

# **OVERSIGHT BOARD – SUCCESSOR AGENCY TO THE FORMER REDEVELOPMENT AGENCY OF THE COUNTY OF VENTURA**

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## **REGULAR MEETING AGENDA**

**October 12, 2012**

**3:00 PM**

County Government Center  
Hall of Administration  
County Executive Office  
Large Conference Room – 4<sup>th</sup> Floor  
800 S. Victoria Avenue  
Ventura, California 93009

### **MEMBERS OF THE BOARD**

BILL BARTELS, CHAIR  
PAULA DRISCOLL,  
VICE CHAIR  
MATT CARROLL  
TOM KASPER  
DAVID KEEBLER  
CHRISTY MADDEN

**Persons who require accommodation for any audio, visual or other disability in order to review an agenda, or to participate in a meeting of the Oversight Board per the American Disabilities Act (ADA), may obtain assistance by requesting such accommodation in writing addressed to the County Executive Office, 800 South Victoria Avenue, Loc. #1940, Ventura, CA 93009 or telephonically by calling (805) 477-1994. Any such request for accommodation should be made at least 48 hours prior to the scheduled meeting for which assistance is requested.**

**All agenda reports and supporting data, including those filed in accordance with Government Code Section 54957.5 (b) (1) and (2) are available from the County Executive Office, Ventura County Government Center, Hall of Administration, 4<sup>th</sup> Floor, 800 South Victoria Avenue, Ventura, California. The same materials will be available and attached with each associated agenda item, when received, at the following website: [www.countyofventura.org/ceo/divisions/communitydevelopment/RDA](http://www.countyofventura.org/ceo/divisions/communitydevelopment/RDA).**

Welcome to the Meeting of the Oversight Board to the Successor Agency to the Former Redevelopment Agency of the County of Ventura.

The following information is provided to help you understand, follow, and participate in the Board meeting:

Pursuant to California Government Code Section 54953 (a) et al., time is set aside for citizen presentations regarding Oversight Board related matters. Those wishing to speak must fill out a speaker card and submit it to the Secretary. Speaker cards for issues not on the agenda must be submitted to the Secretary prior to the beginning of the public comment period. Agendized item, speaker cards must also be submitted before the item is taken up for consideration. The Secretary may not

accept any additional speaker cards once an item commences.

Members of the public making oral presentations to the Board in connection with one or more agenda or non-agenda items at a single meeting are limited to a cumulative total of time not to exceed five (5) minutes for all of their oral presentations at such meeting unless otherwise provided. The entire public comment period is limited to no more than thirty (30) minutes total for all speakers.

Members of the public who desire to augment their comments with visual or audio presentations using County equipment must submit their materials to the County Executive Office and the Chair for review before use of County equipment will be allowed. The review will be conducted to determine only whether the materials are on matters within the jurisdiction of the Board, would be disruptive of the meeting, or would foster illegality, such as identity theft. If it is determined the materials are about matters not within the Board's jurisdiction, or would be disruptive of the meeting, or would foster illegality, use of County equipment will not be allowed.

### **OPENING**

1. Call to Order.
2. Roll Call.
3. Pledge of Allegiance to the Flag of the United States of America.
4. Public Comments – Citizen presentations regarding Board related matters NOT appearing on this agenda. (See Guidelines above)
5. **Approval of Minutes for September 14, 2012 Regular Meeting.**

Consider Approval of Minutes for September 14, 2012 Regular Meeting. Staff Recommends: Approve as submitted

6. **Approval of Minutes for October 3, 2012 Special Meeting.**

Consider Approval of Minutes for October 3, 2012 Special Meeting.  
Staff Recommends: Approve as submitted.

7. **Review the Department of Finance Response to the Applicability of the Long Range Management Plan for the Bank Building and Take Action as Needed Thereon.**
8. **Review the Department of Finance Response to the Successor Agency Inquiry Regarding Accelerated Bond Payments and its Impact on the Potential Transfer of the Town Square and the Storm Drain Projects to the County of**

**Ventura and Take Action as Needed Thereon.**

9. **Adoption of Resolution No. 12-12 Approving and Transmitting the Due Diligence Review of the Low and Moderate Income Housing Fund (LMIHF) as Required by Health and Safety Code Sections 34179.5 and 34179.6.**

Consider Adoption of Resolution No. 12-12 Approving and Transmitting the Due Diligence Review of the LMIHF to the Department of Finance and the County Auditor-Controller as Required by Health and Safety Code Sections 34179.5 and 34179.6.

Staff Recommends: Close the Public Hearing and Adopt Resolution No. 12-12.

10. **Adoption of Resolution No. 12-13 Accepting the Agreed Upon Procedures Audit Required by Health and Safety Code Section 34182 and Directing Successor Agency Staff to Post the Audit to the Successor Agency's Internet Website.**

Consider for Adoption Resolution No. 12-13 Accepting the Agreed Upon Procedures Audit Required by Health and Safety Code Section 34182 and Directing Successor Agency Staff to Post the Audit to the Successor Agency's Internet Website.

Staff Recommends: Adoption of Resolution No. 12-13 approving the Agreed Upon Procedures Audit and direct posting to the Successor Agency website.

11. **Review "Meet and Confer" Request Filed with the Department of Finance (DOF) to Resolve Disputes Regarding the Decisions and Determinations of the Oversight Board (DOF Disallowance and Recharacterization of Certain ROP III Line Items Totaling \$12,408) and Take Action as Needed Thereon.**

Consider Adoption of Resolution No. 12-14 Ratifying the Successor Agency's Decision to File the Meet and Confer Request and Authorizing Staff to Pursue Resolution Thereof with the DOF.

Staff Recommends: Approve as submitted.

12. **Announcements and Future Agenda Items**

A. Announcements

B. Future Agenda Items

- November Oversight Board meeting to review for approval a revised ROPS for Jan-June 2013 to increase allocation for the licensed accountant for the second Due Diligence Review
- Pending November Oversight Board meeting(s) to discuss DOF actions regarding LMIHF Due Diligence Review

## **MEETING AGENDA**

**October 12, 2012**

- Second Due Diligence Review on all other fund and account balances due December 15, 2012 and approved review due to DOF on January 15, 2013
- Other Administrative Issues

The next Regular Oversight Board meeting, scheduled on November 9, 2012, is canceled. A Special Oversight Board meeting is scheduled for November 16, 2012 at 3:00 p.m.

Adjournment:



**OVERSIGHT BOARD – SUCCESSOR AGENCY TO THE  
FORMER REDEVELOPMENT AGENCY OF THE  
COUNTY OF VENTURA**

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**OFFICIAL SUMMARY  
MINUTES  
September 14, 2012  
3:00 PM**

County Government Center  
Hall of Administration  
County Executive Office  
Large Conference Room - 4<sup>th</sup> Floor  
800 S. Victoria Avenue  
Ventura, California 93009

**OPENING**

1. Call to Order.
2. Roll Call.

Quorum established.

**Members Present:** Bill Bartels, Paula Driscoll, Tom Kasper, David Keebler, Matt Carroll, and Christy Madden

**Members Absent:** None

**Staff Present:** Mary Ann Guariento, Jaclyn Smith, Roberto Orellana, Donna Plummer and Beverly Monnier

**Staff Absent:** Mike Powers

3. Pledge of Allegiance to the Flag of the United States of America.
4. Public Comments

One Piru resident present to speak on Item 8. A - Status of Bank Building Asset.  
(See: discussion entered at Item 8)

5. Approval of Minutes August 10, 2012 Regular Meeting

Moved by Paula Driscoll, seconded by Christy Madden

Vote: 6-0

Yes: Bill Bartels, Paula Driscoll, Tom Kasper, David Keebler, Matt Carroll, and Christy Madden

6. Adoption of Resolution No. 12-10 Authorizing and Ratifying the Successor Agency's Decision to Enter Into an Agreement with Vavrinek, Trine, Day & Company to Conduct the Due Diligence Reviews Required by Health and Safety Code Sections 34179.5 and 34179.6, and to Present and Seek Oversight Board Review and Approval of the First Required Due Diligence Review at Oversight Board Meetings on October 5 and 12, 2012.

Consider Adoption of Resolution No. 12-10 Ratifying the Successor Agency's Decision to Enter Into an Agreement, with the approval of County's Auditor-Controller, to Engage the Services of Vavrinek, Trine, Day & Company, a Licensed Accountant, to Conduct the Due Diligence Reviews Required by the Provisions of AB 1484 and Delegating to the Successor Agency's Secretary the Authority to Sign Said Agreement and to Present and Seek Oversight Board Review and Approval of a Due Diligence Review at a Special Public Comment Meeting on October 5, 2012.

Staff Recommends: Adoption of Resolution No. 12-10.

Discussion: Conflict of Interest question was raised by member Ms. Driscoll since Vevrinek, Trine, Day & Company also conducts audits for the County of Ventura. Board legal counsel Mr. Orellana stated that Vavrinek, Trine, Day & Company does not have a conflict of interest, financial or otherwise, in performing audits for both the County of Ventura and the Successor Agency to the former Piru RDA. Mr. Orellana stated that Vavrinek, Trine, Day & Company is obligated to remain independent in its role to conduct Due Diligence Reviews and is compensated for its reviews regardless of impact on County of Successor Agency.

Due to a quorum issue for the October 5, 2012 Special Meeting, the Chair directs staff to change the time for that meeting from 3:00 p.m. to 2:00 p.m.

Motion: To Adopt Resolution No. 12-10 Authorizing and Ratifying the Successor Agency's Decision to Enter Into an Agreement with Vavrinek, Trine, Day & Company to Conduct the Due Diligence Reviews Required by Health and Safety Code Sections 34179.5 and 34179.6, and to Present and Seek Oversight Board Review and Approval of the First Required Due Diligence Review at Oversight Board Meetings on October 5 and 12, 2012.

Moved by Matt Carroll, seconded by Paula Driscoll

Vote: 6-0

Yes: Bill Bartels, Paula Driscoll, Tom Kasper, David Keebler, Matt Carroll, and Christy Madden

7. Adoption of Resolution No. 12-11 Authorizing and Directing the Successor Agency Staff to File “Meet and Confer” Requests with the Department of Finance to Resolve Any Disputes Regarding the Decisions and Determinations of the Oversight Board.

Consider Adoption of Resolution No. 12-11 Authorizing and Directing the Successor Agency Staff to File “Meet and Confer” Requests With the Department of Finance To Resolve Any Dispute Regarding Your Board’s Decisions, Including with Respect to the Amount of Low and Moderate Income Housing Funds to be Distributed to Taxing Entities As Determined by the Department of Finance Under the Due Diligence Review Process of Health and Safety Code Section 34179.6, Provided Any Such Requests Are Subject to Oversight Board Ratification at Its Next Regularly Scheduled Meeting.

Staff Recommends: Adoption of Resolution.

Discussion: Staff pointed out the difficulty of calling a special Board meeting within the 5-day “Meet and Confer” request deadline, even with the shorter 24-hour public posting deadline under the Brown Act for special meetings. Members and staff discussed Brown Act requirement that Special Meetings require a 24-hour public posting of the Agenda as opposed to 72 hours for Regular Meetings. Chair directed staff to place such matters on future agenda as both informational and action items to preserve the Board’s options to timely act thereon.

Motion: To Adopt Resolution No. 12-11 Authorizing and Directing the Successor Agency Staff to File “Meet and Confer” Requests with the Department of Finance to Resolve Any Disputes Regarding the Decisions and Determinations of the Oversight Board.

Moved by Christy Madden, seconded by Matt Carroll

Vote: 6-0

Yes: Bill Bartels, Paula Driscoll, Tom Kasper, David Keebler, Matt Carroll, and Christy Madden

8. Announcements and Future Agenda Items.

A. Announcements.

- Status of Bank Building Asset

Mr. Tim Cohen, resident of Piru, attended the meeting to express to the Board his continued desire to purchase the building and to hear the Board’s status for the hopeful approval of his present bid. Mr. Cohen asked the Board to expedite sale, if possible.

