



CITY OF GALT

A G E N D A

SPECIAL MEETING OF THE GALT REDEVELOPMENT OVERSIGHT BOARD

COUNCIL CHAMBERS, 380 CIVIC DRIVE
GALT, CALIFORNIA

THURSDAY, DECEMBER 6, 2012, 1:30 PM

NOTE: Speaker Request Sheets are provided on the table inside the entrances to the council chambers. If you wish to address the board during the meeting, please complete a speaker sheet and give it to the city clerk. A maximum of three minutes is allowed for each speaker.

NOTE: If you need a disability-related modification or accommodation, including auxiliary aids or services, to participate in this meeting, please contact the City Clerk's office, 209-366-7130, 380 Civic Drive, at least two days prior to the meeting.

NOTE: Public records, including writings relating to an agenda item for open session of a regular meeting and distributed less than 72 hours prior to the meeting, are available for public inspection at the City Clerk's Office, 380 Civic Drive, Galt, California.

NOTE: Please turn off all cell phones during the council meeting.

A. CALL MEETING TO ORDER:

Roll Call: Board Members: **Parker, Carson, Ebner, Kiriu, Marx, Puentes-Griffith, Schauer**

B. AGENDA APPROVAL, ADDITIONS AND/OR DELETIONS

C. PRESENTATIONS

D. PUBLIC COMMENT: - Under Government Code Section 54954.3, members of the public may address the Board on non-agenda items. Speakers may address the Board on any agenda item during consideration of the item. Speakers shall restrict their comments to issues that are within the subject jurisdiction of the Oversight Board and limit comments to a maximum of three minutes. Please fill out a speaker sheet located on the table inside the entrances to the council chambers and forward the completed speaker sheet to the clerk.

E. REGULAR BUSINESS ITEMS:

1. **SUBJECT:** Approval of the Minutes of the regular meeting of November 8, 2012.

STAFF REPORT: Aguire

RECOMMENDED ACTION: Approve the Minutes of the regular meeting of November 8, 2012.

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SPECIAL MEETING OF DECEMBER 6, 2012
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2. **SUBJECT:** Adoption of Successor Agency Administrative Budget for January 2013-June 2013.
STAFF REPORT: S. Kiriu
RECOMMENDED ACTION: Adopt a resolution approving the Administrative Budget for the Successor Agency for the period of January 1, 2013 through June 30, 2013.
3. **SUBJECT:** Independent Accountants Report relating to Due Diligence Review (excluding the Low and Moderate Income Housing Fund) required per Health and Safety Code Section 34179.5(c)(1) through 34179.5(c)(6).
STAFF REPORT: I. Kiriu
RECOMMENDED ACTION: Review the Due Diligence Review (DDR) (excluding the Low and Moderate Income Housing Fund), take testimony on the report and continue the item to the meeting of December 13, 2012.

F. COMMENTS BY STAFF

G. COMMENTS BY OVERSIGHT BOARD MEMBERS / FUTURE AGENDA ITEMS

ADJOURNMENT

City Clerk Agenda Report: The agenda for this Oversight Board Meeting was posted in the following listed sites before the close of business at 5:00 pm on the Thursday preceding the meeting:

1. City Hall Lobby, 380 Civic Drive;
2. U.S. Post Office, 600 N. Lincoln Way; and
3. Marian O. Lawrence Library, 1000 Caroline Avenue.



CITY OF GALT

MINUTES

SPECIAL MEETING OF THE GALT REDEVELOPMENT OVERSIGHT BOARD

COUNCIL CHAMBERS, 380 CIVIC DRIVE
GALT, CALIFORNIA

THURSDAY, NOVEMBER 8, 2012, 1:00 PM

The meeting was called to order at 1:02 pm by the chairperson. Board Members present: Parker, Carson, Ebner, Kiriu and Schauer. Absent: Marx. and Puentes-Griffith.

Staff Members Present: City Manager Jason Behrmann, City Clerk Aguire, Community Development Director Sandy Kiriu, Attorney Steve Rudolph.

AGENDA APPROVAL, ADDITIONS AND/OR DELETIONS: None.

PRESENTATION: None.

PUBLIC COMMENT: The clerk announced that members of the audience could address the council on any matter which is not on the agenda but within the subject matter jurisdiction. She advised the location of the speaker sheets, asked that speaker sheets be presented to the clerk prior to addressing council and advised that each person would have a three minute time limit to speak.

