

Approvals

City Attorney

Director of Finance

City Manager

**TEMECULA COMMUNITY SERVICES DISTRICT
AGENDA REPORT**

TO: General Manager/Board of Directors
FROM: Jennifer Hennessy, Director of Finance
DATE: June 12, 2018
SUBJECT: Approve Financial Statements for the 3rd Quarter Ended March 31, 2018

PREPARED BY: Pascale Brown, Fiscal Services Manager
Jordan Snider, Accountant I

RECOMMENDATION: That the Board of Directors:

1. Receive and file the Financial Statements for the 3rd Quarter Ended March 31, 2018.

BACKGROUND: The attached Financial Statements reflect the unaudited activity of the Temecula Community Services District for the 3rd Quarter Ended March 31, 2018. Please see the attached Financial Statements for an analytical review of financial activity.

FISCAL IMPACT: None

ATTACHMENTS:

1. Combining Balance Sheet as of March 31, 2018.
2. Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual for the 3rd Quarter Ended March 31, 2018.

TEMECULA COMMUNITY SERVICES DISTRICT
COMBINING BALANCE SHEET
as of March 31, 2018

	Parks & Recreation	Service Level B Street Lights	Service Level C Slope Maintenance	Service Level D Refuse Recycling
ASSETS:				
Cash and Investments	\$ 1,219,647	\$ 177,517	\$ 1,344,330	\$ 468,663
Receivables	301,173	541	6,082	77,434
TOTAL ASSETS	\$ 1,520,820	\$ 178,058	\$ 1,350,412	\$ 546,097
LIABILITIES:				
Other Current Liabilities	\$ 589,259	\$ 675	\$ 100,898	\$ 3,927
TOTAL LIABILITIES	589,259	675	100,898	3,927
DEFERRED INFLOWS OF RESOURCES:				
Unavailable Revenues	-	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	-	-	-	-
FUND BALANCES:				
Nonspendable:				
Deposits	-	-	-	-
Restricted For:				
Community Services	931,561	177,383	1,249,514	542,170
TOTAL FUND BALANCES	931,561	177,383	1,249,514	542,170
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, and FUND BALANCES	\$ 1,520,820	\$ 178,058	\$ 1,350,412	\$ 546,097

NOTE: Balances are unaudited

**TEMECULA COMMUNITY SERVICES DISTRICT
COMBINING BALANCE SHEET
as of March 31, 2018**

	Service Level R Street Road Maintenance	Service Level L Lake Park Maintenance	Library	Public Art	Total
ASSETS:					
Cash and Investments	\$ 23,996	\$ 347,532	\$ 252,625	\$ 21,403	\$ 3,855,713
Receivables	96	1,496	102,348	285	489,455
TOTAL ASSETS	<u>\$ 24,092</u>	<u>\$ 349,028</u>	<u>\$ 354,973</u>	<u>\$ 21,688</u>	<u>\$ 4,345,168</u>
LIABILITIES:					
Other Current Liabilities	\$ -	\$ 11,700	\$ 20,905	\$ -	\$ 727,364
TOTAL LIABILITIES	<u>-</u>	<u>11,700</u>	<u>20,905</u>	<u>-</u>	<u>727,364</u>
DEFERRED INFLOWS OF RESOURCES:					
Unavailable Revenues	-	-	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES:					
Deposits	-	-	-	-	-
Restricted For:					
Community Services	24,092	337,328	334,068	21,688	3,617,804
TOTAL FUND BALANCES	<u>24,092</u>	<u>337,328</u>	<u>334,068</u>	<u>21,688</u>	<u>3,617,804</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, and FUND BALANCES	<u>\$ 24,092</u>	<u>\$ 349,028</u>	<u>\$ 354,973</u>	<u>\$ 21,688</u>	<u>\$ 4,345,168</u>

NOTE: Balances are unaudited

TEMECULA COMMUNITY SERVICES DISTRICT
**STATEMENT OF REVENUES, EXPENDITURES,
and CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

