

STAFF REPORT

TO: OVERSIGHT BOARD OF THE CITY OF GROVER BEACH SUCCESSOR AGENCY
FROM: GAYLA R. CHAPMAN, ADMINISTRATIVE SERVICES DIRECTOR
SUBJECT: REQUEST TO FORWARD OTHER FUNDS DUE DILIGENCE REVIEW PER HEALTH AND SAFETY CODE SECTION 34179.5

Gayla R. Chapman

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

On December 18, 2012 the Oversight Board conducted a public meeting to solicit comments from any interested member of the public concerning the Due Diligence review. No public comment was received. Pursuant to Health and Safety Code Section 34179.5 the Oversight Board must wait at least five business days before it can hold a meeting to consider approval of the Due Diligence review of the Other Funds.

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 Due Diligence review. The auditors determined that there are no funds available for distribution to taxing entities (as shown on Page 36 of the Due Diligence Review).

Staff is requesting the Oversight Board approve the Due Diligence review of the Other Funds and forward the report and the Resolution of approval to the California State Department of Finance, the County Administrative Officer and the County Auditor-Controller.

ALTERNATIVES

1. Approve the Resolution forwarding the Other Funds Diligence report pursuant to Health and Safety Code Section 34179.5.

Approve for Forwarding:



ROBERT PERRAULT
CITY MANAGER

Please Review for Potential Conflict of Interest:

- None Identified by Staff
- Laferriere
- Jarvis
- Evans
- Green
- Hill
- Peterson
- Shepard

Meeting Date: January 9, 2013

Agenda Item No. 1a

RECOMMENDED ACTION

Staff recommends the Oversight Board adopt the Resolution forwarding the Other Funds Diligence report pursuant to Health and Safety Code Section 34179.5

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. Resolution.
2. Due Diligence Report produced by Moss, Levy, and Hartzheim, LLP.

RESOLUTION NO. OB 13-

A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE DISSOLVED REDEVELOPMENT AGENCY OF THE CITY OF GROVER BEACH TO APPROVE THE FORWARDING OF THE OTHER FUNDS DUE DILIGENCE REPORT PURSUANT TO HEALTH AND SAFETY CODE SECTION 34179.5

WHEREAS, consistent with Health and Safety Code Section 34173(d), the City of Grover Beach elected to become the Successor Agency to the Grover Beach Improvement Agency; and

WHEREAS, Health and Safety Code Section 34179.5 requires the Oversight Board conduct a public meeting to solicit public comments from any interested member of the public concerning the Due Diligence review; and

WHEREAS, the Oversight Board conducted a public meeting on December 18, 2012 and no public comment was received; and

WHEREAS, pursuant to Health and Safety Code Section 34179.5 the Oversight Board waited at least five business days before it held a meeting to consider approval of the Due Diligence review of the Low and Moderate Income Housing Fund; and

WHEREAS, the Oversight Board has approved the Due Diligence review of the Other Funds on January 9, 2013.

NOW, THEREFORE, BE IT RESOLVED that the Oversight Board finds as follows:

Section 1. The forgoing Recitals are incorporated herein and made a part hereof.

Section 2. The Board has authorized and directed Successor Agency staff to (1) post the Other Funds Due Diligence Review on the Successor Agency's website; (2) notify by mail or electronic means the County Auditor-Controller, the State Department of Finance, and the State Controller of the Oversight Board's action; and (3) provide those offices with an address to the City's website where the Other Funds Due Diligence Review is posted.

Section 4. The City Clerk shall certify to the adoption of this Resolution.

On motion by Board Member, seconded by Board Member, and on the following roll-call vote, to wit:

AYES:	Board Members –
NOES:	Board Members -
ABSENT:	Board Members -
ABSTAIN:	Board Members -

Resolution No. OB-13-
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the foregoing Resolution was **PASSED, APPROVED, and ADOPTED** at a special meeting of the Oversight Board, Grover Beach, California this 9th day of January 2013.

JOHN LAFERRIERE, CHAIR

Attest:

DONNA L. MCMAHON, CITY CLERK