

A G E N D A

REGULAR MEETING OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE CITY OF SUISUN CITY REDEVELOPMENT AGENCY

FRIDAY, SEPTEMBER 20, 2013

2:00 P.M.

SUISUN CITY COUNCIL CHAMBERS -- 701 CIVIC CENTER BOULEVARD -- SUISUN CITY, CALIFORNIA

(Next Board Res. No. OB2013 – 04)

ROLL CALL

Board Members

PUBLIC COMMENT

(Requests by citizens to discuss any matter under our jurisdiction other than an item posted on this agenda per California Government Code §54954.3 allowing 3 minutes to each speaker).

CONSENT CALENDAR

Consent calendar items requiring little or no discussion may be acted upon with one motion.

GENERAL BUSINESS

- 1) Adoption of Oversight Board Resolution No. OB2013-__: Approving the Recognized Obligation Payment Schedule (ROPS 13/14B) for the Period of January to June 2014, and Directing Transmittal Pursuant to State Law – (Garben)
- 2) Adoption of Oversight Board Resolution No. OB2013-__: Approving the Administrative Budget for the Period Ending June 30, 2014 – (Garben)

REPORTS: *(Informational items only.)*

- 3) Chair/Boardmembers

ADJOURNMENT

A complete packet of information containing Staff Reports and exhibits related to each item is available for public review at least 72 hours prior to a Board Meeting or, in the event that it is delivered to the Boardmembers less than 72 hours prior to a Board Meeting, as soon as it is so delivered. The packet is available for review in the Suisun City Manager's Office during normal business hours, and online at www.suisun.com/Oversight-Board.html.

AGENDA TRANSMITTAL

MEETING DATE: September 20, 2013

SUCCESSOR AGENCY AGENDA ITEM: Adopt Oversight Board Resolution No. OB2013-__: Approving the Recognized Obligation Payment Schedule 13/14B (ROPS 13/14B) for the Period of January to June 2014, and Directing Transmittal Pursuant to State Law.

FISCAL IMPACT: None. All obligations listed are included in the FY 2013-14 Annual Budget.

IMPACT ON PASS THROUGHES TO OTHER TAXING ENTITIES: This item has no impact to the existing pass-through payments to other affected taxing entities.

BACKGROUND: A component of the dissolution of the former redevelopment agency requires the Successor Agency prepare a ROPS and submit it to the Oversight Board every six months. Upon approval of the Oversight Board, the ROPS is to be transmitted to a number of County and State offices.

The following provides an overview of deadlines and process associated with the ROPS:

ROPS Submittal Deadline – October 1, 2013, is the deadline to submit the ROPS 13/14B covering the period of January to June 2014.

ROPS Submittal/Approval Process – The Successor Agency must submit the ROPS to the County Auditor-Controller, County Administrative Officer, and the State Department of Finance (DOF) at the same time as the ROPS is submitted to the Oversight Board.

ROPS Form – The latest ROPS form from the DOF has been utilized and validated utilizing the new Redevelopment Agency Dissolution (RAD) web application. The new form contains a new tab providing fund balance information, and a revised tab to provide information for prior period adjustments.

Penalties – A penalty may be levied on the City of \$10,000 per day for each day the ROPS is delinquent. Failure to submit the ROPS within 10 days of the deadline will result in a 25% reduction of the Successor Agency's maximum administrative cost allowance for the period covered by the delinquent ROPS.

STAFF REPORT: Generally, the current ROPS includes line items that were listed on previously adopted ROPS, but contain updated figures to accurately reflect the fiscal period between January and June 2014.

It should be noted there are two items that were not fully paid from the Real Property Tax Trust Fund (RPTTF) distribution as part of the previous ROPS 13/14A due to a lack of available funding at the time. Pursuant to Health & Safety Code Section 34183(b), these items were reported to the County Auditor Controller, and are now requested as part of the ROPS 13/14B. The two items are:

1. Administrative/operational costs incurred by the former redevelopment agency for the month of January 2012 (\$112,136 – ROPS Detail Line Item 16)

PREPARED BY:

Jason Garben, Economic Development Director

REVIEWED/APPROVED BY:

Suzanne Bragdon, Executive Director

2. Administrative Cost Allowance (\$119,568 – ROPS Detail Line Item 17). This item has been listed separately from the administrative cost allowance requested for the ROPS 13/14B period.