Ms. Plummer explained the decision to entertain any offer below

the Board's \$90,000 limit is pending a reply from the DOF regarding whether a "Long Range Management Plan" (LRMP) will be required for this asset. If a LRMP is required, this will prolong the time needed to sell the property. If not required, the Board would be able to make a decision regarding the sale of the property, or utilize any one of the four available legal options under Health and Safety Code section 34191.5(c)(2). If a LRMP is required, it could be months before the Bank Building can be sold. If not, the Board could make the decision during the next one to two Oversight Board meetings.

- Status of the Piru Town Square and Piru Storm Drain Assets

Ms. Plummer explained that after further discussions with DOF, it was determined that transferring the Bonds on the two projects would create a financial risk for the County. Now the question to DOF is whether accelerated payments to the bonds would be allowed to pay them off earlier. If so, the payments could be satisfied in three years. Staff will report back when the reply is received from DOF.

Considerable discussion took place about the intricate problems dealing with assets that have Bonds attached to them. Ms. Driscoll pointed out the conflict between ABx1 26 requirements to wind down the RDA and the reality of bond restrictions that do not allow for speedy sale or transfer of bond financed properties. Counsel will research whether and how other agencies in the State are dealing with similar issues.

B. Future Agenda Items.

- Agreed Upon Procedures (AUP) audit due Oct 1, 2012  
Ms. Guariento stated the AUP is available to submit to DOF.
- LMIHF Due Diligence Review – Oversight Board Review and Public Comment, Special Meeting on October 5, 2012
- LMIHF Due Diligence Review – Oversight Board Review and Approval, on October 12, 2012 Agenda
- Review for approval a revised ROPS for Jan-June 2013 to increase allocation for the licensed accountant for the second Due Diligence Review
- Pending November Oversight Board meeting(s) to discuss DOF actions regarding LMIHF Due Diligence Review
- Second Due Diligence Review on all other fund and account balances due December 15, 2012 and approved review due to DOF on January 15, 2013

Handout - Ms. Plummer distributed an email status update sent to all counties from the DOF regarding current activities – Housing Asset Transfers, Meet and Confer Process,

ROPS III, and Due Diligence Low-Mod Housing Reviews due October 1.

Special Meeting of the Oversight Board is scheduled for October 5, 2012 at 2:00.  
Next Regular Oversight Board meeting is scheduled for October 12, 2012 at 3:00.

9. The Board adjourned at 3:50 p.m.

**OVERSIGHT BOARD – SUCCESSOR AGENCY TO THE  
FORMER REDEVELOPMENT AGENCY OF THE  
COUNTY OF VENTURA**

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**OFFICIAL SUMMARY  
MINUTES**

**October 3, 2012**

**2:00 PM**

County Government Center  
Hall of Administration  
County Executive Office  
Large Conference Room - 4<sup>th</sup> Floor  
800 S. Victoria Avenue  
Ventura, California 93009

**OPENING**

1. Call to Order.
2. Roll Call.

Quorum established.

**Members Present:** Bill Bartels, David Keebler, Matt Carroll, and Christy Madden

**Members Absent:** Paula Driscoll, Tom Kasper

**Staff Present:** Mary Ann Guariento, Jaclyn Smith, Roberto Orellana, Donna Plummer and Beverly Monnier

**Staff Absent:** Mike Powers

3. Pledge of Allegiance to the Flag of the United States of America.
4. Public Comments:

No public comments.

**5. Public Hearing and 5 Day Public Comment Session Regarding the Adoption of Resolution No. 12-12 and Approval of the First Required Due Diligence Review of Housing Assets as Required by Health and Safety Code Sections 34179.5 and 34179.6, and to Present Such Items for Approval at the Oversight Board Meeting on October 12, 2012.**

Consider for Review the Adoption of Resolution No. 12-12 and Approval of the First Required Due Diligence Review of Housing Assets as Required by Health and Safety Code Sections 34179.5 and 34179.6, and to Present and Seek Oversight Board Approval of Resolution No. 12-12 and the Due Diligence Review at the Oversight Board Meeting on October 12, 2012.

Staff Recommends: Open the Public Hearing for the Review of the Adoption of Resolution No. 12-12 and Approval of the Due Diligence Review and Continue the Public Review Session to the October 12, 2012 Oversight Board Meeting for Consideration of the Adoption of Resolution No. 12-12 and Approval of the Due Diligence Review.

There were no public comments during the Public Hearing for review of the adoption of Resolution No. 12-12 and approval of the Due Diligence Review. Therefore, the Public Review Session is continued to the Regular Oversight Board Meeting on October 12, 2012 for Consideration of the Adoption of Resolution No. 12-12 and Approval of the Due Diligence Review.

**6. Announcements and Future Agenda Items**

**A. Announcements**

Ms Donna Plummer, Successor Agency Secretary, distributed a response from the DOF regarding accelerated repayment of bond debts for the Board's consideration at the October 12, 2012 meeting.

**B. Future Agenda Items**

Next Regular Oversight Board meeting is scheduled for October 12, 2012 at 3:00 p.m.

**7. Adjournment: The Board adjourned at 2:05 p.m.**

OVERSIGHT BOARD – SUCCESSOR AGENCY TO THE  
FORMER REDEVELOPMENT AGENCY OF THE  
COUNTY OF VENTURA

REGULAR MEETING  
October 12, 2012

**AGENDA ITEM #7:**

Review the Department of Finance Response to the Applicability of the  
Long Range Management Plan for the Bank Building and Take Action as  
Needed Thereon.



**From:** "Redevelopment Administration" <RedevelopmentAdministration@dof.ca.gov>  
**To:** "Donna Plummer" <Donna.Plummer@ventura.org>  
**Date:** 9/25/2012 7:46 AM  
**Subject:** RE: County of Ventura Question Regarding Need for Property Mgmt Plan

The SA is required to receive a Finding of Completion and complete a property management plan before attempting to sell the property in question.

A finding of completion is basically certification from Finance that the SA has meet 2 conditions. First, the SA has complied with the July True Up payments and the county-auditor and controller has notified Finance that any monies owed has been remitted. Second, the SA has completed the two Due Diligence Reviews and any money owed has been remitted to the county auditor-controller for distribution to the local taxing entities. Once these two steps have been complied with Finance will issue a finding of completion.

Receiving the finding of completion paves the way for the SA to submit their property management plan, which once approved will allow the SA to dispose of property. It also provides other benefits for the SA, such as being able to spend specified stranded bond proceeds, be eligible for repayment of loans previously made to the former RDA, etc...

From: Donna Plummer [mailto:Donna.Plummer@ventura.org]

Sent: Wednesday, September 05, 2012 12:52 PM

To: Redevelopment Administration

Cc: Jaclyn Smith; Robert Orellana

Subject: County of Ventura Question Regarding Need for Property Mgmt Plan

Dear DOF,

On May 11, 2012, our OB met and discussed the disposal of assets and directed the Successor Agency to sell our one and only commercial property asset. The SA was directed to sell it within a 120 day window of time. That window ended today. However, there is one offer on the property - it is just lower than the minimum amount set by the OB. The SA plans to go back to the OB at their September 14th board meeting to discuss options and obtain direction regarding the asset, including selling it to the individual who made the offer.

My question: Is the Successor Agency now required to do a property management plan for this asset, get OB approval on it, then get DOF approval on it before attempting to sell it at this time?

My second question is: Please define and explain what a "Finding of Completion" is? It is used in several section of both ABx1 26 and AB 1484 but no one seems to be able to define what that is.

I look forward to hearing from you regarding these two questions.

Best Regards,  
Donna Plummer  
Secretary,  
Successor Agency to The Former Redevelopment Agency of the County of Ventura

Donna Plummer  
Management Analyst II  
Ventura County Executive Office  
Hall of Administration L#1940  
800 South Victoria Avenue  
Ventura, CA 93009  
Office: 805-654-2876  
FAX: 805-654-5106  
donna.plummer@ventura.org<mailto:donna.plummer@ventura.org>  
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OVERSIGHT BOARD – SUCCESSOR AGENCY TO THE  
FORMER REDEVELOPMENT AGENCY OF THE  
COUNTY OF VENTURA

REGULAR MEETING  
October 12, 2012

**AGENDA ITEM #8:**

Review the Department of Finance Response to the Successor Agency Inquiry Regarding Accelerated Bond Payments and its Impact on the Potential Transfer of the Town Square and the Storm Drain Projects to the County of Ventura and Take Action as Needed Thereon.

**From:** "Redevelopment Administration" <RedevelopmentAdministration@dof.ca.gov>  
**To:** "Donna Plummer" <Donna.Plummer@ventura.org>  
**Date:** 10/3/2012 12:15 PM  
**Subject:** RE: County of Ventura Question Regarding Accelerated Bond Payments

At this time, the Department of Finance is not prepared to authorize the accelerated repayment of bonded indebtedness. Doing so would reduce the amount of property tax received by the other affected taxing entities during the ROPS III period pursuant to Health and Safety Code section 34183 (a) (4), which could result in unanticipated budgetary shortfalls for those entities.

From: Donna Plummer [mailto:Donna.Plummer@ventura.org]  
Sent: Wednesday, September 05, 2012 12:19 PM  
To: Redevelopment Administration  
Cc: Jaclyn Smith; MaryAnn Guariento; Robert Orellana; ValerieJ Barraza  
Subject: County of Ventura Question Regarding Accelerated Bond Payments

Dear DOF,

AB 1484 Section 34177(a)(5) prohibits accelerated payments through July 2012. Our request is if the DOF would allow accelerated bond payments now that it is past this date? We have two USDA bonds that are described below.

1. Storm drain project - bond issued in 2008 - the current balance is approximately \$680,000
2. Public Town Square park/building - bond issued in 2002 - the current balance is approximately \$250,000

Assuming our available tax increment each year is approximately \$400,000 (conservatively), if we were allowed to accelerate payments, we would be able to pay off these bonds within about 3 years, resulting in a related savings of roughly \$380,000 in interest payments.

Before the Successor Agency brings this to the Oversight Board, I wanted to check with you to see if it would be allowed. If so, please let me know how the DOF would like to see this transaction take place.

Best Regards,  
Donna Plummer  
Secretary,  
Successor Agency to The Former Redevelopment Agency of the County of Ventura

Donna Plummer  
Management Analyst II  
Ventura County Executive Office  
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donna.plummer@ventura.org<mailto:donna.plummer@ventura.org>  
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**OVERSIGHT BOARD – SUCCESSOR AGENCY TO THE  
FORMER REDEVELOPMENT AGENCY OF THE  
COUNTY OF VENTURA  
AGENDA REPORT**

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**DATE:** October 12, 2012

**TO:** Oversight Board to Successor Agency

**FROM:** Donna Plummer, CEO Management Analyst

**SUBJECT:** Adoption of Resolution No. 12-12 Approving and Transmitting the Due Diligence Review of the Low and Moderate Income Housing Fund (LMIHF) to the Department of Finance and the County Auditor-Controller as Required by Health and Safety Code Sections 34179.5 and 34179.6.

**RECOMMENDATION:**

It is recommended that your Board:

Close the public comment session on the LMIHF, after permitting all persons who wish to be heard to speak on this item, and then Adopt Resolution No. 12-12, attached as Exhibit A, approving the LMIHF Due Diligence Review, attached as Exhibit B, and Transmitting the Review to the Department of Finance and the County's Auditor-Controller.

**FISCAL IMPACT:**

The estimated cost for the services provided by Vavrinek, Trine, Day & Company (VTD) for this Due Diligence Review of the LMIHF is between \$6,000 to \$10,000. The sum of \$10,000 for the entire Due Diligence Review was approved by your Board and the Department of Finance (DOF) on the January-June 2013 ROPS. Another Due Diligence Review is due on December 15, 2012 for all other funds and account balances of the dissolved RDA. Staff will submit a revised ROPS for the January-June 2013 period, reflecting the new estimate for the additional work required in November and December 2012, for approval at a subsequent meeting of your Board. That revised ROPS will be subject to additional review by the DOF.

**DISCUSSION:**

Pursuant to Health and Safety Code Section 34179.5(a), “each successor agency shall 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 available for transfer to taxing entities.”