CITYWIDE OPERATIONS
for the 3rd Quarter Ended March 31, 2018

	Annual Amended Budget	YTD Activity	Encumbrances	Total Activity	% Budget	
REVENUES:						
Special Tax (Measure C)	\$ 1,859,061	\$ 998,772	\$ -	\$ 998,772	54%	(1)
Recreation Funding(Measure S)	5,341,503	4,006,127	-	4,006,127	75%	
Recreation Program	2,773,168	1,950,049	-	1,950,049	70%	
Investment Interest	12,000	11,638	-	11,638	97%	(2)
TOTAL REVENUES	<u>\$ 9,985,732</u>	<u>\$ 6,966,586</u>	<u>-</u>	<u>\$ 6,966,586</u>	70%	
EXPENDITURES:						
General Operations	2,182,314	1,670,572	61,669	1,732,241	79%	
Senior Center	362,261	247,159	16,212	263,371	73%	
Community Recreation Center (CRC)	968,968	661,296	42,928	704,224	73%	
Special Events	904,209	672,746	43,245	715,991	79%	
Temecula Community Center (TCC)	212,755	145,737	8,541	154,278	73%	
Museum	395,846	257,590	17,226	274,816	69%	
Aquatics	937,370	552,724	115,200	667,924	71%	
Sports	348,654	207,179	29,009	236,188	68%	
Children's Museum	311,860	219,334	10,389	229,723	74%	
Community Theater	1,334,294	964,995	63,011	1,028,006	77%	
Cultural Arts	240,213	161,277	16,276	177,553	74%	
Conference Center	92,382	56,733	1,778	58,511	63%	
Human Services	187,567	121,788	14,422	136,210	73%	
Margarita Recreation Center	119,619	87,853	6,543	94,396	79%	
Jefferson Recreation Center	38,470	24,547	1,867	26,414	69%	
Contract Classes	853,400	653,450	11,066	664,516	78%	
Park Rangers	199,092	141,319	1,000	142,319	71%	
Responsible Compassion	652,043	327,432	114,965	442,397	68%	
TOTAL EXPENDITURES	<u>10,341,317</u>	<u>7,173,731</u>	<u>575,347</u>	<u>7,749,078</u>	75%	
Revenues Over/(Under) Expenditures and Transfers	<u>(355,585)</u>	<u>(207,145)</u>				
Beginning Fund Balance as of 7/01/2017	<u>1,138,706</u>	<u>1,138,706</u>				
Ending Fund Balance as of 3/31/2018	<u>\$ 783,121</u>	<u>\$ 931,561</u>				

NOTES:

- (1) Special assessment taxes are primarily received in January and May each fiscal year.
(2) The variance is due to the change in the fair value on investments, fluctuating interest rates, and improved cash flows.

TEMECULA COMMUNITY SERVICES DISTRICT
**STATEMENT OF REVENUES, EXPENDITURES,
and CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**
SERVICE LEVEL B - RESIDENTIAL STREET LIGHTS
for the 3rd Quarter Ended March 31, 2018

	Annual Amended Budget	Total YTD Activity	Total Activity	% of Budget	
REVENUES:					
Assessments	\$ 641,384	\$ 336,806	\$ 336,806	53%	(1)
Recreation Funding(Measure S)	360,251	280,278	\$ 280,278	78%	
Investment Interest	-	1,900	\$ 1,900	100%	(2)
TOTAL REVENUES	<u>1,001,635</u>	<u>618,984</u>	<u>618,984</u>	62%	
EXPENDITURES:					
Salaries and Wages	17,211	13,142	13,142	76%	
Street Lighting Fees	955,000	586,001	586,001	61%	(3)
Property Tax Admin Fees	12,500	11,506	11,506	92%	
TOTAL EXPENDITURES	<u>984,711</u>	<u>610,649</u>	<u>610,649</u>	62%	
Revenues Over/(Under) Expenditures	16,924	8,335			
Beginning Fund Balance as of 7/01/2017	<u>169,048</u>	<u>169,048</u>			
Ending Fund Balance as of 3/31/2018	<u>\$ 185,972</u>	<u>\$ 177,383</u>			

- (1) Special assessment taxes are primarily received in January and May each fiscal year.
(2) The variance is due to the change in the fair value on investments, fluctuating interest rates, and improved cash flows.
(3) The variance in Street Lighting is due to timing of payment to Southern California Edison.