AGENDA APPROVAL, ADDITIONS AND/OR DELETIONS: None

PRESENTATIONS: None.

PUBLIC COMMENT: - Under Government Code Section 54954.3, members of the public may address the Board on non-agenda items. Speakers may address the Board on any agenda item during consideration of the item. Speakers shall restrict their comments to issues that are within the subject jurisdiction of the Oversight Board and limit comments to a maximum of three minutes. Please fill out a speaker sheet located on the table inside the entrances to the council chambers and forward the completed speaker sheet to the city clerk.

REGULAR BUSINESS ITEMS:

1. **SUBJECT:** Approval of the Minutes of the regular meeting of October 25, 2012.
RECOMMENDED ACTION: Approve the Minutes of the regular meeting of October 25, 2012.

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SPECIAL MEETING OF NOVEMBER 8, 2012
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Upon a motion by Ebner, seconded by Carson, the minutes of October 25, 2012 was approved by a unanimous roll call vote of board members present.

2. **SUBJECT:** Independent Accountants Report relating to due diligence review of housing assets required per Health and Safety Code section 34179.5.
RECOMMENDED ACTION: Adopt a resolution accepting the due diligence review (DDR) of the Successor Agency Housing Assets.

Neeley gave a staff report.

Upon a motion by Ebner, seconded by Kiri, Resolution No. 2012-14OB was adopted by a unanimous roll call vote of board members present.

F. COMMENTS BY STAFF

G. COMMENTS BY OVERSIGHT BOARD MEMBERS / FUTURE AGENDA ITEMS

There being no further business to come before board, the meeting was adjourned by the chairperson at 1:14 pm.

Respectfully submitted,

Elizabeth Aguire
City Clerk

ADJOURNMENT

City Clerk Agenda Report: The agenda for this Oversight Board Meeting was posted in the following listed sites before the close of business at 5:00 pm on the Tuesday preceding the meeting:

1. City Hall Lobby, 380 Civic Drive;
2. U.S. Post Office, 600 N. Lincoln Way; and
3. Marian O. Lawrence Library, 1000 Caroline Avenue.



**OVERSIGHT BOARD
AGENDA REPORT**

Meeting Date: Dec. 6, 2012
Item Number:

FROM: Sandra Kiriu, Community Development Director
Prepared By: Sandra Kiriu, Community Development Director

SUBJECT: ADOPTION OF SUCCESSOR AGENCY ADMINISTRATIVE BUDGET
FOR JANUARY 2013-JUNE 2013

RECOMMENDATION

Adopt Resolution 2012-__OB, approving the Administrative Budget for the Successor Agency for the period of January 1, 2013 through June 30, 2013.

DISCUSSION

This is the recommended administrative budget for the City of Galt serving in its capacity as the Successor Agency to the former Redevelopment Agency of the City of Galt. It was prepared pursuant California Health & Safety (H&S) Code Sections 34171(a) and 34177 (j). The City Council, acting in its capacity as the Successor Agency to the Galt Redevelopment Agency, approved the budget on Nov. 20, 2012 and is forwarding it to the Oversight Board for adoption.

The budget covers the fiscal period of January 1, 2013 through June 30, 2013 and includes only the general administrative costs of the Successor Agency related to duties and support services associated with Oversight Board and Department of Finance and County Auditor requirements. Administrative or other costs directly associated with work on specific approved projects or program implementation activities on the Recognized Obligation Payment Schedule (ROPS) are recoverable from other designated ROPS fund sources.

The source of funding for this administrative budget is the Redevelopment Obligation Retirement Fund. Other than audit or outside consulting services noted in the budget, all administrative and operations services for the Successor Agency are expected to be performed by existing staff of the City of Galt. The Personnel section of the budget identifies Full Time Equivalent (FTE) positions that represent the estimated time each designated staff person is expected to devote to Oversight Board-related operations in this time period. There is a reduction in the FTE costs from the prior six month budget due to correction of some previous errors in calculations. However, both six month budgets include estimated costs well in excess of the allowable annual cost recovery amount of \$250,000. Therefore, the budget correction has no practical effect because the maximum reimbursable amount still remains capped at \$250,000 per year. The budget is simply intended to illustrate total estimated expenditures.