Health and Safety Code Section 34179.6 establishes the following additional requirements:

1. The Due Diligence Review of the LMIHF had to be submitted by the licensed accountant to the Oversight Board, the County Auditor-Controller’s Office and the Department of Finance by October 1, 2012. Therefore, staff, with the Auditor Controller’s approval, approved the selection of VTD to begin the review process.
2. Upon receipt of the LMIHF review, the oversight board has to convene a public comment session at least five business days before it votes to approve the review. Your Board opened the public comment session at a meeting held on October 3, 2012, and continued it to today’s meeting. (There were no public comments on October 3rd.)
3. In addition to public comments, if any, your Board also has to consider any opinions offered by the County’s Auditor-Controller on the results of this review before approving it.
4. Today, your Board has to review, approve, and direct staff to transmit the LMIHF Due Diligence Review to the DOF and County Auditor Controller by October 15, 2012. (For all other funds and accounts, the oversight board has to review, approve, and transmit the review by January 15, 2013.)

As mentioned above, the required public comment session was held on October 3, 2012, at 2:00 p.m., after the Due Diligence Review of the LMIHF was received from VTD, and is being concluded today. This schedule enables your staff to meet the statutory requirement of providing the Due Diligence Review of the LMIHF to the Department of Finance and County Auditor-Controller by the October 15, 2012 deadline. Therefore, Staff recommends that your Board close the public comment session and adopt Resolution No. 12-12, attached as Exhibit A, approving the LMIHF Due Diligence Review, attached as Exhibit B, and directing staff to transmit the Review to the DOF and County Auditor-Controller.

Exhibit A – Resolution No. 12-12

Exhibit B – Due Diligence Review of Housing Assets

**RESOLUTION NO. 12-12**

**RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO  
THE FORMER REDEVELOPMENT AGENCY OF THE COUNTY OF VENTURA, STATE OF CALIFORNIA,  
APPROVING AND TRANSMITTING THE STATUTORILY REQUIRED DUE DILIGENCE REVIEW FOR THE LOW  
AND MODERATE INCOME HOUSING FUND**

The Oversight Board for the Successor Agency to The Former Redevelopment Agency of the County of Ventura does resolve as follows:

WHEREAS, Assembly Bill x1 26 ("ABx1 26") was passed by the State Legislature on June 15, 2011, signed by the Governor on June 28, 2011, and upheld by the Supreme Court of California on December 29, 2011; and

WHEREAS, among other things, ABx1 26 added Part 1.85 of Division 24 to the California Health and Safety Code; and

WHEREAS, by enactment of Part 1.85 of Division 24 of the Health and Safety Code and the decision of the Supreme Court, The Redevelopment Agency of the County of Ventura was dissolved as of February 1, 2012, such that the County of Ventura was designated the Successor Agency to The Redevelopment Agency of the County of Ventura ("Successor Agency"); and

WHEREAS, Assembly Bill 1484 ("AB 1484") was passed by the State Legislature and signed by the Governor effective June 27, 2012; and

WHEREAS, among other things, AB 1484 adds sections 34179.5 and 34179.6 to the California Health and Safety Code; and

WHEREAS, pursuant to subdivision (a) of Health and Safety Code Section 34179.5, each successor agency shall employ a licensed accountant, approved by the county auditor-controller and with experience and expertise in local government accounting, to conduct due diligence reviews to determine the unobligated balances available for transfer to taxing entities; and

WHEREAS, the successor agency employed the licensed accountant to conduct the required due diligence reviews pursuant to Health and Safety Code Sections 34179.5(a) and 34179.6 and the licensed accountant completed the first such review, which is attached as Exhibit B; and

WHEREAS, pursuant to subdivision (c) of Health and Safety Code Section 34179.6, the oversight board shall review, approve, and transmit to the Department of Finance and county auditor-controller the results of the due diligence review for the Low and Moderate Income Housing Fund (LMIHF), by October 15, 2012.

NOW, THEREFORE BE IT FOUND AND RESOLVED AS FOLLOWS:

1. The above recitations are true and correct.

2. The Oversight Board hereby adopts Resolution 12-12, approves, Exhibit B (the Due Diligence Review of the LMIHF), and authorizes and directs the Successor Agency to take any and all actions required to transmit the required due diligence review to the Department of Finance and the County Auditor-Controller by October 15, 2012.

PASSED, APPROVED, AND ADOPTED by the Oversight Board, on a motion by Board Member \_\_\_\_\_, seconded by Member \_\_\_\_\_, this \_\_\_\_\_ day of \_\_\_\_\_ 2012.

By: \_\_\_\_\_  
Chair  
Oversight Board

ATTEST:

By: \_\_\_\_\_  
Successor Agency Secretary

**County of Ventura  
Redevelopment Successor Agency**

**Independent Accountants' Report on Applying  
Agreed-Upon Procedures pursuant to  
AB 1484 (Low and Moderate Income Housing Fund)**

**June 30, 2012**





**INDEPENDENT ACCOUNTANTS' REPORT ON  
APPLYING AGREED-UPON PROCEDURES**

Oversight Board of the  
County of Ventura Redevelopment Successor Agency  
Ventura, California

We have performed the Agreed-Upon Procedures enumerated in Exhibit A, which were agreed to by the California State Controller's Office, the California Department of Finance, the County Auditor-Controller, and the County of Ventura Redevelopment Successor Agency (Successor Agency) to determine the Successor Agency's Low and Moderate Income Housing Fund's unobligated balances that are available for transfer to taxing entities, solely to assist you in ensuring that the Successor Agency is complying with its statutory requirements with respect to *Health and Safety Code* Section 34179.5. Management of the Successor Agency is responsible for the accounting records pertaining to statutory compliance pursuant to *Health and Safety Code* Section 34179.5. This Agreed-Upon Procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Exhibit A and Exhibits B through B-1 identify the procedures and findings.

We were not engaged to and did not conduct an audit, the objective of which would be the expression of an opinion as to the appropriateness of the results summarized in Exhibit A and Exhibits B through B-1. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Successor Agency Oversight Board, the Successor Agency, the California State Controller's Office, the California Department of Finance, and the County Auditor-Controller, and is not intended to be and should not be used by anyone other than these specified parties. This restriction is not intended to limit distribution of this report, which is a matter of public record.

*Vavrinek, Trine, Day & Co., LLP*

Rancho Cucamonga, California,  
September 21, 2012

## **EXHIBIT A**

### **COUNTY OF VENTURA REDEVELOPMENT SUCCESSOR AGENCY AGREED UPON PROCEDURES PURSUANT TO AB 1484 - LOW AND MODERATE INCOME HOUSING FUND**

Our findings and procedures are as follows:

#### **A. Low and Moderate Income Housing Fund of the Successor Agency**

For the Low and Moderate Income Housing Fund, the following procedures were performed:

1. Obtain from the Successor Agency a listing of all assets that were transferred from the former redevelopment agency to the Successor Agency on February 1, 2012. Agree the amounts on this listing to account balances established in the accounting records of the Successor Agency. Identify in the Agreed-Upon Procedures (AUP) report the amount of the assets transferred to the Successor Agency as of that date.

Findings – We noted that all assets of the former redevelopment (RDA) Low and Moderate Income Housing Fund were transferred to the County. Accordingly, no amounts were transferred to the Successor Agency.

We noted that the former redevelopment agency (RDA) transferred all assets, totaling \$981,358.42, from the RDA Low and Moderate Income Housing Fund to Fund 1105 - Co Successor Housing Agency AB X126" (Housing Fund) on February 1, 2012. We agreed the amounts on this listing to account balances established in the accounting records of the County noting the total balance of all assets that were transferred on February 1, 2012 consisted of cash in treasury, accounts receivable, and long term receivables.

We noted the housing activities and assets (assets and functions, rights, powers, duties, and obligations) of the former RDA were transferred to the County of Ventura on January 24, 2012. We obtained Resolution No. 249-1 authorizing the County to maintain the housing assets and functions of the former RDA. We noted the assets transferred were those in Fund 1105, as described above.

2. If the State Controller's Office has completed its review of transfers required under both Sections 34167.5 and 34178.8 and issued its report regarding such review, attach a copy of that report as an exhibit to the AUP report. If this has not yet occurred, perform the following procedures.
  - A. Obtain a listing prepared by the Successor Agency of transfers (excluding payments for goods and services) from the former redevelopment agency to the city, county, or city and county that formed the redevelopment agency for the period from January 1, 2011 through January 31, 2012. For each transfer, the Successor Agency should describe the purpose of the transfer and describe in what sense the transfer was required by one of the Agency's enforceable obligations or other legal requirements. Provide this listing as an attachment to the AUP report.
  - B. Obtain a listing prepared by the Successor Agency of transfers (excluding payments for goods and services) from the Successor Agency to the city, county, or city and county that formed the redevelopment agency for the period from February 1, 2012 through June 30, 2012. For each transfer, the Successor Agency should describe the purpose of the transfer and describe in what sense the transfer was required by one of the Agency's enforceable obligations or other legal requirements. Provide this listing as an attachment to the AUP report.
  - C. For each transfer, obtain the legal document that formed the basis for the enforceable obligation that required any transfer. Note in the AUP report the absence of any such legal document or the absence of language in the document that required the transfer.

## EXHIBIT A

### COUNTY OF VENTURA REDEVELOPMENT SUCCESSOR AGENCY AGREED UPON PROCEDURES PURSUANT TO AB 1484 - LOW AND MODERATE INCOME HOUSING FUND

Findings – The County asserted the State Controller's Office has not completed a review of transfers required under both *Health and Safety Code* (HSC) Sections 34167.5 and 34178.8. The Successor Agency also asserts no transfers were made from the former RDA or the Successor Agency to the County for the period from January 1, 2011 through January 31, 2012.

On February 1, 2012, the former RDA transferred all Low and Moderate Income Housing assets to the County of Ventura in accordance with HSC Section 34176 (a)(1) and Resolution 249-1. A listing of the transfers for the period February 1, 2012 and June 30, 2012, is included as Exhibit B of the AUP report.

For each transfer listed on Exhibit B, we obtained the legal document that formed the basis for the enforceable obligation that required the transfer. On February 1, 2012, we noted the County transferred cash in treasury totaling \$249,716.37 and interest receivable of \$634.12 from the former RDA to the County Housing Fund. We noted this transfer was supported only by Resolution 249.1 and did not reference an enforceable obligation or language that required a transfer.. As a result, this transfer balance has been added to the Summary of Balances Available for Allocation to Affected Taxing Entities at Exhibit B-1.

3. If the State Controller's Office has completed its review of transfers required under both Sections 34167.5 and 34178.8 and issued its report regarding such review, attach a copy of that report as an exhibit to the AUP report. If this has not yet occurred, perform the following procedures:
  - A. Obtain a listing prepared by the Successor Agency of transfers (excluding payments for goods and services) from the former redevelopment agency to any other public agency or to private parties for the period from January 1, 2011 through January 31, 2012. For each transfer, the Successor Agency should describe the purpose of the transfer and describe in what sense the transfer was required by one of the Agency's enforceable obligations or other legal requirements. Provide this listing as an attachment to the AUP report.
  - B. Obtain a listing prepared by the Successor Agency of transfers (excluding payments for goods and services) [from the Successor Agency to any other public agency or private parties for the period from February 1, 2012 through June 30, 2012. For each transfer, the Successor Agency should describe the purpose of the transfer and describe in what sense the transfer was required by one of the Agency's enforceable obligations or other legal requirements. Provide this listing as an attachment to the AUP report.
  - C. For each transfer, obtain the legal document that formed the basis for the enforceable obligation that required any transfer. Note in the AUP report the absence of any such legal document or the absence of language in the document that required the transfer.

Findings – The County asserted the State Controller's Office has not completed a review of transfers required under both HSC Sections 34167.5 and 34178.8. The Successor Agency also asserts no transfers were made from the former RDA or the Successor Agency to any other public agency or to private parties for the period from January 1, 2011 through January 31, 2012, and the period February 1, 2012 through June 30, 2012, respectively, except for 11 rehabilitation loans, issued between January 5, 2011 and August 4, 2011, which were subsequently transferred to the County on February 1, 2012 as described in Procedure No. 2 above. We noted the 11 rehabilitation loans were included on the Housing Asset Inventory submitted to the State Department of Finance in accordance with HSC Section 34176(a)(2).

