

**APPLE VALLEY, CALIFORNIA
AGENDA MATTER**

Subject Item:

ANNUAL BUDGET OF THE APPLE VALLEY VILLAGE PROPERTY AND BUSINESS IMPROVEMENT DISTRICT (PBID) ASSOCIATION

Summary Statement:

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.

Pursuant to the Agreement, the Town shall remit 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. Accordingly, the Association has budgeted \$231,400 for its General and Administrative Expenses. Since the Association estimates a year-end, unobligated balance of approximately \$48,700, these unobligated funds will be reprogrammed into the FY2011-12 Budget. The Town will remit the balance of \$182,700 to the Association for administration of its day-to-day activities.

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, 2011, and subsequently submitted to the Town for review.

On May 18, 2011, the Association unanimously adopted its FY2011-12 Budget (Attachment 1), thereby approving key budget activities, including kiosk signs, entry statement lighting, property acquisition, drainage enhancements, security services (in partnership with the County Sheriff's Department), the Aesthetics Rehabilitation Grant Program (ARGP), continued Highway 18 median landscape improvements and maintenance, and increased allocations to marketing, legal and consulting services. Based upon the foregoing, staff recommends adoption of the form motion.

Recommended Action:

That the Town Council Approve the Fiscal Year 2011-12 Budget of the Apple Valley Village Property and Business Improvement District Association.

Proposed by: Economic and Community Development Department Item Number _____

Town Manager Approval: _____ Budgeted Item Yes No N/A

Attachment 1
Apple Valley Village Property and Business Improvement District Association
 Fiscal Year 2011-2012 Adopted Budget

Revenues	Actual Revenue	Actual Revenue	Actual Revenue	Actual Revenue	Adopted Budget	Estimated Year End	Proposed Budget
	2007-08	2008-09	2009-10	2010-11	2010-11	2010-11	2011-12
Beginning Balance	0	261,717	536,115	768,921	768,921	650,018	708,832
PBID Association Cash on Hand			56,448	68,138		48,700	48,700
Assessment and Interest Revenues	288,617	297,128	329,282			334,813	300,000
Total Available Balance	288,617	558,845	921,845	837,059	837,059	1,033,531	1,057,532

Expenses	Actual Expense	Actual Expense	Actual Expense	Actual Expense	Adopted Budget	Estimated Year End	Proposed Budget
	2007-08	2008-09	2009-10	2010-11	2010-11	2010-11	2011-12
Association General and Admin Expenses							
Secretary Services: minutes/agendas/administration		11,200	12,000	12,000	12,000	12,000	12,000
Phone		673	583	1,200	1,200	1,096	1,200
Consultant Services (e.g. Dokken Engineering, Civitas)	16,900		1,000	5,000	5,000	15,929	30,000
Insurance		1,612	1,648	2,000	2,000	1,668	2,000
Postage		97	177	1,200	1,200	393	1,200
ARGP (Aesthetics Rehabilitation Grant Program)			0	20,700	20,700	1,540	20,700
Website setup and hosting			3,884	4,200	4,200	2,035	4,200
Legal and Accounting: Attorney and CPA; Assessment Roll			16,745	20,000	20,000	3,548	20,000
Marketing: Consultant, Ads, Newsletter, Tradeshow			17,570	22,000	22,000	6,136	27,000
Training/educational conferences, workshops and seminars		1,706	985	2,000	2,000	0	2,000
Small Office Supplies		158	414	1,000	1,000	206	1,000
Meeting Refreshments		200	800	1,200	1,200	8	1,200
Office Equipment: Copy machine, recorder			500	600	600	72	600
Taxes/Filing Fees			805	200	200	10	200
Kiosk signage, banners and entry statement lighting			0	0	0	0	40,000
Miscellaneous		94	0	100	100	59	100
Property Acquisition/Improvements							68,000
Total Association General and Admin Expenses	16,900	15,740	57,111	93,400	93,400	44,699	231,400
Town-Coordinated Projects/Activities Expenses (Fund 8110)							
Enhanced Security Services w/Sheriff's Dept		6,990	2,283	30,000	30,000	30,000	30,000
Hwy 18 Landscaped Median Project and Maintenance Set-Aside			91,031	393,010	393,010	250,000	451,979
Road Circulation and Drainage		0	0	50,000	50,000	0	50,000
Legal and Accounting: Attorney and CPA; Assessment Roll			2,500	0	0	0	0
Architect Renderings	10,000	0	0	0	0	0	0
Total Town-Coordinated Expenses	10,000	6,990	95,813	473,010	473,010	280,000	531,979
Total Association and Town Expenses	26,900	22,730	152,924	566,410	566,410	324,699	763,379

Summary							
Total Available Balance	288,617	558,845	921,845	837,059	837,059	1,033,531	1,057,532
Total Association and Town Expenses	26,900	22,730	152,924	566,410	566,410	324,699	763,379
Ending Fund Balance	261,717	536,115	768,921	270,649	270,649	708,832	294,152
Check Request (Town remits to PBID Association for FY2011-12 General and Admin Expenses Minus Cash on Hand)							
							182,700