TEMECULA COMMUNITY SERVICES DISTRICT
**STATEMENT OF REVENUES, EXPENDITURES,
and CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**
**SERVICE LEVEL C - PERIMETER LANDSCAPING
AND SLOPE MAINTENANCE**
for the 3rd Quarter Ended March 31, 2018

	Annual Amended Budget	Total YTD Activity	Encumbrances	Total Activity	% of Budget	
REVENUES:						
Assessments	\$ 1,585,636	\$ 833,850	\$ -	\$ 833,850	53%	(1)
Investment Interest	9,030	23,342	-	23,342	258%	(2)
TOTAL REVENUES	<u>1,594,666</u>	<u>857,192</u>	<u>-</u>	<u>857,192</u>	54%	
EXPENDITURES:						
Zone 1 Saddlewood	37,082	28,466	6,514	34,980	94%	
Zone 2 Winchester Creek	41,573	26,401	10,708	37,109	89%	
Zone 3 Rancho Highlands	39,881	31,379	4,721	36,100	91%	
Zone 4 The Vineyards	6,505	4,685	1,009	5,694	88%	
Zone 5 Signet Series	34,004	22,251	6,932	29,183	86%	
Zone 6 Woodcrest Country	22,107	16,310	2,691	19,001	86%	
Zone 7 Ridgeview	15,831	9,725	1,925	11,650	74%	
Zone 8 Village Grove	125,194	102,289	18,459	120,748	96%	
Zone 9 Rancho Solana	4,369	2,954	236	3,190	73%	
Zone 10 Martinique	9,071	7,082	787	7,869	87%	
Zone 11 Meadowview	2,512	1,841	210	2,051	82%	
Zone 12 Vintage Hills	85,846	68,344	10,778	79,122	92%	
Zone 13 Presley Development	30,618	21,539	4,968	26,507	87%	
Zone 14 Morrison Homes	13,763	9,671	1,479	11,150	81%	
Zone 15 Barclay Estates	8,545	5,624	1,319	6,943	81%	
Zone 16 Tradewinds	35,801	19,586	12,832	32,418	91%	
Zone 17 Monte Vista	2,222	1,522	210	1,732	78%	
Zone 18 Temeku Hills	92,280	61,205	13,739	74,944	81%	
Zone 19 Chantemar	52,935	29,250	16,209	45,459	86%	
Zone 20 Crowne Hill	164,187	111,970	17,852	129,822	79%	
Zone 21 Vail Ranch	211,365	149,964	29,922	179,886	85%	
Zone 22 Sutton Place	4,184	2,502	450	2,952	71%	
Zone 23 Pheasant Run	8,118	4,531	1,027	5,558	68%	
Zone 24 Harveston	153,548	122,976	17,737	140,713	92%	
Zone 25 Serena Hills	42,554	26,127	9,900	36,027	85%	
Zone 26 Gallery Tradition	2,774	1,686	250	1,936	70%	
Zone 27 Avondale	8,836	6,055	971	7,026	80%	
Zone 28 Wolf Creek	210,973	150,545	25,361	175,906	83%	
Zone 29 Gallery Portrait	2,769	1,705	250	1,955	71%	
TOTAL EXPENDITURES	<u>1,469,447</u>	<u>1,048,185</u>	<u>219,446</u>	<u>1,267,631</u>	86%	(3)
Revenues Over/(Under) Expenditures	125,219	(190,993)				
Beginning Fund Balance as of 7/01/2017	<u>1,440,507</u>	<u>1,440,507</u>				
Ending Fund Balance as of 3/31/2018	<u>\$ 1,565,726</u>	<u>\$ 1,249,514</u>				

NOTES:

- (1) Special assessment taxes are primarily received in January and May each fiscal year.
(2) The variance is due to the change in the fair value on investments, fluctuating interest rates, and improved cash flows.
(3) The variance in expenditures is due to encumbrances that are recorded for the entire year.