## **EXHIBIT A**

### **COUNTY OF VENTURA REDEVELOPMENT SUCCESSOR AGENCY AGREED UPON PROCEDURES PURSUANT TO AB 1484 - LOW AND MODERATE INCOME HOUSING FUND**

4. Perform the following procedures:

- A. Obtain from the Successor Agency a summary of the financial transactions of the Redevelopment Agency and the Successor Agency in the format set forth in the attached schedule for the fiscal periods indicated in the schedule. For purposes of this summary, the financial transactions should be presented using the modified accrual basis of accounting. End of year balances for capital assets (in total) and long-term liabilities (in total) should be presented at the bottom of this summary schedule for information purposes.
- B. Ascertain that for each period presented, the total of revenues, expenditures, and transfers accounts fully for the changes in equity from the previous fiscal period.
- C. Compare amounts in the schedule relevant to the fiscal year ended June 30, 2010, to the State Controller's Report filed for the Redevelopment Agency for that period.
- D. Compare amounts in the schedule for the other fiscal periods presented to account balances in the accounting records or other supporting schedules. Describe in the report the type of support provided for each fiscal period.

Findings – Procedure 4 is not applicable to the Low and Moderate Income Housing Fund.

5. Obtain from the Successor Agency a listing of all assets of the Low and Moderate Income Housing Fund as of June 30, 2012 for the report that is due October 1, 2012 and a listing of all assets of all other funds of the Successor Agency as of June 30, 2012 (excluding the previously reported assets of the Low and Moderate Income Housing Fund) for the report that is due December 15, 2012. When this procedure is applied to the Low and Moderate Income Housing Fund, the schedule attached as an exhibit will include only those assets of the Low and Moderate Income Housing Fund that were held by the Successor Agency as of June 30, 2012 and will exclude all assets held by the entity that assumed the housing function previously performed by the former redevelopment agency. Agree the assets so listed to recorded balances reflected in the accounting records of the Successor Agency. The listings should be attached as an exhibit to the appropriate AUP report.

Findings – As further described in Procedure No. 1, the former RDA transferred the assets to the County Housing Fund. Accordingly, the Successor Agency maintains no assets of the former RDA Low and Moderate Income Housing Fund. As described in Procedure No. 2, cash and cash equivalents totaling \$250,350.49 have been added to the Summary of Balances Available for Allocation to Affected Taxing Entities at Exhibit B-1. Interest earned as of June 30, 2012 in the amount of \$693.11 has also been added to the Summary of Balances Available for Allocation to Affected Taxing Entities at Exhibit B-1.

6. Obtain from the Successor Agency a listing of asset balances held on June 30, 2012, that are restricted for the following purposes:
- A. Unspent bond proceeds:
    - i. Obtain the Successor Agency's computation of the restricted balances (e.g., total proceeds less eligible project expenditures, amounts set aside for debt service payments, etc.).

## EXHIBIT A

### COUNTY OF VENTURA REDEVELOPMENT SUCCESSOR AGENCY AGREED UPON PROCEDURES PURSUANT TO AB 1484 - LOW AND MODERATE INCOME HOUSING FUND

- ii. Trace individual components of this computation to related account balances in the accounting records, or to other supporting documentation (specify in the AUP report a description of such documentation).
  - iii. Obtain from the Successor Agency a copy of the legal document that sets forth the restriction pertaining to these balances. Note in the AUP report the absence of language restricting the use of the balances that were identified by the Successor Agency as restricted.
- B. Grant proceeds and program income that are restricted by third parties:
- i. Obtain the Successor Agency's computation of the restricted balances (e.g., total proceeds less eligible project expenditures).
  - ii. Trace individual components of this computation to related account balances in the accounting records, or to other supporting documentation (specify in the AUP report a description of such documentation).
  - iii. Obtain from the Successor Agency a copy of the grant agreement that sets forth the restriction pertaining to these balances. Note in the AUP report the absence of language restricting the use of the balances that were identified by the Successor Agency as restricted.
- C. Other assets considered to be legally restricted:
- i. The Successor Agency's computation of the restricted balances (e.g., total proceeds less eligible project expenditures).
  - ii. Trace individual components of this computation to related account balances in the accounting records, or to other supporting documentation (specify in the AUP report a description of such Obtain documentation).
  - iii. Obtain from the Successor Agency a copy of the legal document that sets forth the restriction pertaining to these balances. Note in the AUP report the absence of language restricting the use of the balances that were identified by Successor the Agency as restricted.
- D. Attach the above mentioned Successor Agency prepared schedule(s) as an exhibit to the AUP report. For each restriction identified on these schedules, indicate in the report the period of time for which the restrictions are in effect. If the restrictions are in effect until the related assets are expended for their intended purpose, this should be indicated in the report.

Findings – As further described in Procedure No. 5, the former RDA transferred the assets to the County Housing Fund. Accordingly, the Successor Agency maintains no assets of the former RDA Low and Moderate Income Housing Fund. As such, this procedure was not performed.

7. Perform the following procedures:

- A. Obtain from the Successor Agency a listing of assets as of June 30, 2012, that are **not** liquid or otherwise available for distribution (such as capital assets, land held for resale, long-term receivables, etc.) and ascertain if the values are listed at either purchase cost (based on book value reflected in the accounting records of the Successor Agency) or market value as recently estimated by the Successor Agency.
- B. If the assets listed at 7(A) are listed at purchase cost, trace the amounts to a previously audited financial statement (or to the accounting records of the Successor Agency) and note any differences.

## **EXHIBIT A**

### **COUNTY OF VENTURA REDEVELOPMENT SUCCESSOR AGENCY AGREED UPON PROCEDURES PURSUANT TO AB 1484 - LOW AND MODERATE INCOME HOUSING FUND**

- C. For any differences noted in 7(B), inspect evidence of disposal of the asset and ascertain that the proceeds were deposited into the Successor Agency trust fund. If the differences are due to additions (this generally is not expected to occur), inspect the supporting documentation and note the circumstances.
- D. If the assets listed at 7(A) are listed at recently estimated market value, inspect the evidence (if any) supporting the value and note the methodology used. If no evidence is available to support the value and/or methodology, note the lack of evidence.

Findings – As further described in Procedure No. 5, the former RDA transferred the assets to the County Housing Fund. Accordingly, the Successor Agency maintains no assets of the former RDA Low and Moderate Income Housing Fund. As such, this procedure was not performed.

8. Perform the following procedures:

- A. If the Successor Agency believes that asset balances need to be retained to satisfy enforceable obligations, obtain from the Successor Agency an itemized schedule of asset balances (resources) as of June 30, 2012 that are dedicated or restricted for the funding of enforceable obligations and perform the following procedures. The schedule should identify the amount dedicated or restricted, the nature of the dedication or restriction, the specific enforceable obligation to which the dedication or restriction relates, and the language in the legal document that is associated with the enforceable obligation that specifies the dedication of existing asset balances toward payment of that obligation.
  - i. Compare all information on the schedule to the legal documents that form the basis for the dedication or restriction of the resource balance in question.
  - ii. Compare all current balances to the amounts reported in the accounting records of the Successor Agency or to an alternative computation.
  - iii. Compare the specified enforceable obligations to those that were included in the final Recognized Obligation Payment Schedule approved by the California Department of Finance.
  - iv. Attach as an exhibit to the report the listing obtained from the Successor Agency. Identify in the report any listed balances for which the Successor Agency was unable to provide appropriate restricting language in the legal document associated with the enforceable obligation.
- B. If the Successor Agency believes that future revenues together with balances dedicated or restricted to an enforceable obligation are insufficient to fund future obligation payments and thus retention of current balances is required, obtain from the Successor Agency a schedule of approved enforceable obligations that includes a projection of the annual spending requirements to satisfy each obligation and a projection of the annual revenues available to fund those requirements and perform the following procedures:
  - i. Compare the enforceable obligations to those that were approved by the California Department of Finance. Procedures to accomplish this may include reviewing the letter from the California Department of Finance approving the Recognized Enforceable Obligation Payment Schedules for the six month period from January 1, 2012 through June 30, 2012, and for the six month period July 1, 2012 through December 31, 2012.
  - ii. Compare the forecasted annual spending requirements to the legal document supporting each enforceable obligation.



## **EXHIBIT A**

### **COUNTY OF VENTURA REDEVELOPMENT SUCCESSOR AGENCY AGREED UPON PROCEDURES PURSUANT TO AB 1484 - LOW AND MODERATE INCOME HOUSING FUND**

- a. Obtain from the Successor Agency its assumptions relating to the forecasted annual spending requirements and disclose in the report major assumptions associated with the projections.
- iii. For the forecasted annual revenues:
  - a. Obtain from the Successor Agency its assumptions for the forecasted annual revenues and disclose in the report major assumptions associated with the projections.
- C. If the Successor Agency believes that projected property tax revenues and other general purpose revenues to be received by the Successor Agency are insufficient to pay bond debt service payments (considering both the timing and amount of the related cash flows), obtain from the Successor Agency a schedule demonstrating this insufficiency and apply the following procedures to the information reflected in that schedule.
  - i. Compare the timing and amounts of bond debt service payments to the related bond debt service schedules in the bond agreement.
  - ii. Obtain the assumptions for the forecasted property tax revenues and disclose major assumptions associated with the projections.
  - iii. Obtain the assumptions for the forecasted other general purpose revenues and disclose major assumptions associated with the projections.
- D. If procedures A, B, or C were performed, calculate the amount of current unrestricted balances necessary for retention in order to meet the enforceable obligations by performing the following procedures.
  - i. Combine the amount of identified current dedicated or restricted balances and the amount of forecasted annual revenues to arrive at the amount of total resources available to fund enforceable obligations
  - ii. Reduce the amount of total resources available by the amount forecasted for the annual spending requirements. A negative result indicates the amount of current unrestricted balances that needs to be retained.
  - iii. Include the calculation in the AUP report.

Findings – As further described in Procedure No. 1, the former RDA transferred the assets to the County Housing Fund. Accordingly, the Successor Agency maintains no assets of the former RDA Low and Moderate Income Housing Fund. Also, as described in Procedure No. 2, it was noted that cash in treasury and accounts receivable totaling \$250,350.49 have been added to the Summary of Balances Available for Allocation to Affected Taxing Entities at Exhibit B-1.

The Successor Agency asserted that asset balances, as adjusted on the Summary of Balances Available for Allocation to Affected Taxing Entities at Exhibit B-1, as of June 30, 2012, do not need to be retained to satisfy enforceable obligations of the Low and Moderate Income Housing Fund. We noted the asset balance, as adjusted, of the Low and Moderate Income Housing Fund as of June 30, 2012, was \$250,350.49. As such, this procedure was not performed.

## **EXHIBIT A**

### **COUNTY OF VENTURA REDEVELOPMENT SUCCESSOR AGENCY AGREED UPON PROCEDURES PURSUANT TO AB 1484 - LOW AND MODERATE INCOME HOUSING FUND**

9. If the Successor Agency believes that cash balances as of June 30, 2012, need to be retained to satisfy obligations on the Recognized Obligation Payment Schedule (ROPS) for the period of July 1, 2012 through June 30, 2013, obtain a copy of the final ROPS for the period of July 1, 2012 through December 31, 2012, and a copy of the final ROPS for the period January 1, 2013 through June 30, 2013. For each obligation listed on the ROPS, the Successor Agency should add columns identifying (1) any dollar amounts of existing cash that are needed to satisfy that obligation, and (2) the Successor Agency's explanation as to why the Successor Agency believes that such balances are needed to satisfy the obligation. Include this schedule as an attachment to the AUP report.

Findings – The Successor Agency asserts that cash balances as of June 30, 2012, do not need to be retained to satisfy obligations on the ROPS for the period of July 1, 2012 through June 30, 2013, of the Low and Moderate Income Housing Fund. We noted the asset balance of the Low and Moderate Income Housing Fund as of June 30, 2012, as adjusted, was \$250,350.49. As such, the procedures noted above were not performed.

