

OVERSIGHT BOARD STAFF REPORT

MEETING DATE: September 14, 2015

ITEM VI.B: APPROVE SUCCESSOR AGENCY'S ADMINISTRATIVE BUDGET FOR January 1 to June 30, 2016 (FY 15-16B)

RECOMMENDED ACTION(S):

Adopt Resolution No. 68 Approving the proposed Administrative Budget for January 1 to June 30, 2016 (FY 15-16B) which does not exceed the Administrative Cost Allowance allowed under the Dissolution Law.

BACKGROUND:

The Dissolution Law requires that a Successor Agency prepare a proposed administrative budget and submit it to the Oversight Board for its approval. The proposed administrative budget must include all of the following:

1. Estimated amounts for Successor Agency administrative costs for the upcoming six month fiscal period.
2. Proposed sources of payment for the costs identified in No. 1 above.
3. Proposals for arrangements for administrative and operations services provided by a city, county, city and county, or other entity.

In addition, the Successor Agency is required to provide the County Auditor-Controller with administrative cost estimates, from its approved administrative budget that are to be paid from property tax revenues deposited into the Redevelopment Property Tax Trust Fund (RPTTF), for each six-month fiscal period covered by a Recognized Obligation Payment Schedule (ROPS).

DISCUSSION:

The Successor Agency staff has prepared the attached Administrative budget of \$127,918 for the Oversight Board's review and consideration.

ATTACHMENT(S):

Successor Agency's Proposed Admin Budget
Proposed Resolution No. 68

RESOLUTION NO. 68

RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY OF THE FORMER MILPITAS REDEVELOPMENT AGENCY APPROVING AN ADMINISTRATIVE BUDGET FOR THE PERIOD OF JANUARY TO JUNE 2016 (FY 15-16B)

WHEREAS, the California State Legislature enacted Assembly Bill x1 26 to dissolve redevelopment agencies formed under the Community Redevelopment Law (Health and Safety Code section 33000 et seq.), as amended by Assembly Bill 1484, Statutes of 2012, enacted June 27, 2012 (the “Dissolution Law”); and

WHEREAS, the Dissolution Law provides for the payment of the administrative costs of the Successor Agency to the Former Milpitas Redevelopment Agency (“Successor Agency”), subject to the approval of the Oversight Board of the Successor Agency (“Oversight Board”); and

WHEREAS, the Successor Agency prepared and submitted an administrative budget for the period of January 1 to June 30, 2016, in accordance with the Dissolution Law; and

WHEREAS, the administrative budget prepared by the Successor Agency was considered by the Oversight Board.

NOW, THEREFORE, the Oversight Board of the Successor Agency of the former Milpitas Redevelopment Agency resolves as follows:

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

Section 2. The Oversight Board has considered the full record before it.

Section 3. The Oversight Board adopts the Administrative Budget as attached hereto including separate line items for services from the Oversight Board clerk and legal counsel, representing the Board’s intent that amounts unspent for these line items during the FY 15-16B period will be deducted from the administrative cost allowance for the same period.

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PASSED AND ADOPTED this 14th day of September, 2015, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

ATTEST:

APPROVED:

Barbara Crump
Oversight Board Secretary

Mike McInerney
Oversight Board Chair

**City of Milpitas Successor Agency
ROPS 15-16B Administration Budget
January 2016 to June 2016**

<u>Payee</u>	<u>Description</u>	<u>Proposed Amount</u>
City of Milpitas	Successor Agency Adm Costs - staff	\$ 76,668
ABAG PLAN	Property & Personal Liab Insurance due 1st half of the FY	-
Various vendors	Copier lease, printing, storage, office equip	6,250
Maze & Assoc.	Audit Costs	3,000
US Bank	Adm. Fee for debt services	5,000
Wells Fargo Bank	Bank fee for checking account	1,000
ACS	Arbitrage Calculation	3,000
Willdan Financial	Bond Continued disclosure	4,000
PG&E	Utility Costs (3)	3,500
ABAG POWER	Utility Costs (3)	500
Ctiy of Milpitas	Utility Costs (3)	2,000
County of Santa Clara	Oversight Board clerk	3,000
Montoy Law Corp.	Oversight Board Attorney	<u>20,000</u>
	Total	<u>\$ 127,918</u>

**Successor Agency Administrative Costs - Staff
Jan 2016 to June 2016 (ROPS 15-16B)**

Position	Job Duties related to Successor Agency	FY15-16 Salaries & Benefits	PCT	6 months Jan 2016 to Jun 2016
City Manager	Management of Agency Wind Down	384,572	5%	9,614
Executive Secretary	Provide office support to City Manager	147,538	2%	1,475
City Clerk	Posting of Successor Agency & Oversight Board agenda	202,476	1%	1,012
HR Director	Personnel admin. Of Successor Agency staff	249,086	1%	1,245
Systems Administrator	Posting of Successor Agency & Oversight Board agenda online	179,234	1%	896
City Attorney	Legal Advice in wind down of Agency affairs	326,664	10%	16,333
Executive Secretary - legal	Assistance to City Attorney in performing his duties	156,218	2%	1,562
Assistant City Manager/Finance Director	ROPS, oversight board, successor agency financial transactions wind down, dealing with DOF & SCO	304,788	15%	22,859
Budget Manager	Provide analytical support to Finance Director	173,062	5%	4,327
Accounting Technician	Perform banking and Investment functions	122,594	2%	1,226
Finance Manager	Assist in ROPS, oversight board, accounting, and dealing with DOF & SCO	216,588	5%	5,415
Accountant	Perform accounting functions	145,986	10%	7,299
Fiscal Assistant	Provide clerical support to Fin Director & Manager	113,444	3%	1,702
Fiscal Assistant	Perform Accounts Payable functions	113,444	2%	1,134
Fiscal Assistant	Revenue collection	113,444	1%	567
	Total			<u><u>76,668</u></u>