TEMECULA COMMUNITY SERVICES DISTRICT
**STATEMENT OF REVENUES, EXPENDITURES,
and CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**
SERVICE LEVEL D -
REFUSE COLLECTION, RECYCLING & STREET SWEEPING
for the 3rd Quarter Ended March 31, 2018

	Annual Amended Budget	Total YTD Activity	Encumbrances	Total Activity	% of Budget	
REVENUES:						
Assessments	\$ 7,683,210	\$ 4,040,837	\$ -	\$ 4,040,837	53%	(1)
Recycling Program/Grant	18,000	17,906	-	17,906	99%	(2)
Investment Interest	2,200	6,422	-	6,422	292%	(3)
TOTAL REVENUES	<u>7,703,410</u>	<u>4,065,165</u>	<u>-</u>	<u>4,065,165</u>	53%	
EXPENDITURES:						
Salaries and Wages	116,772	86,078	-	86,078	74%	
Department of Conservation Grant	50,239	-	-	-	0%	
Refuse Hauling	7,690,842	3,844,470	-	3,844,470	50%	
Operating Expenditures	66,855	20,982	3,205	24,187	36%	
TOTAL EXPENDITURES	<u>7,924,708</u>	<u>3,951,530</u>	<u>3,205</u>	<u>3,954,735</u>	50%	(4)
Revenues Over/(Under) Expenditures	(221,298)	113,635				
Beginning Fund Balance as of 7/01/2017	<u>428,535</u>	<u>428,535</u>				
Ending Fund Balance as of 3/31/2018	<u>\$ 207,237</u>	<u>\$ 542,170</u>				

NOTES:

- (1) Special assessment taxes are primarily received in January and May each fiscal year.
- (2) Recycling grant program revenues were received for the entirety of the fiscal year.
- (3) The variance is due to the change in the fair value on investments, fluctuating interest rates, and improved cash flows.
- (4) The variance in expenditures is due to the second payment to CR&R for refuse hauling services is not due until June 2018.

TEMECULA COMMUNITY SERVICES DISTRICT
**STATEMENT OF REVENUES, EXPENDITURES,
and CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**
SERVICE LEVEL R - STREETS AND ROADS
for the 3rd Quarter Ended March 31, 2018

	Annual Amended Budget	Total YTD Activity	Total Activity	% of Budget	
REVENUES:					
Assessments	\$ 5,532	\$ 3,025	3,025	55%	(1)
Investment Interest	200	503	503	252%	(2)
TOTAL REVENUES	<u>5,732</u>	<u>3,528</u>	<u>3,528</u>	62%	
EXPENDITURES:					
Emergency Street Maintenance	9,690	2,700	2,700	28%	(3)
Property Tax Admin Fees	160	147	147	92%	
TOTAL EXPENDITURES	<u>9,850</u>	<u>2,847</u>	<u>2,847</u>	29%	
Revenues Over/(Under) Expenditures	(4,118)	681			
Beginning Fund Balance as of 7/01/2017	<u>23,411</u>	<u>23,411</u>			
Ending Fund Balance as of 3/31/2018	<u>\$ 19,293</u>	<u>\$ 24,092</u>			

NOTES:

- (1) Special assessment taxes are primarily received in January and May each fiscal year.
- (2) The variance is due to the change in the fair value on investment as well as fluctuating interest rates.
- (3) The variance is due to the timing of Emergency Street Maintenance repair during this quarter.

