



TOWN OF APPLE VALLEY

TOWN COUNCIL STAFF REPORT

To: Honorable Mayor and Town Council **Date:** June 12, 2012

From: Orlando Acevedo, Economic Development Mgr. **Item No:** 8
Economic Development

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

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

RECOMMENDED ACTION:

That the Town Council approve the FY2012-13 Budget of the Apple Valley Village Property and Business Improvement District (PBID) Association (Association).

SUMMARY:

On May 16, 2012, the Association unanimously adopted its FY2012-13 Budget (attached), thereby approving key activities, including kiosk signs, entry statement lighting, security services (in partnership with the County Sheriff's Department), the Aesthetics Rehabilitation Grant Program (ARGP), continued Highway 18 median landscape improvements and maintenance, as well as allocations to marketing, legal and consulting services.

The proposed FY2012-13 Budget assumes that the PBID will be renewed for another five years (under a separate agenda item this evening); however, if it is not, the Association will need to adjust their projected revenues and expenditures accordingly.

Accordingly, 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 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, 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 (Agreement) 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 \$282,850 for its General and Administrative Expenses. The Association estimates a year-end balance of approximately \$120,500; these funds will be reprogrammed into the FY2012-13 Budget. The Town will remit the balance, \$162,350, 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, 2012, and subsequently submitted to the Town for review.

FISCAL IMPACT:

No financial impact to the Town.

Attachment 1

FY2012-13 Budget
of the
Apple Valley Village Property and Business Improvement District

Apple Valley Village Property and Business Improvement District Association
Fiscal Year 2012-2013 Budget

Revenues	
	Proposed Budget 2012-13
Beginning Balance	718,842
PBID Association Cash on Hand	120,500
Assessment and Interest Revenues	204,000
Total Available Balance	1,043,342
Expenses	
	Proposed Budget 2012-13
Association General and Admin Expenses	
Secretary Services: minutes/agendas/administration	12,000
Phone	750
Consultant Services	10,000
Insurance	2,000
Postage	1,000
ARGP (Aesthetics Rehabilitation Grant Program)	10,000
Website setup and hosting	6,000
Legal and Accounting	20,000
Marketing: Consultant, Ads, Newsletter, Tradeshows	27,000
Training/educational conferences, workshops and seminars	2,000
Small Office Supplies	500
Meeting Refreshments	1,000
Office Equipment: Copy machine, recorder	500
Taxes/Filing Fees	100
Kiosk signage, banners and entry statement lighting	20,000
Miscellaneous	0
Property Acquisition/Improvements	168,000
Median Utilities	2,000
Total Association General and Admin Expenses	282,850
Town-Coordinated Projects/Activities Expenses (Fund 8110)	
Enhanced Security Services w/Sheriff's Dept	30,000
Hwy 18 Landscaped Median Project	390,804
Hwy 18 Landscaped Median Project Maintenance	150,000
Road Circulation and Drainage	
Legal and Accounting	0
Architect Renderings	0
Total Town-Coordinated Expenses	570,804
Total Association and Town Expenses	853,654
Summary	
Total Available Balance	1,043,342
Total Association and Town Expenses	853,654
Ending Fund Balance	189,688
Check Request (Town remits to Association for FY2012-13 General and Admin Expenses Minus Cash on Hand)	162,350