Staff recommends that the Oversight Board adopt the resolution approving the ROPS, and direct its transmittal pursuant to State law.

RECOMMENDATION: It is recommended that the Oversight Board

Adopt Oversight Board Resolution No. OB2013-__: Approving the Recognized Obligation Payment Schedule 13/14B (ROPS 13/14B) for the Period of January to June 2014, and Directing Transmittal Pursuant to State Law.

ATTACHMENTS:

1. ROPS 13/14B (January 1 through June 30, 2014)
2. Resolution NO. OB 2013 - __ A Resolution of the Oversight Board to the Successor Agency to the Redevelopment Agency of the City of Suisun City Approving the Recognized Obligation Payment Schedule 13/14B (ROPS 13/14B) for the Period of January to June 2014, and Directing Transmittal Pursuant to State Law.

Recognized Obligation Payment Schedule (ROPS 13-14B) - Summary

Filed for the January 1, 2014 through June 30, 2014 Period

Name of Successor Agency: Suisun City
Name of County: Solano

Current Period Requested Funding for Outstanding Debt or Obligation		Six-Month Total
Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF) Funding		
A Sources (B+C+D):		\$ -
B Bond Proceeds Funding (ROPS Detail)		-
C Reserve Balance Funding (ROPS Detail)		-
D Other Funding (ROPS Detail)		-
E Enforceable Obligations Funded with RPTTF Funding (F+G):		\$ 3,211,364
F Non-Administrative Costs (ROPS Detail)		2,966,796
G Administrative Costs (ROPS Detail)		244,568
H Current Period Enforceable Obligations (A+E):		\$ 3,211,364

Successor Agency Self-Reported Prior Period Adjustment to Current Period RPTTF Requested Funding		
I Enforceable Obligations funded with RPTTF (E):		3,211,364
J Less Prior Period Adjustment (Report of Prior Period Adjustments Column U)		(3,811)
K Adjusted Current Period RPTTF Requested Funding (I-J)		\$ 3,207,553

County Auditor Controller Reported Prior Period Adjustment to Current Period RPTTF Requested Funding		
L Enforceable Obligations funded with RPTTF (E):		3,211,364
M Less Prior Period Adjustment (Report of Prior Period Adjustments Column AB)		-
N Adjusted Current Period RPTTF Requested Funding (L-M)		3,211,364

Certification of Oversight Board Chairman:
Pursuant to Section 34177(m) of the Health and Safety code, I hereby certify that the above is a true and accurate Recognized Obligation Payment Schedule for the above named agency.

Name	Title
/s/ _____	
Signature	Date

Recognized Obligation Payment Schedule (ROPS) 13-14B - Report of Fund Balances
(Report Amounts in Whole Dollars)

Pursuant to Health and Safety Code section 34177(l), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation.