City Manager Approval:

TYPE OF ITEM:	OVERSIGHT BOARD ACTION: Approved Denied Revised
<input type="checkbox"/> Consent	Reso No _____ Ord No _____
<input checked="" type="checkbox"/> Oversight Board	Moved By: _____
<input type="checkbox"/> Public Hearing	Seconded By: _____
<input type="checkbox"/> Redevelopment Agency	Vote: _____

The Maintenance and Operations portion of the budget is based on staff's experience with administrative costs associated with other decision making bodies. It is consistent with the prior six month period's budget.

ATTACHMENT

Resolution 2012 - OB

Exhibit A – OB Administrative Budget - January 1, 2013 through June 30, 2013

RESOLUTION NO. 2012-OB

**A RESOLUTION OF THE OVERSIGHT BOARD
APPROVING THE ADMINISTRATIVE BUDGET
FOR JANUARY 1, 2013 THROUGH JUNE 30, 2013**

WHEREAS, pursuant to California Health and Safety Code Section 34173(d), the City of Galt is the Successor Agency to the dissolved Redevelopment Agency of the City of Galt, confirmed by Resolution 2012-02 adopted on January 17, 2012; and

WHEREAS, the Oversight Board is the Successor Agency's Oversight Board pursuant to Health and Safety Code Section 34179(a); and

WHEREAS, California Health and Safety Code Section 34177(j) requires the Successor Agency to prepare a proposed administrative budget for submission to the Oversight Board for approval; and

WHEREAS, the City Council of the City of Galt, acting in its capacity as Successor Agency to the former Galt Redevelopment Agency on November 20, 2012, considered a draft administrative budget for January 1, 2013 through June 30, 2013, and directed city staff to submit said draft administrative budget to the Galt Oversight Board for approval.

NOW, THEREFORE BE IT RESOLVED, that the Oversight Board hereby approves the "Administrative Budget, January 1, 2013 through June 30, 2013" attached to this Resolution as Exhibit A, and establishes said document as the administrative budget of the City of Galt as Successor Agency to the Galt Redevelopment Agency for the designated period; and

BE IT FURTHER RESOLVED that, pursuant to California Health and Safety Code Section 34179(h), this action by the Oversight Board shall be effective three business days from the date of this Resolution, pending a request for review by the California Department of Finance.

The Board Secretary shall certify the passage and adoption of this resolution and enter it into the book of original resolutions.

PASSED AND ADOPTED by the Board Members of the Oversight Board of the City of Galt, this 6th day of December 2012, upon a motion by Board Member _____, seconded by Board Member _____, by the following vote, to wit:

AYES: Board members:
NOES: Board members:
ABSTAIN: Board members:
ABSENT: Board members:

CHAIRPERSON, Oversight Board

ATTEST:

Secretary, Oversight Board

EXHIBIT A

SUCCESSOR AGENCY – ADMINISTRATIVE BUDGET
January 1 – June 30, 2013

PERSONNEL	ESTIMATED FTE	ESTIMATED ANNUAL TOTAL	BUDGET 1/1/13 thru 6/30/13
City Manager	0.20	\$ 224,930	\$ 22,493
City Attorney	0.25	\$ 218,521	\$ 27,315
Finance Director	0.40	\$ 176,434	\$ 35,287
City Clerk	0.20	\$ 124,064	\$ 12,406
Accounting	0.40	\$ 112,262	\$ 22,452
Community Development Director	0.10	\$ 153,589	\$ 7,679
Administrative Support	0.20	\$ 84,201	\$ 8,420
SUB-TOTAL PERSONNEL		\$ 1,094,001	\$ 136,053

MAINTENANCE & OPERATIONS			
Duplicating		\$ 6,925	\$ 3,463
Technology (phone, equipment, software)		\$ 895	\$ 448
General operating costs (supplies, postage, etc.)		\$ 8,050	\$ 4,025
Travel		\$ 2,450	\$ 1,225
Audit Services		\$ 6,157	\$ 3,079
Facilities: General Support		\$ 700	\$ 350
Consultant Services (legal counsel, other)		\$ 100,000	\$ 50,000
			\$ -
SUB-TOTAL M & O		\$ 125,177	\$ 62,589

