

City of Garden Grove
INTER-DEPARTMENT MEMORANDUM

To: Matthew Fertal
Dept: Director
Subject: FISCAL YEAR 2012-13
SUCCESSOR AGENCY BUDGET

From: Finance Department/
Economic Development
Date: June 26, 2012

OBJECTIVE

To request that The City of Garden Grove as Successor Agency to the Garden Grove Agency for Community Development (Successor Agency) consider the attached annual budget for Fiscal Year 2012-13.

BACKGROUND/DISCUSSION

Pursuant to the Dissolution Act, the Garden Grove Agency for Community Development was dissolved on February 1, 2012. As a result, the Successor Agency is required to prepare and consider for approval a Recognized Obligation Payment Schedule (ROPS) every six months. Once approved, the ROPS is transmitted to the Oversight Board for approval and subsequently submitted to the California Department of Finance (DOF) for review.

The 2012-2013 fiscal year budget for the Successor Agency is based on the enforceable obligations approved by the DOF on the ROPS for January 2012 – June 2012 and July 2012 – December 2012, and the minimum annual administrative allowance of \$500,000, as approved by the DOF.

FISCAL IMPACT

The Successor Agency receives all of its funding through the County Auditor Controller in an amount to cover only the approved enforceable obligations pursuant to determinations made by the DOF.

RECOMMENDATION


It is recommended that the Successor Agency:

- Adopt the attached Resolution approving the Successor Agency's budget for Fiscal Year 2012-13


JIM DELLALONGA
Senior Project Manager

Attachment 1: Budget
Attachment 2: Resolution

Approved for Agenda Listing


Matthew Fertal
Director

FISCAL YEAR 12-13

PROPOSED BUDGET

THE CITY OF GARDEN GROVE AS SUCCESSOR AGENCY

TO THE GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT

THE CITY OF GARDEN GROVE AS SUCCESSOR AGENCY
TO THE GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT
FISCAL YEAR 2012-13 PROPOSED BUDGET ANALYSIS (\$000)

	Total Proposed Budget
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<u>Funds Available:</u>	
Reserves and Ending Balances	\$ 0.0
Operating Revenues	<u>16,118.5</u>
Total Funds Available	\$ 16,118.5
 <u>Less: Operating Expenditures:</u>	
Administrative Allowance (Schedule 1)	(500.0)
Recognized Obligation Payments (Schedule 2)	<u>(15,618.5)</u>
Total Expenditures	\$ (16,118.5)
 Net Amount Available	 <u><u>\$ 0.0</u></u>

SCHEDULE 1
ANALYSIS OF SUCCESSOR AGENCY
PROPOSED ADMINISTRATIVE ALLOWANCE PACKAGES (\$000)
FISCAL YEAR 2012-13

Package No.	Description	Proposed Budget
	ADMINISTRATIVE ALLOWANCE	
1020	General Accounting	\$ 40.5
1021	Financial Planning	11.9
2500	SRDA Administration	397.0
3311	Agency Custodial	<u>50.6</u>
	TOTAL ADMINISTRATIVE ALLOWANCE	<u>\$ 500.0</u>

SCHEDULE 2
ANALYSIS OF SUCCESSOR AGENCY
PROPOSED RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS) (\$000)
FISCAL YEAR 2012-13

Package No.	Description	Proposed Budget
	ROPS	
2502	Agency Debt Service	\$ 9,855.8
2503	Agency Real Prop.	100.0
2512	GG Center Bldg. Lease	655.8
2513	Coastline Bldg. Lease	320.6
2521	OfficeMax Rebate	600.0
2522	Residence Inn Rebate	1,200.0
2523	Hyatt Rebate	2,000.0
2525	GG Hyundai	170.0
2526	Katella Cottages	150.0
2527	Augustine LTD	88.3
2531	Sheraton Rebate	450.0
2547	2003 Refinance Bond Expense	5.0
2557	Sycamore Walk DDA	<u>23.0</u>
	TOTAL ROPS	<u>\$ 15,618.5</u>

GARDEN GROVE SUCCESSOR AGENCY

RESOLUTION NO.

A RESOLUTION OF THE CITY OF GARDEN GROVE AS SUCCESSOR AGENCY
TO THE GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT ADOPTING
AN ANNUAL BUDGET FOR FISCAL YEAR 2012-13

WHEREAS, the Garden Grove as Successor Agency to the Garden Grove Agency for Community Development has given careful consideration to the adoption of the budget for Fiscal Year 2012-13.

NOW, THEREFORE, BE IT RESOLVED that the Director is hereby authorized to expend in accordance with Section 33606 of the Health and Safety Code of the State of California on behalf of The City of Garden Grove as Successor Agency to the Garden Grove Agency for Community Development an amount of \$16,118,489 from new appropriations and reserved fund balances for the planned activities shown below:

Expenditures

Administrative Allowance	\$ 500,000
Recognized Obligation Payments	<u>15,618,489</u>
Total Expenditures	\$ 16,118,489

BE IT FURTHER RESOLVED by the City of Garden Grove as Successor Agency to the Garden Grove Agency for Community Development that the total of \$16,118,489 which the Director is authorized to expend in accordance with the laws of the State of California shall be appropriated from the following funds of the Successor Agency for the Fiscal Year 2012-13. Expenditures pursuant to this Successor Agency budget are subject to compliance with the requirements of ABx1-26.

Funding

Successor to Redevelopment Agency Fund*	<u>\$ 16,118,489</u>
Total Funding	\$ 16,118,489

* Transfers Into The Successor Redevelopment Agency Fund:

Redevelopment Agency Obligation	\$16,118,489
Retirement Fund To Successor	
Redevelopment Fund	