A	B	C	D	E	F	G	H	I	J	K	
Fund Balance Information by ROPS Period		Fund Sources							Total	Comments	
		Bond Proceeds		Reserve Balance		Other	RPTTF				
		Bonds Issued on or before 12/31/10	Bonds Issued on or after 01/01/11	Review balances retained for approved enforceable obligations	RPTTF balances retained for bond reserves	Rent, Grants, Interest, Etc.	Non-Admin	Admin			
ROPS III Actuals (01/01/13 - 6/30/13)											
1	Beginning Available Fund Balance (Actual 01/01/13) Note that for the RPTTF, 1 + 2 should tie to columns L and Q in the Report of Prior Period Adjustments (PPAs)	-	-	5,643,759	-	-	(71,428)	4,448	\$ 5,576,779		
2	Revenue/Income (Actual 06/30/13) Note that the RPTTF amounts should tie to the ROPS III distributions from the County Auditor-Controller	-	-	-	-	25,701	2,986,800	115,806	\$ 3,128,307		
3	Expenditures for ROPS III Enforceable Obligations (Actual 06/30/13) Note that for the RPTTF, 3 + 4 should tie to columns N and S in the Report of PPAs	-	-	-	-		991,557	133,028	\$ 1,124,585		
4	Retention of Available Fund Balance (Actual 06/30/13) Note that the Non-Admin RPTTF amount should only include the retention of reserves for debt service approved in ROPS III	-	-	5,643,759			2,000,000		\$ 7,643,759		
5	ROPS III RPTTF Prior Period Adjustment Note that the net Non-Admin and Admin RPTTF amounts should tie to columns O and T in the Report of PPAs.	No entry required						3,811	-	\$ 3,811	
6	Ending Actual Available Fund Balance (1 + 2 - 3 - 4 - 5)	\$ -	\$ -	\$ -	\$ -	\$ 25,701	\$ (76,185)	\$ (12,774)	\$ (67,068)		
ROPS 13-14A Estimate (07/01/13 - 12/31/13)											
7	Beginning Available Fund Balance (Actual 07/01/13) (C, D, E, G, and I = 4 + 6, F = H4 + F6, and H = 5 + 6)	\$ -	\$ -	\$ 5,643,759	\$ 2,000,000	\$ 25,701	\$ (72,374)	\$ (12,774)	\$ 7,580,501		
8	Revenue/Income (Estimate 12/31/13) Note that the RPTTF amounts should tie to the ROPS 13-14A distributions from the County Auditor-Controller	-	-	-			2,659,791	-	\$ 2,659,791		
9	Expenditures for 13-14A Enforceable Obligations (Estimate 12/31/13)	-	-	-			4,652,940	125,000	\$ 4,777,940		
10	Retention of Available Fund Balance (Estimate 12/31/13) Note that the RPTTF amounts may include the retention of reserves for debt service approved in ROPS 13-14A	-	-	5,643,759					\$ 5,643,759		
11	Ending Estimated Available Fund Balance (7 + 8 - 9 - 10)	\$ -	\$ -	\$ -	\$ 2,000,000	\$ 25,701	\$ (2,065,523)	\$ (137,774)	\$ (181,407)		

Recognized Obligation Payment Schedule 13-14B - Notes

January 1, 2014 through June 30, 2014

Item #	Notes/Comments
3	Includes \$2,000,000 debt service payment reserve necessary to meet obligation in ROPS 14/15B due to uneven payments. Developed in conjunction with CAC.
16	Includes \$112,136 not distributed with ROPS 13/14A due to lack of funding
17	Amount of \$119,568 not distributed with ROPS 13/14A due to lack of funding

RESOLUTION NO. OB 2013 - __

**A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO
THE REDEVELOPMENT AGENCY OF THE CITY OF SUISUN CITY APPROVING
THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE 13/14B (ROPS 13/14B) FOR
THE PERIOD JANUARY TO JUNE 2014, AND DIRECTING TRANSMITTAL
PURSUANT TO STATE LAW**

WHEREAS, as part of the 2011-12 State budget bill, the California Legislature enacted and the Governor has signed, companion bills AB 26 X1 (AB 26) and AB 27 X1 (AB 27), requiring that each redevelopment agency be dissolved unless the community that created it enacts an ordinance committing it to making certain payments; and

WHEREAS, on December 29, 2011, the California Supreme Court issued its opinion in the case of *California Redevelopment Association, et al. v. Ana Matosantos, etc., et al.*, Case No. S196861, and upheld the validity of AB 26 and invalidated AB 27; and

WHEREAS, the Court's decision results in the implementation of AB 26, which dissolves all redevelopment agencies in the State of California as of February 1, 2012; and

WHEREAS, the City is, by operation of law, the Successor Agency (the "Agency") to the Redevelopment Agency for purposes of winding down the Redevelopment Agency under AB 26; and

WHEREAS, as part of the 2012-13 State budget bill, the California Legislature enacted and the Governor has signed AB 1484, which enacted several technical and substantive amendments to AB 26, including certain processes and procedures relating to the submittal of the ROPS; and

WHEREAS, pursuant to AB 26 and AB 1484, the City as Successor Agency is required to maintain a "Recognized Obligation Payment Schedule" (the "ROPS"), which revised schedule for the period of January 1 through June 30, 2014, was received and accepted by the Agency on September 3, 2013; and

WHEREAS, pursuant to AB 26 and AB 1484, the Agency forwarded the ROPS to the Oversight Board for approval; and

NOW, THEREFORE, BE IT RESOLVED that the Oversight Board to the Successor Agency does resolve as follows:

Section 1. The Recitals set forth above are true and correct and incorporated herein by reference.