TOTAL SUCCESSOR AGENCY ADMIN. BUDGET		\$ 1,219,178	\$ 198,642
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Funding Source:

Redevelopment Obligation Retirement Fund (RORF)



**OVERSIGHT BOARD
AGENDA REPORT**

Meeting Date: December 6, 2012
Item Number:

FROM: Jason Behrmann, City Manager

BY: Inez Kiriu, Finance Director 

SUBJECT: INDEPENDENT ACCOUNTANTS REPORT RELATING TO DUE DILIGENCE REVIEW (EXCLUDING THE LOW AND MODERATE INCOME HOUSING FUND) REQUIRED PER HEALTH AND SAFETY CODE SECTION 34179.5(c) (1) THROUGH 34179.5(c) (6)

RECOMMENDATION

That the Oversight Board review the due diligence review (DDR) (excluding the Low and Moderate Income Housing Fund), take public testimony on the report and continue the item to the meeting of December 13, 2012.

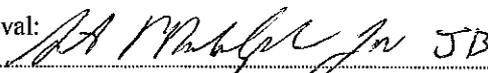
BACKGROUND

As the Oversight Board is aware on June 29, 2011, the Governor signed into law Assembly Bill X1 26 (ABX1 26) as part of the State budget package which basically abolishes every redevelopment agency as of February 1, 2012. As part of the 2012-13 fiscal year state budget package, on June 27, 2012, the Legislature passed and the Governor signed AB 1484, making technical and substantive amendments to ABX1 26.

DISCUSSION

It is important to note that pursuant to AB 1484, additional financial review provisions are required. On August 27, 2012, the DOF issued the procedures of the DDR. As you will recall, the DDR as originally issued was unclear, hence independent accountants could not initially submit comprehensive proposals. On September 18, 2012, the Successor Agency hired Maze and Associates to perform a DDR of all assets of the former Agency and Successor Agency, including all transfers, cash balances, enforceable obligations, and assets, from January 1, 2011 to June 30, 2012 to determine the unobligated balance available for transfer to the taxing agencies.

The DDR (excluding the LMIH fund) has now been completed by Maze and Associates and is attached for review.

City Manager Approval:  JB

TYPE OF ITEM:	COUNCIL ACTION: Approved	Denied	Revised
<input type="checkbox"/> Consent	Reso No _____	Ord No _____	
<input checked="" type="checkbox"/> Departmental	Moved By:		
<input type="checkbox"/> Public Hearing	Seconded By:		
<input type="checkbox"/> Redevelopment Agency	Vote:		
<input type="checkbox"/> Other			

The DDR includes:

1. All assets transferred by the
 - Former Agency to the Successor Agency
 - Former Agency/Successor Agency to the City
 - Former Agency/Successor Agency to other public agencies/private parties
2. Reconciliation of expenditure/revenue information with State Controller balances;
3. All encumbered and unencumbered non housing fund assets;
4. Along with purpose and whether or not those assets are encumbered/restricted by Enforceable Obligations.

The auditors have performed the agreed upon procedures required by the DDR. The “results” of each procedure are presented with no findings noted. Additionally, per Attachment C of the DDR, no amounts are to be remitted to the county for disbursement to taxing entities.

The report was submitted to the Successor Agency for their review on December 4, 2012. The Oversight Board is required to hold two public meetings for review of this report. The Oversight Board will take public input on the report this afternoon and reconvene on December 13, 2012 for the second required public meeting.

After submission of the DDR, the DOF will review the submittals and determine which if any, non-housing fund assets are available for distribution to other taxing entities. Once both the LMIH fund (the LMIH Fund DDR has previously been presented, approved and submitted as required by AB1484) and other fund DDRs have been accepted by DOF, a Finding of Completion is issued.

The issuance of a Finding of Completion makes the Oversight Board eligible to retain Dissolved RDA properties, reinstate loans between the Dissolved RDA and the Sponsoring Community, and spend unspent bond proceeds from bonds issued prior to January 1, 2011 for the purposes for which the bonds were issued.

FISCAL IMPACT

There is no fiscal impact with this action.

ATTACHMENTS

Independent Accountants Report relating to Due Diligence Review (Excluding the Low and Moderate Income Housing Fund) **THE REPORT WILL BE AVAILABLE AT THE BOARD MEETING.**