10. Include (or present) a schedule detailing the computation of the Balance Available for Allocation to Affected Taxing Entities. Amounts included in the calculation should agree to the results of the procedures performed in each section above. The schedule should also include a deduction to recognize amounts already paid to the County Auditor-Controller on July 12, 2012, as directed by the California Department of Finance. The amount of this deduction presented should be agreed to evidence of payment. The attached example summary schedule may be considered for this purpose. Separate schedules should be completed for the Low and Moderate Income Housing Fund and for all other funds combined (excluding the Low and Moderate Income Housing Fund).

Findings – We have included a schedule detailing the computation of the Balance Available for Allocation to Affected Taxing Entities. See Exhibit B-1.

11. Obtain a representation letter from Successor Agency management acknowledging their responsibility for the data provided to the practitioner and the data presented in the report or in any attachments to the report. Included in the representations should be an acknowledgment that management is not aware of any transfers (as defined by Section 34179.5) from either the former redevelopment agency or the Successor Agency to other parties for the period from January 1, 2011 through June 30, 2012 that have not been properly identified in the AUP report and its related exhibits. Management's refusal to sign the representation letter should be noted in the AUP report as required by attestation standards.

Findings – The Successor Agency provided a management representation letter. No exceptions were noted.



County of Ventura Redevelopment Successor Agency  
Low and Moderate Income Housing Fund  
Schedule of Asset Transfers to the City, County, or City and County, and Other Public Agencies or Private Parties

Exhibit B

DATE OF TRANSFER	DESCRIPTION OF ASSETS	RECIPIENT	\$ VALUE OF ASSETS TRANSFERRED	\$ VALUE OF ASSETS NOT SUPPORTED	PURPOSE OF TRANSFER	SOURCE DOC BASIS FOR TRANSFER
<i>Period of Jan 1, 2011 through Jan 31, 2012</i>						
1/1/2012	None reported					
<i>Period of Feb 1, 2011 through June 30, 2012</i>						
2/1/2012	Cash in county treasury	County of Ventura - Fund 1105 \$ Co Successor Housing Ag	249,716.37	\$ 249,716.37	No purpose specified	Resolution 249.1
	Interest receivable	County of Ventura - Fund 1105 Co Successor Housing Ag	634.12	634.12	No purpose specified	Resolution 249.1
	Long term receivables	County of Ventura - Fund 1105 Co Successor Housing Ag	731,007.93		Transferred in accordance with 34176(a)(1)	Resolution 249.1 referencing 34176(a) - The loans state that they are subject to Federal Community Development Block requirements
<b>TOTAL</b>			<u>\$ 981,358.42</u>	<u>\$ 250,350.49</u>		

**County of Ventura Redevelopment Successor Agency  
Low and Moderate Income Housing Fund  
Summary of Balances Available for Allocation to Affected Taxing Entities**

**Exhibit B-1**

Total amount of assets held by the Successor Agency as of June 30, 2012 (procedure 5)	\$	693.11
Add the amount of any assets transferred to the city or other parties for which an enforceable obligation with a third party requiring such transfer and obligating the use of the transferred assets did not exist (procedures 2 and 3)		250,350.49
Less assets legally restricted for uses specified by debt covenants, grant restrictions, or restrictions imposed by other governments (procedure 6)		-
Less assets that are not cash or cash equivalents (e.g., physical assets) - (procedure 7)		-
Less balances that are legally restricted for the funding of an enforceable obligation (net of projected annual revenues available to fund those obligations) - (procedure 8)		-
Less balances needed to satisfy ROPS for the 2012-2013 fiscal year (procedure 9)		-
Less the amount of payments made on July 12, 2012, to the County Auditor-Controller as directed by the California Department of Finance		-
Amount to be remitted to county for disbursement to taxing entities	\$	<u>251,043.60</u>

**OVERSIGHT BOARD – SUCCESSOR AGENCY TO THE  
FORMER REDEVELOPMENT AGENCY OF THE  
COUNTY OF VENTURA  
AGENDA REPORT**

---

**DATE:** October 12, 2012

**TO:** Oversight Board to Successor Agency

**FROM:** Donna Plummer, CEO Management Analyst

**SUBJECT:** Adoption of Resolution No. 12-13 Accepting the Agreed Upon Procedures Audit Required by Health and Safety Code Section 34182 and Directing Successor Agency Staff to Post the Audit to the Successor Agency's Internet Website

**RECOMMENDATION:**

It is recommended that your Board:

1. Adopt Resolution No. 12-13, attached as Exhibit A.
2. Direct the Successor Agency staff to post the Agreed Upon Procedures Audit, attached as Exhibit B, to Successor Agency's Internet Website.

**FISCAL IMPACT:**

No fiscal impact.

**DISCUSSION:**

Pursuant to Health and Safety Code Section 34182, the County Auditor-Controller shall conduct or cause to be conducted an agreed-upon procedures audit of each redevelopment agency in the county that is subject to this part, to be completed by October 1, 2012. The purpose of the audit is to establish each redevelopment agency's assets and liabilities, to document and determine each redevelopment agency's passthrough payment obligations to other taxing agencies, and to document and determine both the amount and the terms of any indebtedness incurred by the redevelopment agency and certify the initial Recognized Obligation Payment Schedule (ROPS).

By October 5, 2012, the County Auditor-Controller shall provide the State Controller's Office and the Department of Finance a copy of all audits performed pursuant to this section. The County Auditor-Controller shall maintain a copy of all documentation and working papers for use by the Controller.

On September 11, 2012, the County Auditor-Controller received the completed Independent Accountant's Report on Applying Agreed-Upon Procedures for the Oversight Board of the Successor Agency of the County of Ventura, attached as Exhibit B, and forwarded it to Successor Agency staff. The Audit is presented for your review and direction to staff regarding its publication on the Successor Agency's website.

Exhibit A – Resolution

Exhibit B – Agreed-Upon Procedures Audit

**RESOLUTION NO. 12-13**

**RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO  
THE FORMER REDEVELOPMENT AGENCY OF THE COUNTY OF VENTURA, STATE OF CALIFORNIA,  
ACCEPTING THE AGREED UPON PROCEDURES AUDIT AND AUTHORIZING AND DIRECTING SUCCESSOR  
AGENCY TO POST THE AUDIT ON ITS WEBSITE**

The Oversight Board for the Successor Agency to The Former Redevelopment Agency of the County of Ventura does resolve as follows:

WHEREAS, Assembly Bill x1 26 ("ABx1 26") was passed by the State Legislature on June 15, 2011, signed by the Governor on June 28, 2011, and upheld by the Supreme Court of California on December 29, 2011; and

WHEREAS, among other things, ABx1 26 added Part 1.85 of Division 24 to the California Health and Safety Code; and

WHEREAS, by enactment of Part 1.85 of Division 24 of the Health and Safety Code and the decision of the Supreme Court, The Redevelopment Agency of the County of Ventura was dissolved as of February 1, 2012 such that the County of Ventura was designated the Successor Agency to The Redevelopment Agency of the County of Ventura ("Successor Agency"); and

WHEREAS, Assembly Bill 1484 ("AB 1484") was passed by the State Legislature and signed by the Governor effective June 27, 2012; and

WHEREAS, among other things, AB 1484 amends Section 34182 to the California Health and Safety Code; and

WHEREAS, pursuant to Health and Safety Code Section 34182, the County Auditor-Controller shall conduct or cause to be conducted an agreed-upon procedures audit of each redevelopment agency in the county that is subject to this part, to be completed by October 1, 2012; and

WHEREAS, on September 11, 2012, the County Auditor-Controller received the completed Independent Accountant's Report on Applying Agreed-Upon Procedures (the "Agreed-Upon Procedures Audit") for the Oversight Board of the Successor Agency of the County of Ventura and forwarded the Agreed-Upon Procedures Audit to this body.

NOW, THEREFORE BE IT FOUND AND RESOLVED AS FOLLOWS:

1. The above recitations are true and correct.
2. Resolution No. 12-13 is hereby adopted, accepting the Agreed Upon Procedures Audit.
3. The Oversight Board authorizes and directs the Successor Agency staff to post the Agreed Upon Procedures Audit on the Successor Agency's internet website.

PASSED, APPROVED AND ADOPTED by the Oversight Board, on a motion by Board Member \_\_\_\_\_, seconded by Member \_\_\_\_\_, this \_\_\_\_\_ day of \_\_\_\_\_ 2012.

By: \_\_\_\_\_  
Chair  
Oversight Board

ATTEST:

By: \_\_\_\_\_  
Successor Agency Secretary

**BROWN  
ARMSTRONG**

**CERTIFIED  
PUBLIC  
ACCOUNTANTS**

**BROWN ARMSTRONG**

*Certified Public Accountants*

**INDEPENDENT ACCOUNTANT'S REPORT ON  
APPLYING AGREED-UPON PROCEDURES**

Ventura County Auditor-Controller / Oversight Board of the Successor Agency  
County of Ventura  
Ventura, California 93009

**MAIN OFFICE**

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**790 E. COLORADO BLVD.**

SUITE 908B  
PASADENA, CALIFORNIA 91101  
TEL 626.240.0920  
FAX 626.240.0922

We have performed the minimum required agreed-upon procedures (AUP) enumerated in Attachment A, which were agreed to by the California State Controller's Office, Department of Finance, and Ventura County Auditor-Controller, solely to assist you in ensuring that the dissolved redevelopment agency is complying with its statutory requirements with respect to ABX1 26. Management of the successor agency and the County of Ventura are responsible for the accounting records pertaining to statutory compliance pursuant to Health and Safety Code Section 34182(a)(1). This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The scope of this engagement was limited to performing the minimum required agreed-upon procedures and additional procedures identified by the Ventura County Auditor-Controller as set forth in Attachment A. The results of the procedures performed are also listed under each related testing step in Attachment A.

We were not engaged to and did not conduct an audit, the objective of which would be the expression of an opinion as to the appropriateness of the results summarized in Attachment A. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Ventura County Auditor-Controller, the successor agency, and applicable State agencies, and is not intended to be, and should not be used by anyone other than these specified parties. This restriction is not intended to limit distribution of this report, which is a matter of public record.

**BROWN ARMSTRONG  
ACCOUNTANCY CORPORATION**

*Brown Armstrong  
Accountancy Corporation*

Bakersfield, California  
September 11, 2012



REGISTERED with the Public Company  
Accounting Oversight Board and  
MEMBER of the American Institute of  
Certified Public Accountants

**Attachment A—Agreed-Upon Procedures Engagement  
Pursuant to ABX1 26, Community Redevelopment Dissolution**

*Purpose: To establish each redevelopment agency's assets and liabilities, to document and determine each redevelopment agency's pass-through payment obligations to other taxing agencies, and to document and determine both the amount and the terms of any indebtedness incurred by the redevelopment agency and certify the initial recognized obligation payment schedule. [Health and Safety Code Section 34182(a)(2)]*

In conformity with attestation standards, the language in each separate report for each agency will need to be specific as to the type of documents that were examined in performing the procedure.

**A. RDA Dissolution and Restrictions**

☐ For each redevelopment agency dissolved, perform the following:

1. Obtain a copy of the enforceable obligation payment schedule (EOPS) for the period of August 1, 2011, through December 31, 2011. Trace the redevelopment project name or area (whichever applies) associated with the obligations, the payee, a description of the nature of the work/service agreed to, and the amount of payments made by month through December 31, 2011, and compare it to the legal document(s) that forms the basis for the obligations. Since amount could be estimated, determine that they are stated as such and that legal documentation supports those estimates.

Result:

We noted the following exception:

- A) Estimated amounts existed on the EOPS; however, they were not stated as such on the EOPS form.

Management's Response:

The EOPS was required to be adopted by the Successor Agency no later than late August 2011. It included payment obligations for the portion of August after the adoption of the EOPS through December 2011. Section 34169 did not specify whether amounts included on the EOPS had to be listed as exact known amounts or estimates.

Since there were no instructions from the Department of Finance (DOF) on the notation of the estimates, though supported by documents, this was not stated as such on the EOPS.

2. Obtain a copy of all amended EOPS filed during the period of January 1, 2012, through June 30, 2012. Trace the redevelopment project name or area (whichever applies) associated with the obligations, the payee, a description of the nature of the work/service agreed to, and the amount of payments to be made by month through June 30, 2012, and compare it to the legal document(s) that forms the basis for the obligations. Again, since amount could be estimated, determine that they are stated as such and that legal documentation supports those estimates.