Section 2. The ROPS, attached hereto and incorporated herein by this reference, is hereby adopted pursuant to Health & Safety Code Section 34180, subject to all reservations of rights and contingencies set forth above.

Section 3. The Successor Agency Executive Director or designee is authorized to take all actions necessary to implement this Resolution, including without limitation, the posting of this Resolution and ROPS on the Board's website, and the provision of notice of adoption of this Resolution and such Schedule to the State Department of Finance.

PASSED AND ADOPTED at a regular meeting of the Oversight Board to the Successor Agency to the Redevelopment Agency of the City of Suisun City duly held on Friday, the 20th of September, 2013, by the following vote:

AYES:	BOARDMEMBERS:	_____
NOES:	BOARDMEMBERS:	_____
ABSENT:	BOARDMEMBERS:	_____
ABSTAIN:	BOARDMEMBERS:	_____

WITNESS my hand and the seal of the City of Suisun City this 20th of September, 2013.

Linda Hobson, CMC
Secretary

AGENDA TRANSMITTAL

MEETING DATE: September 20, 2013

OVERSIGHT BOARD AGENDA ITEM: Adoption of Oversight Board Resolution No. OB2013-__: Approving the Administrative Budget for the Period Ending June 30, 2014

FISCAL IMPACT: The administrative budget consists of revenues and expenses within the \$125,000 administrative cost allowance provided pursuant to state law for the period ending June 30, 2014.

IMPACT ON PASS THROUGHES TO OTHER TAXING ENTITIES: This item has no impact to the existing pass-through payments to other affected taxing entities.

BACKGROUND: Pursuant to HSC Section 34177(j), the Successor Agency is required to prepare and submit a proposed administrative budget to the Oversight Board for its approval. The administrative budget must include the following:

- Estimated amounts for Successor Agency administrative costs for the upcoming six-month fiscal period
 - Identify proposed sources of payment
- Proposals for arrangements of administrative and operational services provided by the City.

Pursuant to Section HSC Section 34171(b), an administrative cost allowance is provided to the Successor Agency. This allowance comes from property tax revenues and is subject to approval of the Oversight Board. The administrative cost allowance for FY 2013-14 is up to 3% of the property tax allocated to the Redevelopment Obligation Retirement Fund for each fiscal year. There is a provision that provides the administrative cost allowance shall not be less than \$250,000 for any fiscal year, unless the Oversight Board reduces this amount or a lesser amount is agreed to by the Successor Agency.

The Successor Agency developed a budget for fiscal year 2013-14 based on the \$250,000 minimum.

STAFF REPORT: This administrative budget is for the period of January 1, 2014, through June 30, 2014. An administrative budget must be prepared by the Successor Agency for every six-month period and submitted to the Oversight Board for approval.

The administrative budget was developed using the same principals as the previous administrative budgets approved by the Oversight Board, and is consistent with the proposed 2013-14 budget of the Successor Agency.

The budget estimates for the January through June 2014 period are identical to the July through December 2013 period, which the Oversight Board adopted in May 2013.

Attachment 2 provides a summary explanation of each of the line items in addition to a comparison of the budget from the previous 6-month period.

RECOMMENDATION: It is recommended that the Oversight Board

PREPARED BY:

Jason Garben, Economic Development Director

REVIEWED/APPROVED BY:

Suzanne Bragdon, Executive Director

Adopt Oversight Board Resolution No. OB2013-__: Approving the Administrative Budget for the Period Ending June 30, 2014

ATTACHMENTS:

1. Staffing Summary
2. Administrative Budget Summary (January 1 through June 30, 2014)
3. Resolution No. OB2013-__: Approving the Administrative Budget for the Period Ending June 30, 2014