TEMECULA COMMUNITY SERVICES DISTRICT
**STATEMENT OF REVENUES, EXPENDITURES,
and CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**
SERVICE LEVEL L - LAKE PARK MAINTENANCE
for the 3rd Quarter Ended March 31, 2018

	Annual Amended Budget	Total YTD Activity	Encumbrances	Total Activity	% of Budget	
REVENUES:						
Assessments	\$ 239,475	\$ 124,058	\$ -	\$ 124,058	52%	(1)
Harveston Lake Boat Fees	4,200	3,314	-	3,314	79%	
Recovery of Prior Year Expense	-	1,473	-	1,473	100%	
Investment Interest	2,700	2,899	-	2,899	107%	(2)
TOTAL REVENUES	<u>246,375</u>	<u>131,744</u>	<u>-</u>	<u>131,744</u>	53%	
EXPENDITURES:						
Salaries and Wages	15,689	14,849	-	14,849	95%	
Operating Expenditures	235,989	163,920	30,057	193,977	82%	
TOTAL EXPENDITURES	<u>251,678</u>	<u>178,769</u>	<u>30,057</u>	<u>208,826</u>	83%	(3)
Revenues Over/(Under) Expenditures	(5,303)	(47,025)				
Beginning Fund Balance as of 7/01/2017	<u>384,353</u>	<u>384,353</u>				
Ending Fund Balance as of 3/31/2018	<u>\$ 379,050</u>	<u>\$ 337,328</u>				

NOTES:

- (1) Special assessment taxes are primarily received in January and May each fiscal year.
(2) The variance is due to the change in the fair value on investment as well as fluctuating interest rates.
(3) The variance in expenditures is due to encumbrances that are recorded for Lake Park, Rehabilitation and Landscape maintenance services for the entire fiscal year.

TEMECULA COMMUNITY SERVICES DISTRICT
**STATEMENT OF REVENUES, EXPENDITURES,
and CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**
TEMECULA LIBRARY
for the 3rd Quarter Ended March 31, 2018

	Annual Amended Budget	Total YTD Activity	Encumbrances	Total Activity	% of Budget
REVENUES:					
Library Services	\$ 112,925	\$ 85,546	\$ -	\$ 85,546	76%
Recreation Funding(Measure S)	770,734	578,051	-	578,051	75%
Investment Interest	3,400	1,717	-	1,717	51%
TOTAL REVENUES	<u>887,059</u>	<u>665,314</u>	<u>-</u>	<u>665,314</u>	75%
EXPENDITURES:					
Salaries and Wages	67,593	60,006	-	60,006	89%
Operating Expenditures	808,001	516,073	84,487	600,560	74%
TOTAL EXPENDITURES	<u>875,594</u>	<u>576,079</u>	<u>84,487</u>	<u>660,566</u>	75%
Revenues Over/(Under) Expenditures	11,465	89,235			
Beginning Fund Balance as of 7/01/2017	<u>244,833</u>	<u>244,833</u>			
Ending Fund Balance as of 3/31/2018	<u>\$ 256,298</u>	<u>\$ 334,068</u>			

TEMECULA COMMUNITY SERVICES DISTRICT
**STATEMENT OF REVENUES, EXPENDITURES,
and CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

PUBLIC ART
for the 3rd Quarter Ended March 31, 2018

	Annual Amended Budget	Total YTD Activity	Total Activity	% of Budget	
REVENUES:					
Public Art Revenues	\$ 64,417	\$ 34,346	\$ 34,346	53%	(1)
Investment Interest	80	937	937	100%	(2)
TOTAL REVENUES	<u>64,497</u>	<u>35,283</u>	<u>35,283</u>	55%	
Other Financing Sources (Uses):					
Operating Expenditures	<u>30,300</u>	-	-	0%	(3)
TOTAL EXPENDITURES	<u>30,300</u>	-	-		
Revenues Over/(Under) Expenditures	34,197	35,283			
Other Financing Sources/(Uses)					
Transfers Out	<u>(82,200)</u>	<u>(82,200)</u>			
Beginning Fund Balance as of 7/01/2017	<u>68,605</u>	<u>68,605</u>			
Ending Fund Balance as of 3/31/2018	<u>\$ 20,602</u>	<u>\$ 21,688</u>			

NOTES:

- (1) The variance in Public Art revenues is due to the timing of developer pulling permits.
- (2) The variance is due to the change in the fair value on investments, fluctuating interest rates, and improved cash flows.
- (3) The Founders Square project at the Civic Center is scheduled to start by the end of this fiscal year.