Result:

We noted the following exceptions:

- A) The amended EOPS obtained was filed for the period January 1, 2012, through April 30, 2012, rather than June 30, 2012.



Management's Response:

The California Supreme Court ruling on ABX1 26 revised the effective dates of Part 1.85 of the Code "arising before May 1, 2012, to take effect four months later." Section 34169(g)(1)(D) originally required stating "the amount of payments obligated to be made, by month, through December 2011." There is no mention of the EOPS specifically covering a six month period. The revised date per the Court ruling is therefore April 2012.

As originally written, the Code requires the EOPS to list obligations by month through December 2011. As of January 1, 2012 (prior to amended dates), "only those payments listed in the Recognized Obligation Payment Schedule may be made by the successor agency..." (Section 34177(a)(3)). The intent was therefore to end the EOPS and immediately begin the ROPS; there was no intended overlap of the two schedules. The County continued this format by adopting a "stop-gap" EOPS to cover through April 2012, with the ROPS becoming effective May 1, 2012.

B) Estimated amounts existed on the amended EOPS; however, they were not stated as such on the form.

Management's Response:

Since there were no instructions from the DOF on the notation of the estimates, though supported by documents, this was not stated as such on the EOPS.

3. Identify any obligations listed on the EOPS that were entered into after June 29, 2011, by inspecting the date of incurrence specified on Form A of the Statement of Indebtedness filed with the Ventura County Auditor-Controller, which was filed on or before October 1, 2011.

Result:

We found no exceptions as a result of the procedures performed.

4. Inquire and specifically state in the report the manner in which the agency did or did not execute a transfer of the Low and Moderate Income Housing Fund to the redevelopment successor agency by February 1, 2012. Procedures to accomplish this might include changing the name of the accounting fund and related bank accounts that are holding these assets for the successor agency. If the successor agency is a party other than the agency that created the redevelopment agency, an examination of bank statements and changing of account titles and fund names evidencing such transfer will be sufficient.

Result:

We noted the agency did execute a transfer of the Low and Moderate Income Housing Fund to the successor agency on January 31, 2012. We obtained a summary of Journal Vouchers that executed the transfer of assets and liabilities from the RDA Low and Moderate Income Housing Fund #4706 to the Successor Agency Housing Fund #1105 by February 1, 2012.

Management's Response:

It should be noted that no exceptions were found.

5. Inquire and specifically state in the report how housing activities (assets and functions, rights, powers, duties, and obligations) were transferred and the manner in which this agency did or did not execute a transfer. Procedures to accomplish this might include changing the name of the accounting fund and related bank accounts that are holding these assets for the other agency. An examination of bank statements and changing of account titles and fund names evidencing such transfers will be sufficient. If the housing successor is a party other than the agency that created the redevelopment agency, an examination of bank statements and re-recording of titles evidencing such transfer will be sufficient.

Result:

We noted that on January 24, 2012, per Resolution No. 249.1, the Ventura County Board of Supervisors elected to retain the housing assets and functions and all of the responsibility for performing housing functions previously performed by the agency as set forth in California Health and Safety Code Section 34176(a). The procedures to accomplish this included re-establishing accounting fund #1105 Successor Housing Agency Fund and transferring all housing activities from the former RDA Fund #4706.

Management's Response:

The result stated is an observation of the methodology used by the County to establish a new Successor Agency Housing Fund. It should be noted that no exceptions were found.

**B. Successor Agency**

1. Inspect evidence that a successor agency (A) has been established by February 1, 2012; and (B) the successor agency oversight board has been appointed, with names of the successor agency oversight board members, which must be submitted to the Department of Finance by May 1, 2012.

Result:

We noted the following exception:

- A) Two out of the seven names of the appointed successor agency oversight board members were not submitted to the Department of Finance by May 1, 2012.

Management's Response:

As of May 1, 2012, appointments had been made pursuant to Sections 34179(a)-(1), (3), (4), (5), and (6).

As of May 1, 2012, the County was still waiting for a legal opinion on the definition of successor agency employees pertaining to Section 34179(a)(7), as the RDA contracted for all administrative, accounting, and custodial support with the County. Upon receiving a subsequent opinion from County Counsel, it was determined that a County employee that was contracted under those agreements could be appointed, and the sixth member of the Board was sworn in on July 13, 2012.

Due to the nature of the Piru RDA, it was not possible to make an appointment pursuant to Section 34179(a)(2) as Piru is an unincorporated town and as such does not have a mayor. The option for the superintendent of education to appoint a second member (34179(a)(8)) became available; however, the superintendent waived this right. Therefore, the appointment will remain vacant until filled pursuant to 34179(b).

2. Inquire regarding the procedures accomplished and specifically state in the report the manner in which this agency did or did not execute a transfer of operations to the successor agency, which was due by February 1, 2012. Procedures to accomplish this might include changing the name of the accounting fund and related bank accounts that are holding these assets for the successor agency. If the successor agency is a party other than the agency that created the redevelopment agency, an examination of bank statements and changing of account titles and fund names evidencing such transfers will be sufficient.

Result:

We noted the procedures to accomplish the execution of transfer of operations to the successor agency included re-establishing accounting funds #1100 Redevelopment Obligation Retirement Fund and #1105 Successor Housing Agency Fund, which are holding the assets transferred from the former RDA funds #4700-4706.

Management's Response:

The result stated is an observation of the methodology used by the County to establish a new Redevelopment Retirement Fund and Successor Housing Agency Fund. It should be noted that no exceptions were found.

3. Ascertain that the successor agency has established the Redevelopment Obligation Retirement Fund(s) in its accounting system.

Result:

We found no exceptions as a result of the procedures performed.

4. Inspect the EOPS and ROPS and identify the payments that were due to be paid through the date of the AUP Report. We tested 100% of non-payroll payment expenditure items over \$10,000, as determined by the Ventura County Auditor-Controller, which constituted 95.6% of the total non-payroll amount, and compared the payments that were due to be paid through the date of the AUP Report to a copy of the cancelled check or other documentation supporting the payment. There were no payroll payment expenditure items for the RDA.

Result:

We found no exceptions as a result of the procedures performed.

5. Obtain listings that support the asset figures (cash, investments, accounts receivable, notes, receivables, fixed assets, etc.) in the audited financial statements as of June 30, 2010, June 30, 2011, and as of January 31, 2012, as determined by the successor agency and include as an attachment to the AUP Report.

Result:

We found no exceptions as a result of the procedures performed.

Please see Attachment B for listings that support the asset figures.

- 6a. Identify the transfers that were made from June 27, 2011, through the date of the Agreed-Upon Procedures Report to confirm that there have been no transfer of assets from the RDA to the County.

Result:

We found no exceptions as a result of the procedures performed.

- 6b. Verify any cash balances in the Redevelopment Obligation Retirement Fund, and state in the report the moneys that have been moved into this fund.

Result:

We verified that cash funds of \$333,959.33 have been transferred into the Redevelopment Obligation Retirement Fund #1100 account #0010 – Cash for Treasury.

We found no exceptions as a result of the procedures performed.

**C. Recognized Obligation Payment Schedule (Draft ROPS)**

- ☐ Obtain a copy of the initial draft of the ROPS from the successor agency.

1. Inspect evidence that the initial draft of the ROPS was prepared by March 1, 2012.

Result:

We found no exceptions as a result of the procedures performed.

2. Note in the minutes of the Oversight Board that the draft ROPS has been approved by the Oversight Board. If the Oversight Board has not yet approved the draft ROPS as of the date of the AUP Report, this should be mentioned in the AUP Report.

Result:

We found no exceptions as a result of the procedures performed.

3. Inspect evidence that a copy of the draft ROPS was submitted to the Ventura County Auditor-Controller, State Controller, and Department of Finance.

Result:

We found no exceptions as a result of the procedures performed.

4. Inspect evidence that the draft ROPS includes monthly scheduled payments for each enforceable obligation for the current six-month reporting time period.

Result:

We found no exceptions as a result of the procedures performed.

5. We tested 100% of enforceable obligations over \$10,000, as determined by the Ventura County Auditor-Controller, and traced the enforceable obligations listed on the draft ROPS to the legal document that forms the basis for the obligation.

Result:

We found no exceptions as a result of the procedures performed.

6. Trace the obligations enumerated on the draft ROPS to the obligations enumerated on the EOPS (including amendments) and note any material differences over \$10,000 as agreed to by the Ventura County Auditor-Controller.

Result:

We noted certain material differences as listed in Attachment C.

Management's Response:

The County agrees with the material differences listed in Attachment C, and provided the included explanatory notes.

**D. Recognized Obligation Payment Schedule (Final ROPS)**

- ☐ Obtain a copy of the final ROPS (January 1, 2012, through June 30, 2012) from the successor agency.
- 1. Inspect evidence that the final ROPS was submitted to the Ventura County Auditor-Controller, the State Controller, and Department of Finance by April 15, 2012, and is posted on the website of the City/County as successor agency (Health and Safety Code Section 34177(2)(C)).

Result:

We noted the following exception:

- A) The final ROPS was submitted to the Ventura County Auditor-Controller, the State Controller, and the Department of Finance on April 13, 2012; however, upon the approval by the Oversight Board, the final ROPS was submitted a second time to the three agencies on April 30, 2012, after the April 15, 2012, deadline.

Management's Response:

The deadline for filing the approved ROPS with the County Auditor-Controller and the State Controller's office was April 15, 2012. However, the deadline to establish the oversight board was May 1, 2012. Due to the contradictory timing of these events, and the difficulty in receiving appointments for the oversight board, it was not possible to receive approval of the ROPS before the oversight board's first meeting on April 27, 2012.

Recognizing that many successor agencies had similar problems, the DOF requested that the un-approved ROPS be submitted to them and the County Auditor-Controller by the April 15<sup>th</sup> deadline, following up with the approved ROPS when it was available.

2. Inspect the final ROPS and identify the payments that were due to be paid through the date of the Agreed-Upon Procedures report. For payments on the ROPS that were identified as being due through the date of the Agreed-Upon Procedures Report, inspect evidence of payment and determine that amounts agree to the purpose of the obligation as amounts could be estimated.

Result:

We found no exceptions as a result of the procedures performed.

3. We tested 100% of enforceable obligations over \$10,000, as determined by the Ventura County Auditor-Controller, and traced the enforceable obligations listed on the final ROPS to the legal agreements or documents that forms the basis for the obligation.

Result:

We found no exceptions as a result of the procedures performed.

**E. Other Procedures**

- ☐ Obtain a list of pass-through obligations and payment schedules.
- 1. Obtain a list of pass-through obligations and payments made from the redevelopment agency from July 1, 2011, through January 31, 2012, inspect evidence of payment, and note any differences from the list of pass-through obligations and payments made.

Result:

No pass-through payments were made during the specified period.

- ☐ Issue Agreed-Upon Procedures Report and distribute to the California State Controller by July 15, 2012.

Result:

AB 1484 has extended the due date for the agreed-upon procedures report to October 1, 2012. We will submit the report to the California State Controller on or before October 1, 2012.