**Suisun City Successor Agency
Staffing Summary**

<u>Job Title</u>	<u>FTE</u>
Account Clerk I/II-II	0.05
Accountant	0.15
Assistant City Manager/Admin. Services	0.15
City Manager	0.19
Economic Development Director	0.25
Marketing Manager	0.05
Sec to City Mgr/Dep City Clerk	0.10
Senior Accountant	0.15
Assistant/Associate Planner-Associate	0.05
Total Full Time Equivalent Staffing	1.14

Suisun City Successor Agency

Admin Budget Summary

	6/30/2013	12/31/2013	6/30/2014	
Employee Costs	\$79,100	\$81,400	\$81,400	Employee costs include salary, benefits, and taxes for 1.14 FTE employees outlined in the staffing detail. The increase relative to the period ending 6/30/13 is due to increases payroll taxes and benefits
Cost Allocation Charges	\$22,100	\$25,200	\$25,200	Cost allocation charges include overhead costs such as costs associated with the use of City Hall, information technology, and risk management. The increase relative to the period ending 6/30/13 is primarily due to an increase in the City's insurance premium
Legal Fees	\$19,000	\$8,500	\$8,500	Legal costs for the Successor Agency are budgeted at \$8,500. Although the same as the period ending 12/31/13, this is somewhat less than in previous periods, as legal fees should decrease as dissolution activities settle.
Services and Supplies	\$4,800	\$9,900	\$9,900	Services and supplies includes costs associated with phone service/internet, postage/shipping, printer/copier expense, office supplies, travel and training, and other professional services. And are based primarily on historical actual costs.
Total	\$125,000	\$125,000	\$125,000	

RESOLUTION NO. OB 2013 - __

A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SUISUN CITY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE 13/14B (ROPS 13/14B) FOR THE PERIOD JANUARY TO JUNE 2014, AND DIRECTING TRANSMITTAL PURSUANT TO STATE LAW

WHEREAS, as part of the 2011-12 State budget bill, the California Legislature enacted and the Governor has signed, companion bills AB 26 X1 (AB 26) and AB 27 X1 (AB 27), requiring that each redevelopment agency be dissolved unless the community that created it enacts an ordinance committing it to making certain payments; and

WHEREAS, on December 29, 2011, the California Supreme Court issued its opinion in the case of *California Redevelopment Association, et al. v. Ana Matosantos, etc., et al.*, Case No. S196861, and upheld the validity of AB 26 and invalidated AB 27; and

WHEREAS, the Court's decision results in the implementation of AB 26, which dissolves all redevelopment agencies in the State of California as of February 1, 2012; and

WHEREAS, the City is, by operation of law, the Successor Agency (the "Agency") to the Redevelopment Agency for purposes of winding down the Redevelopment Agency under AB 26; and

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WHEREAS, pursuant to AB 26 and AB 1484, the City as Successor Agency is required to maintain a "Recognized Obligation Payment Schedule" (the "ROPS"), which revised schedule for the period of January 1 through June 30, 2014, was received and accepted by the Agency on September 3, 2013; and

WHEREAS, pursuant to AB 26 and AB 1484, the Agency forwarded the ROPS to the Oversight Board for approval; and

NOW, THEREFORE, BE IT RESOLVED that the Oversight Board to the Successor Agency does resolve as follows:

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Section 2. The ROPS, attached hereto and incorporated herein by this reference, is hereby adopted pursuant to Health & Safety Code Section 34180, subject to all reservations of rights and contingencies set forth above.

Section 3. The Successor Agency Executive Director or designee is authorized to take all actions necessary to implement this Resolution, including without limitation, the posting of this Resolution and ROPS on the Board's website, and the provision of notice of adoption of this Resolution and such Schedule to the State Department of Finance.

PASSED AND ADOPTED at a regular meeting of the Oversight Board to the Successor Agency to the Redevelopment Agency of the City of Suisun City duly held on Friday, the 20th of September, 2013, by the following vote:

AYES: BOARDMEMBERS: _____
NOES: BOARDMEMBERS: _____
ABSENT: BOARDMEMBERS: _____
ABSTAIN: BOARDMEMBERS: _____

WITNESS my hand and the seal of the City of Suisun City this 20th of September, 2013.

Linda Hobson, CMC
Secretary