

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To: Matthew Fertal
Dept: Director
Subject: ADOPTION OF A RESOLUTION
APPROVING FISCAL YEAR 2013-14
SUCCESSOR AGENCY BUDGET

From: Kingsley Okereke
Dept: Finance
Date: June 25, 2013

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 2013-14 and adopt a Resolution approving the budget.

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 2013-2014 fiscal year budget for the Successor Agency is based on the enforceable obligations approved by the DOF on the ROPS for July 2013 – December 2013 and is calculated as 3% of the value of the ROPS. For Fiscal Year January 2014 – June 2014 the annual administrative allowance is estimated to be \$292,037.

FINANCIAL 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.

Fiscal Year 2013-14
Successor Agency Budget
June 25, 2013
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RECOMMENDATION

It is recommended that the Successor Agency:

- ◆ Adopt the attached Resolution approving the Successor Agency's budget for Fiscal Year 2013-14.



KINGSLEY OKEREKE
Finance Director

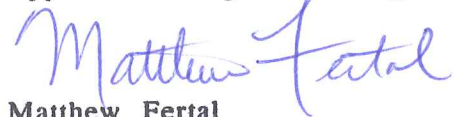


Jim DellaLonga
Senior Project Manager

Attachment 1: Successor Agency Budget for Fiscal Year 2013-14
Attachment 2: Resolution

SucAgenBudget 6/18/13

Approved for Agenda Listing



Matthew Fertal
Director

FISCAL YEAR 13-14

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 2013-14 PROPOSED BUDGET ANALYSIS (\$000)

| | Total Proposed Budget |
|---|-----------------------------|
| <hr/> | |
| <u>Funds Available:</u> | |
| Reserves and Ending Balances | \$ 0.0 |
| Operating Revenues | <u>22,198.4</u> |
| Total Funds Available | \$ 22,198.4 |
| | |
| <u>Less: Operating Expenditures:</u> | |
| Administrative Allowance (Schedule 1) | (292.1) |
| Recognized Obligation Payments (Schedule 2) | <u>(21,906.3)</u> |
| Total Expenditures | \$ (22,198.4) |
| | |
| Net Amount Available | <u><u>\$ 0.0</u></u> |

SCHEDULE 1
ANALYSIS OF SUCCESSOR AGENCY
PROPOSED ADMINISTRATIVE ALLOWANCE PACKAGES (\$000)
FISCAL YEAR 2013-14

| Package No. | Description | Proposed Budget |
|----------------|--------------------------------|--------------------|
| | ADMINISTRATIVE ALLOWANCE | |
| 1020 | General Accounting | \$ 43.4 |
| 1021 | Financial Planning | 12.6 |
| 2500 | SRDA Administration | <u>236.1</u> |
| | TOTAL ADMINISTRATIVE ALLOWANCE | <u>\$ 292.1</u> |

SCHEDULE 2
ANALYSIS OF SUCCESSOR AGENCY
PROPOSED RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS) (\$000)
FISCAL YEAR 2013-14

| Package No. | Description | Proposed Budget |
|----------------|--------------------------------|--------------------|
| | ROPS | |
| 2502 | Agency Debt Service | \$ 9,223.7 |
| 2503 | Agency Real Prop. | 340.0 |
| 2512 | GG Center Bldg. Lease | 660.0 |
| 2513 | Coastline Bldg. Lease | 230.9 |
| 2521 | OfficeMax Rebate | 600.0 |
| 2522 | Residence Inn Rebate | 1,620.0 |
| 2523 | Hyatt Rebate | 2,090.0 |
| 2525 | GG Hyundai | 170.0 |
| 2526 | Katella Cottages | 76.4 |
| 2527 | Augustine LTD | 88.3 |
| 2531 | Sheraton Rebate | 450.0 |
| 2552 | Fire Dept. Headquarters (2013) | 609.0 |
| 2553 | Site B2 DDA | 875.0 |
| 2554 | Waterpark Hotel DDA | 4,275.0 |
| 2557 | Sycamore Walk DDA | 23.0 |
| 2562 | Brookhurst Triangle DDA | <u>575.0</u> |
| | TOTAL ROPS | <u>\$ 21,906.3</u> |

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 2013-2014

WHEREAS, The City of 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 2013-2014.

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 \$22,198,426 from new appropriations and reserved fund balances for the planned activities shown below:

Expenditures

| | |
|--------------------------------|-------------------|
| Administrative Allowance | \$ 292,037 |
| Recognized Obligation Payments | <u>21,906,389</u> |
| Total Expenditures | \$ 22,198,426 |

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 \$22,198,426, 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 2013-14. Expenditures pursuant to this Successor Agency budget are subject to compliance with the requirements of ABx1 26.

Funding

| | |
|---|----------------------|
| Successor to Redevelopment Agency Fund* | <u>\$ 22,198,426</u> |
| Total Funding | \$ 22,198,426 |

* Transfers Into The Successor Redevelopment Agency Fund:

| | |
|---|--------------|
| Redevelopment Agency Obligation Retirement Fund To Successor Redevelopment Fund | \$21,718,426 |
|---|--------------|