**Attachment B—List of Assets for the Successor Agency  
of the County of Ventura Redevelopment Agency**

	<u>June 30, 2010</u>	<u>June 30, 2011</u>	<u>January 31, 2012</u>
<b>ASSETS</b>			
Cash and Investments	\$ 1,347,718	\$ 866,436	\$ 592,416
Accounts Receivable	76,119	55,049	21,397
Long-Term Receivable	-	636,772	636,772
Capital Assets, Net	<u>2,195,097</u>	<u>2,205,534</u>	<u>2,205,534</u>
<b>Total Assets</b>	<u>\$ 3,618,934</u>	<u>\$ 3,763,791</u>	<u>\$ 3,456,119</u>

**Attachment B1—List of Assets for the Successor Agency of the  
County of Ventura Redevelopment Agency by Fund: June 30, 2010**

**FUND: 4700 - PIRU RDA SPECIAL REVENUE**

Account	Description	Inception	Current Period		Reclass	Current
		To-Date	Debit	Credit		
Assets						
01-0010	CASH IN TREASURY	\$ 43,065.84	\$ -	\$ -	\$ 168.73	\$ 43,234.57
01-0180	INTEREST RECEIVABLE	61.28	-	-	245.18	306.46
01-0255	ACCOUNTS RECEIVABLE	-	-	-	-	-
Total Assets		\$ 43,127.12	\$ -	\$ -	\$ 413.91	\$ 43,541.03

**FUND: 4702 - PIRU RDA DEBT SERVICE**

Acct	Description	Inception	Current Period		Reclass	Current
		To-Date	Debit	Credit		
Assets						
01-0010	CASH IN TREASURY	\$ 262,358.49	\$ -	\$ -	\$ 150,500.91	\$ 412,859.40
01-0180	INTEREST RECEIVABLE	367.07	-	-	1,468.30	1,835.37
Total Assets		\$ 262,725.56	\$ -	\$ -	\$ 151,969.21	\$ 414,694.77

**FUND: 4704 - PIRU RDA CAPITAL PROJECTS**

Account	Description	Inception	Current Period		Reclass	Current
		To-Date	Debit	Credit		
Assets						
01-0010	CASH IN TREASURY	\$ 1,301.82	\$ -	\$ -	\$ 5.10	\$ 1,306.92
01-0180	INTEREST RECEIVABLE	34.73	-	-	138.91	173.64
01-0255	ACCOUNTS RECEIVABLE	47,852.03	-	-	22,870.72	70,722.75
Total Assets		\$ 49,188.58	\$ -	\$ -	\$ 23,014.73	\$ 72,203.31

**FUND: 4706 - PIRU RDA LOW/MOD HOUSING**

Account	Description	Inception	Current Period		Reclass	Current
		To-Date	Debit	Credit		
Assets						
01-0010	CASH IN TREASURY	\$ 886,842.51	\$ -	\$ -	\$ 3,474.61	\$ 890,317.12
01-0180	INTEREST RECEIVABLE	616.14	-	-	2,464.57	3,080.71
Total Assets		\$ 887,458.65	\$ -	\$ -	\$ 5,939.18	\$ 893,397.83

**FUND: 4708 - PIRU RDA GFAAG**

Account	Description	Inception	Current Period		Reclass	Current
		To-Date	Debit	Credit		
	Assets					
	BUILDING AND IMPROVEMENTS	\$ 1,739,084.93	\$ -	\$ -	\$ -	\$ 1,739,084.93
	INFRASTRUCTURE	-	940,779.97	-	-	940,779.97
	CONSTRUCTION IN PROGRESS	943,431.77	113,909.42	(940,943.72)	22,870.22	139,267.69
	ACCUM DEPR-BUILDINGS/IMPROVE	(612,605.48)	-	-	-	(612,605.48)
	ACCUM DEPRECIATION INFRASTRUCT	(11,430.47)	-	-	-	(11,430.47)
	Total Assets	\$ 2,058,480.75	\$ 1,054,689.39	\$ (940,943.72)	\$ 22,870.22	\$ 2,195,096.64

<b>TOTAL ASSETS</b>						<b>\$ 3,618,933.58</b>
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**Attachment B2—List of Assets for the Successor Agency of the  
County of Ventura Redevelopment Agency by Fund: June 30, 2011**

**FUND: 4700 - PIRU RDA SPECIAL REVENUE**

Account	Description	Inception	Current Period		Reclass	Current Balance
		To-Date	Debit	Credit		
	<b>Assets</b>					
01-0010	CASH IN TREASURY	\$ 29,170.29	\$ -	\$ -	\$ 102.81	\$ 29,273.10
01-0180	INTEREST RECEIVABLE	233.80	-	-	-	233.80
01-0255	ACCOUNTS RECEIVABLE	-	-	-	-	-
	<b>Total Assets</b>	<b>\$ 29,404.09</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 102.81</b>	<b>\$ 29,506.90</b>

**FUND: 4702 - PIRU RDA DEBT SERVICE**

Acct	Description	Inception	Current Period		Reclass	Current Balance
		To-Date	Debit	Credit		
	<b>Assets</b>					
01-0010	CASH IN TREASURY	\$ 266,833.55	\$ -	\$ -	\$ 163,271.43	\$ 430,104.98
01-0180	INTEREST RECEIVABLE	728.85	-	-	-	728.85
	<b>Total Assets</b>	<b>\$ 267,562.40</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 163,271.43</b>	<b>\$ 430,833.83</b>

**FUND: 4704 - PIRU RDA CAPITAL PROJECTS**

Account	Description	Inception	Current Period		Reclass	Current Balance
		To-Date	Debit	Credit		
	<b>Assets</b>					
01-0010	CASH IN TREASURY	\$ 5,788.40	\$ -	\$ -	\$ 20.40	\$ 5,808.80
01-0180	INTEREST RECEIVABLE	135.25	-	-	-	135.25
01-0255	ACCOUNTS RECEIVABLE	31,436.30	-	-	21,396.54	52,832.84
	<b>Total Assets</b>	<b>\$ 37,359.95</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 21,416.94</b>	<b>\$ 58,776.89</b>

**FUND: 4706 - PIRU RDA LOW/MOD HOUSING**

Account	Description	Inception	Current Period		Reclass	Current Balance
		To-Date	Debit	Credit		
	<b>Assets</b>					
01-0010	CASH IN TREASURY	\$ 399,839.44	\$ -	\$ -	\$ 1,409.20	\$ 401,248.64
01-0180	INTEREST RECEIVABLE	1,118.11	-	-	-	1,118.11
01-0410	LT ACCOUNTS RECEIVABLE	-	-	-	636,772.28	636,772.28
	<b>Total Assets</b>	<b>\$ 400,957.55</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 638,181.48</b>	<b>\$ 1,039,139.03</b>

**FUND: 4708 - PIRU RDA GFAAG**

Account	Description	Inception	Current Period		Reclass	Current Balance
		To-Date	Debit	Credit		
	<b>Assets</b>					
	BUILDING AND IMPROVEMENTS	\$ 1,739,084.93	\$ -	\$ -	\$ -	\$ 1,739,084.93
	INFRASTRUCTURE	940,779.97	-	-	-	940,779.97
	CONSTRUCTION IN PROGRESS	116,397.47	107,337.74	-	21,397.22	245,132.43
	ACCUM DEPR-BUILDINGS/IMPROVE	(698,636.79)	-	-	-	(698,636.79)
	ACCUM DEPRECIATION INFRASTRUCT	(20,826.19)	-	-	-	(20,826.19)
	<b>Total Assets</b>	<b>\$ 2,076,799.39</b>	<b>\$ 107,337.74</b>	<b>\$ -</b>	<b>\$ 21,397.22</b>	<b>\$ 2,205,534.35</b>

**TOTAL ASSETS**

**\$ 3,763,791.00**



**Attachment B3—List of Assets for the Successor Agency of the  
County of Ventura Redevelopment Agency by Fund: January 31, 2012**

**FUND: 4700 - PIRU RDA SPECIAL REVENUE**

Account	Description	Inception	Current Period		Reclass	Current Balance
		To-Date	Debit	Credit		
	<b>Assets</b>					
01-0010	CASH IN TREASURY	\$ 15,042.94	\$ -	\$ -	\$ -	\$ 15,042.94
01-0180	INTEREST RECEIVABLE	-	-	-	-	-
01-0255	ACCOUNTS RECEIVABLE	-	-	-	-	-
	<b>Total Assets</b>	<u>\$ 15,042.94</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,042.94</u>

**FUND: 4702 - PIRU RDA DEBT SERVICE**

Acct	Description	Inception	Current Period		Reclass	Current Balance
		To-Date	Debit	Credit		
	<b>Assets</b>					
01-0010	CASH IN TREASURY	\$ 272,830.66	\$ -	\$ -	\$ -	\$ 272,830.66
01-0180	INTEREST RECEIVABLE	-	-	-	-	-
	<b>Total Assets</b>	<u>\$ 272,830.66</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 272,830.66</u>

**FUND: 4704 - PIRU RDA CAPITAL PROJECTS**

Account	Description	Inception	Current Period		Reclass	Current Balance
		To-Date	Debit	Credit		
	<b>Assets</b>					
01-0010	CASH IN TREASURY	\$ 54,826.03	\$ -	\$ -	\$ -	\$ 54,826.03
01-0180	INTEREST RECEIVABLE	-	-	-	-	-
01-0255	ACCOUNTS RECEIVABLE	21,396.54	-	-	-	21,396.54
	<b>Total Assets</b>	<u>\$ 76,222.57</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 76,222.57</u>

**FUND: 4706 - PIRU RDA LOW/MOD HOUSING**

Account	Description	Inception	Current Period		Reclass	Current Balance
		To-Date	Debit	Credit		
	<b>Assets</b>					
01-0010	CASH IN TREASURY	\$ 249,716.37	\$ -	\$ -	\$ -	\$ 249,716.37
01-0180	INTEREST RECEIVABLE	-	-	-	-	-
01-0410	LT ACCOUNTS RECEIVABLE	636,772.28	-	-	-	636,772.28
	<b>Total Assets</b>	<u>\$ 886,488.65</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 886,488.65</u>

**FUND: 4708 - PIRU RDA GFAAG**

Account	Description	Inception	Current Period		Reclass	Current Balance
		To-Date	Debit	Credit		
	<b>Assets</b>					
	BUILDING AND IMPROVEMENTS	\$ 1,739,084.93	\$ -	\$ -	\$ -	\$ 1,739,084.93
	INFRASTRUCTURE	940,779.97	-	-	-	940,779.97
	CONSTRUCTION IN PROGRESS	245,131.75	-	-	-	245,131.75
	ACCUM DEPR-BUILDINGS/IMPROVE	(698,636.79)	-	-	-	(698,636.79)
	ACCUM DEPRECIATION INFRASTRUCT	(20,826.19)	-	-	-	(20,826.19)
	<b>Total Assets</b>	<u>\$ 2,205,533.67</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,205,533.67</u>

**TOTAL ASSETS**

\$ 3,456,118.49

### Attachment C—Material Differences

Descriptions of Obligation	Amount per Amended EOPS*	Amount per the Draft ROPS	Differences
1 Maintenance Contract	\$ 127,800	\$ 75,000	\$ 52,800 A
2 CEO Admin	90,000	100,000	(10,000) B
3 Tax Allocation Bonds - 2002	65,700	90,336	(24,636) C
4 Tax Allocation Bonds - 2008	30,900	48,400	(17,500) D
5 Skate Park Construction and Planning	500,000	16,000	484,000 E
6 Housing Conservation	60,400	-	60,400 F
7 Accounting/Auditing Services	25,000	13,000	12,000 G
8 Low/Moderate Housing	55,100	115,994	(60,894) H
9 Tax Increment Pass-Through	106,000	-	106,000 I
Total	\$ 1,060,900	\$ 458,730	\$ 602,170

- \* The amended EOPS was approved on January 24, 2012, however it included the period of January through April rather than January through June (see result at step A2 of the report). On January 27, 2012, an Initial Recognized Obligation Payment Schedule (IROPs) was prepared to include the period of January through June. However, since the IROPs was prepared before the Draft ROPS and after the Amended EOPS, we used the IROPs as the amended version of the EOPS.
- A. The Amended EOPS was based on FY2011-12 Preliminary Budget estimates for facilities contract services performed by GSA. Actual services provided were expected to be less than estimated.
  - B. Estimated support costs increased based on the anticipated level of complexity involved with managing the RDA Dissolution.
  - C. The Amended EOPS excluded the interest and reserve bond payments posted January 4, 2012.
  - D. The Amended EOPS excluded the interest and reserve bond payments posted January 4, 2012.
  - E. It was the intent of the County to discontinue work on the Skate Park until such time the Successor Agency could transfer the asset.
  - F. The Amended EOPS included Housing Conservation Program expenses listed separately that should have been combined with the Low/Mod 20% Set-Aside on Draft ROPS.
  - G. The Amended EOPS included estimates for services to prepare Redevelopment Agency close-out financial statements. Once the State determined these were not required, the ROPS was reduced to reflect the June 2011 estimated service contract amount.
  - H. Housing Conservation Program expenses listed separately on the Amended EOPS were properly combined with Low/Mod 20% Set-Aside on Draft ROPS.
  - I. The Amended EOPS included estimated pass-through payments that were subsequently withheld and paid in June 2012 by the Ventura County Auditor-Controller.

