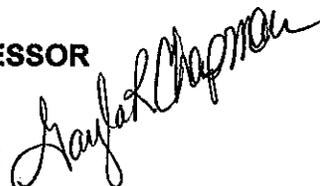


STAFF REPORT

TO: OVERSIGHT BOARD OF THE CITY OF GROVER BEACH SUCCESSOR AGENCY

FROM: GAYLA R. CHAPMAN, ADMINISTRATIVE SERVICES DIRECTOR 

SUBJECT: REQUEST TO RECEIVE PUBLIC COMMENT ON THE OTHER FUNDS DUE DILIGENCE REVIEW

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**BACKGROUND**

Health and Safety Code Section 34179.5 requires each Successor Agency to employ a licensed accountant, approved by the County Auditor-Controller and with experience and expertise in local government accounting, to conduct a due diligence review to determine the unobligated balances for transfer to taxing entities.

**DISCUSSION**

The Due Diligence review of the Other Funds must be submitted to the Oversight Board, the Department of Finance, the State Controller's Office and the County Auditor-Controller no later than December 15, 2012. The Oversight Board has until January 15, 2013, to review, approve and transmit to the Department of Finance and the County Auditor-Controller the determination of the amount of cash and cash equivalents that are available for disbursement to taxing entities.

The accounting firm of Moss, Levy and Hartzheim has performed the Other Funds Due Diligence review. The auditors determined that there are no available funds for distribution to taxing entities (as shown on Page 36 of the Other Funds Due Diligence Review).

Before the Oversight Board can approve the Due Diligence review of the Other Funds, a public meeting must be held by the Oversight Board to solicit public comments from any interested member of the public concerning the Other Funds Due Diligence review. The purpose of this meeting is to conduct the noticed public meeting and to accept comment on the Due Diligence Other Funds Report. Once public comment, if any, is received, the Oversight Board must then wait at least five business days before it can hold a second meeting to consider approval of the Other Funds Due Diligence Report. The next meeting of the Oversight Board is scheduled for Wednesday, January 9, 2013 at 4:00 p.m.

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Approve for Forwarding:

  
\_\_\_\_\_  
ROBERT PERRAULT  
CITY MANAGER

Please Review for

Potential Conflict of Interest:

- |  |                                   |
|--|-----------------------------------|
| <input checked="" type="checkbox"/> None Identified by Staff | <input type="checkbox"/> Evans    |
| <input type="checkbox"/> Laferriere                          | <input type="checkbox"/> Green    |
| <input type="checkbox"/> Jarvis                              | <input type="checkbox"/> Hill     |
|  | <input type="checkbox"/> Peterson |
|  | <input type="checkbox"/> Shepard  |

Meeting Date: December 18, 2012

Agenda Item No. 3a

### **RECOMMENDED ACTION**

Staff recommends the Oversight Board receive public comment, if any, to meet the Health and Safety Code Section 34179.5 requirement.

### **ALTERNATIVES**

1. The receipt of public comment is a statutory requirement and, thus, if the Oversight Board fails to solicit and receive public comment, if any, at this meeting, the Successor Agency and the Oversight Board will be unable to fulfill its legal obligations.

### **FISCAL IMPACT**

There is no fiscal impact.

### **PUBLIC NOTIFICATION**

The agenda was posted in accordance with the Brown Act.

The agenda and staff report were sent to the County Administrative Officer, County Auditor-Controller and the Department of Finance.

### **Attachments**

1. Other Funds Due Diligence Report produced by Moss, Levy, and Hartzheim, LLP.  
(Provided under separate cover.)