES			
	Adopted Budget	Est Expenses	Adopted Budget
	2019-20	2019-20	2020-21
Association General and Admin Expenses			
Administrative Services: minutes/agendas/administration	30,000	32,800	30,000
Phone	700	650	700
Consultant Services (Engineering)	30,000	0	30,000
Insurance	2,500	2,500	2,500
Postage	600	400	500
Aesthetics Rehabilitation Grant Program (ARGP)	7,500	3,000	7,500
Legal and Accounting (Audit)	5,000	1,500	5,000
Marketing Services and Advertisements	30,000	29,000	30,000
Events, Street Fairs and Parade	56,500	48,000	56,500
Training/educational conferences, workshops and seminars	2,000	0	2,000
Small Office Supplies	300	200	300
Meeting Refreshments	200	0	150
Office Equipment: Copy machine, recorder	500	675	500
Taxes/Filing Fees	150	75	100
Kiosk signage, banners	10,000	7,500	10,000
Miscellaneous	300	55	250
Capital Enhancement Projects, Drainage Improvements	600,000	70,000	500,000
Median Utilities	2,000	800	1,500
Specific Plan Study	50,000	14,000	75,000
Private Security Services			35,000
Total Association General and Admin Expenses	828,250	211,155	787,500
Town-Coordinated Projects/Activities Expenses (Fund 8110)			
Event-Specific Security Services w/Sheriff's Dept	45,000	30,000	10,000
Hwy 18 Landscape Maintenance Annual	30,000	30,000	35,000
Hwy 18 Landscape Maintenance Set-Aside	140,000	0	140,000
Total Town-Coordinated Expenses	215,000	60,000	185,000
Total Association and Town Expenses	1,043,250	271,155	972,500
SUMMARY			
Total Revenues			1,309,000
Total Expenses			972,500
Ending Fund Balance			336,500
Check Request (Town remits to PBID for FY2020-21. General and Admin Expenses Minus Cash on Hand)			186,500