



**AGENDA REPORT**  
**OVERSIGHT BOARD OF THE SUCCESSOR AGENCY**  
**TO THE SAN CLEMENTE REDEVELOPMENT AGENCY**  
**MEETING DATE: FEBRUARY 26, 2013**

Agenda Item   B    
**Approvals:**  
City Manager                       
Dept. Head                       
Attorney                       
Finance                     

**Department:** Finance & Administrative Services  
**Prepared By:** Jake Rahn, Financial Services Officer

**Subject:** *SUCCESSOR AGENCY’S ADMINISTRATIVE BUDGET*

**Summary:** Under Health and Safety Code Section 34180, certain actions of the Successor Agency (City) require approval of the Oversight Board. As part of the requirement to dissolve the Redevelopment Agency, the City is required to take actions which are to be approved by the Oversight Board. These actions include the approval of the Administrative Budget.

Although a level of \$250,000 is in the law for the Administrative Budget, the City (as Successor Agency) budgets an amount with the intent to recover only the costs related to the on-going dissolution process. As such, the City is presenting an Administrative Budget (see Attachment A) in the annual amount of \$250,000 (\$125,000 for July to December) to the Oversight Board for approval which is the level in the law.

This amount is high in comparison to the costs listed on the Recognized Obligation Payment Schedule (ROPS). However, only actual costs incurred by the Successor Agency will be charged related to the dissolution. Currently the dissolution of the RDA is requiring a large amount of staff time to meet all the various reporting requirements and inquiries by County and State agencies. However, this amount will likely decrease in the future. The Successor Agency’s Administrative Budget once approved will be send as part of the ROPS to the County of Orange, State Controller, and the State Department of Finance.

**Recommended**

**Action:** STAFF RECOMMENDS THAT THE OVERSIGHT BOARD  
1) Approve the Administrative Budget for operations from July 1, 2013 to June 30, 2014 in relation to the dissolution of the former Redevelopment Agency.

**Fiscal Impact:** These costs will be funded through an allocation by the County from the Redevelopment Property Tax Trust Fund.

**Attachment:** Attachment “A” – Listing of Administrative Budget

**Notification:** State of California Department of Finance  
State of California State Controllers Office  
County of Orange Auditor Controller

Attachment "A" - Listing of Administrative Budget

**CITY OF SAN CLEMENTE**  
SUCCESSOR AGENCY ADMINISTRATIVE BUDGET  
JULY 1, 2012 TO JUNE 30, 2013

	<u>Totals</u>
General Fund Overhead (1)	74,320
Contractual services (2)	12,000
Professional services (2)	8,000
Postage, supplies, etc. (3)	1,000
Anticipated dissolution administrative costs	95,320
Other costs	154,680
Total Administration Budget (based on State Law)	<u>250,000</u>

NOTES

- (1) These costs include allocations based on the prior year activity and include the allocation of City Council, City Manager, City Clerk, Finance, and other staff related costs.
- (3) These costs relate primarily to any contracts or professional services that are required to dissolve the agency and include legal, accounting, appraisals, assessments, etc.
- (3) These costs are for direct costs that may be required as part of the dissolution of the Redevelopment Agency.