**OVERSIGHT BOARD – SUCCESSOR AGENCY TO THE  
FORMER REDEVELOPMENT AGENCY OF THE  
COUNTY OF VENTURA  
AGENDA REPORT**

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**DATE:** October 12, 2012

**TO:** Oversight Board to Successor Agency

**FROM:** Donna Plummer, CEO Management Analyst

**SUBJECT:** Adoption of Resolution No. 12-14 Ratifying the Successor Agency's Meet and Confer Request on ROPS III and Authorizing Staff to Pursue Resolution Thereof With the Department of Finance.

**RECOMMENDATION:**

It is recommended that your Board:

1. Adopt Resolution No. 12-14, attached as Exhibit A.
2. Authorize and direct the Successor Agency staff to pursue the resolution of issues regarding the ROPS III with the Department of Finance ("DOF") and provide a report back to the Board.

**FISCAL IMPACT:**

No fiscal impact.

**DISCUSSION:**

Pursuant to subdivision (m) of Health and Safety Code section 34177, the Successor Agency may request "meet and confer" reviews of DOF determinations regarding the enforceable obligations and the amounts and funding sources of the enforceable obligations listed on the ROPS III.

At your September 14, 2012 Board meeting, your Board adopted Resolution No. 12-11 authorizing the Successor Agency to file meet and confer requests with the DOF whenever necessary to preserve the opportunity to dispute DOF determinations made under Health and Safety Code Sections 34177 and 34179.6, subject to ratification and further direction by your Board at its next regularly scheduled meeting.

On September 24, 2012, the DOF issued its ROPS III determination letter, attached as Exhibit B, which rejected two invoices for debt obligations owed by the former Piru Redevelopment Agency to Ventura County RMA for \$6,228 (ROPS Item No. 11) and administrative utilities costs for \$6,180 (ROPS Items Nos. 2 through 5).

Therefore, pursuant to Resolution No. 12-11, the Successor Agency filed a Meet and Confer Request, attached as Exhibit C, with the DOF on September 27, 2012, challenging its determination on the ROPS III for the above-referenced items. The basis and reasons for the challenges are set forth in Exhibit C.

Staff is recommending that your Board adopt Resolution 12-14, ratifying the Successor Agency's decision to file the meet and confer request on ROPS III and authorizing the Successor Agency to pursue resolution thereof with the DOF.

Exhibit A – Resolution  
Exhibit B – DOF Letter  
Exhibit C – Meet and Confer Request

**RESOLUTION NO. 12-14**

**RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO  
THE FORMER REDEVELOPMENT AGENCY OF THE COUNTY OF VENTURA, STATE OF CALIFORNIA,  
RATIFYING THE SUCCESSOR AGENCY'S MEET AND CONFER REQUEST ON ROPS III AND AUTHORIZING  
STAFF TO PURSUE RESOLUTION THEREOF WITH THE DEPARTMENT OF FINANCE.**

The Oversight Board for the Successor Agency to The Former Redevelopment Agency of the County of Ventura does resolve as follows:

WHEREAS, Assembly Bill x1 26 ("ABx1 26") was passed by the State Legislature on June 15, 2011, signed by the Governor on June 28, 2011, and upheld by the Supreme Court of California on December 29, 2011; and

WHEREAS, among other things, ABx1 26 added Part 1.85 of Division 24 to the California Health and Safety Code; and

WHEREAS, by enactment of Part 1.85 of Division 24 of the Health and Safety Code and the decision of the Supreme Court, The Redevelopment Agency of the County of Ventura was dissolved as of February 1, 2012, such that the County of Ventura was designated the Successor Agency to The Redevelopment Agency of the County of Ventura ("Successor Agency"); and

WHEREAS, Assembly Bill 1484 ("AB 1484") was passed by the State Legislature and signed by the Governor effective June 27, 2012; and

WHEREAS, among other things, AB 1484 adds sections 34177, subd. (m) to the California Health and Safety Code; and

WHEREAS, pursuant to subdivision (m) of Health and Safety Code Section 34177, successor agencies shall submit an oversight board-approved Recognized Obligation Payment Schedule for the period of January 1, 2013 to June 30, 2013 ("ROPS III"), to the Department of Finance at least 90 days before the date of property tax distribution; and

WHEREAS, pursuant to subdivision (m) of Health and Safety Code Section 34177, the Department of Finance shall make its determination of the enforceable obligations and the amounts and funding sources of the enforceable obligations no later than 45 days after the Recognized Obligation Payment Schedule is submitted; and

WHEREAS, pursuant to subdivision (m) of Health and Safety Code Section 34177, within five business days of the department's determination, a successor agency may request additional review by the department and an opportunity to meet and confer on disputed items; and

WHEREAS, on September 14, 2012, the oversight board of the former Piru Redevelopment Agency adopted Resolution No. 12-11 authorizing the Successor Agency to file meet and confer requests with the Department of Finance; and

WHEREAS, on September 24, 2012, the Department of Finance issued its ROPS III determination letter which rejected two invoices for debt obligations owed by the former Piru Redevelopment Agency to Ventura County RMA for \$6,228 (Item No. 11) and administrative utilities costs for \$6,180 (Items Nos. 2 through 5); and

WHEREAS, on September 27, 2012, the successor agency submitted a meet and confer request with the Department of Finance to challenge its determination on ROPS III for the above-referenced Items.

NOW, THEREFORE BE IT FOUND AND RESOLVED AS FOLLOWS:

1. The above recitations are true and correct.
2. The Oversight Board hereby adopts Resolution 12-14, ratifying the Successor Agency's decision to file the meet and confer request on ROPS III and authorizing the Successor Agency to pursue resolution thereof with the Department of Finance.

PASSED, APPROVED, AND ADOPTED by the Oversight Board, on a motion by Board Member \_\_\_\_\_, seconded by Member \_\_\_\_\_, this \_\_\_\_\_ day of \_\_\_\_\_ 2012.

By: \_\_\_\_\_  
Chair  
Oversight Board

ATTEST:

By: \_\_\_\_\_  
Successor Agency Secretary



**DEPARTMENT OF  
FINANCE**

EDMUND G. BROWN JR. • GOVERNOR

915 L STREET ■ SACRAMENTO CA ■ 95814-3706 ■ WWW.DOF.CA.GOV

September 24, 2012

Ms. Donna Plummer, Management Analyst  
County of Ventura  
800 S. Victoria Avenue, L#1940  
Ventura, CA 93009

Dear Ms. Plummer:

Subject: Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (m), the County of Ventura Successor Agency (Agency) submitted a Recognized Obligation Payment Schedule (ROPS III) to the California Department of Finance (Finance) on August 10, 2012 for the period of January through June 2013. Finance has completed its review of your ROPS III, which may have included obtaining clarification for various items.

HSC section 34171 (d) defines enforceable obligations. Based on a sample of line items reviewed and application of the law, the following do not qualify as an enforceable obligation:

Item No.11 – Piru Area Plan Update in the amount of \$6,228. Two invoices for this item are from June and July 2006 for planning work performed that year. Since the costs for this item were incurred prior to January 1, 2012, it is not eligible for Redevelopment Property Tax Trust Fund (RPTTF) funding. HSC section 34177 (l) (3) states that ROPS shall be forward looking.

Furthermore, items listed below were reclassified as administrative costs. Although this reclassification increased administrative costs to \$112,680, the administrative cost allowance has not been exceeded.

- Item Nos. 2 through 5 – Utilities totaling \$6,180.

Except for the item denied in whole or in part as an enforceable obligation as noted above, Finance is approving the remaining items listed in your ROPS III. If you disagree with the determination with respect to any items on your ROPS III, you may request a Meet and Confer within five business days of the date of this letter. The Meet and Confer process and guidelines are available at Finance's website below:

[http://www.dof.ca.gov/redevelopment/meet\\_and\\_confer/](http://www.dof.ca.gov/redevelopment/meet_and_confer/)

The Agency's maximum approved Redevelopment Property Tax Trust Fund (RPTTF) distribution for the reporting period is: \$249,747 as summarized below:

<b>Approved RPTTF Distribution Amount</b>	
<b>For the period of January through June 2013</b>	
Total RPTTF funding requested for obligations	\$ 149,475
Less: Six-month total for item(s) denied or reclassified as administrative cost	
Item No. 11	6,228
Item Nos. 2 through 5*	6,180
Total approved RPTTF for enforceable obligations	\$ 137,067
Plus: Requested RPTTF distribution for administrative cost for ROPS III	112,680
<b>Total RPTTF approved:</b>	<b>\$ 249,747</b>

\* Reclassified as administrative cost

Pursuant to HSC section 34186 (a), successor agencies were required to report on the ROPS III form the estimated obligations and actual payments associated with the January through June 2012 period. The amount of RPTTF approved in the above table will be adjusted by the county auditor-controller to account for differences between actual payments and past estimated obligations. Additionally, these estimates and accounts are subject to audit by the county auditor-controller and the State Controller.

Please refer to the ROPS III schedule that was used to calculate the approved RPTTF amount:  
[http://www.dof.ca.gov/redevelopment/ROPS/ROPS III Forms by Successor Agency/](http://www.dof.ca.gov/redevelopment/ROPS/ROPS%20III%20Forms%20by%20Successor%20Agency/).

All items listed on a future ROPS are subject to a subsequent review. An item included on a future ROPS may be denied even if it was not questioned from the preceding ROPS.

The amount available from the RPTTF is the same as the property tax increment that was available prior to enactment of ABx1 26 and AB 1484. This amount is not and never was an unlimited funding source. Therefore, as a practical matter, the ability to fund the items on the ROPS with property tax is limited to the amount of funding available to the successor agency in the RPTTF.

Please direct inquiries to Beliz Chappuie, Supervisor or Mindy Patterson, Lead Analyst at (916) 445-1546.

Sincerely,



STEVE SZALAY  
Local Government Consultant

cc: Ms. Mary Ann Guariento, Accounting Officer, County of Ventura  
Ms. Sandra Bickford, Chief Deputy, County of Ventura Auditor-Controller





## MEET AND CONFER REQUEST FORM

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**Instructions:** Please fill out this form in its entirety to initiate a Meet and Confer session. Additional supporting documents may be included with the submittal of this form—as justification for the disputed item(s). Upon completion, email a PDF version of this document (including any attachments) to:

[Redevelopment\\_Administration@dof.ca.gov](mailto:Redevelopment_Administration@dof.ca.gov)

The subject line should state “[Agency Name] Request to Meet and Confer”. Upon receipt and determination that the request is valid and complete, the Department of Finance (Finance) will contact the requesting agency within ten business days to schedule a date and time for the Meet and Confer session.

To be valid, all Meet and Confer requests must be specifically related to a determination made by Finance and submitted within the required statutory time frame. The requirements are as follows:

- **Housing Asset Transfer** Meet and Confer requests must be made within five business days of the date of Finance’s determination letter per HSC Section 34176 (a) (2).
- **Due Diligence Review** Meet and Confer requests must be made within five business days of the date of Finance’s determination letter, and no later than **November 16, 2012** for the Low and Moderate Income Housing Fund due diligence review per HSC Section 34179.6 (e).
- **Recognized Obligation Payment Schedule (ROPS)** Meet and Confer requests must be made within five business days of the date of Finance’s determination letter per HSC Section 34177 (m).

Agencies should become familiar with the Meet and Confer Guidelines located on Finance’s website. Failure to follow these guidelines could result in termination of the Meet and Confer session. Questions related to the Meet and Confer process should be directed to Finance’s Dispute Resolution Coordinator at (916) 445-1546 or by email to [Redevelopment\\_Administration@dof.ca.gov](mailto:Redevelopment_Administration@dof.ca.gov).

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### AGENCY (SELECT ONE):

☒ Successor Agency      ☐ Housing Entity

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**AGENCY NAME:** Successor Agency of the Former Redevelopment Agency of the County of Ventura

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### TYPE OF MEET AND CONFER REQUESTED (SELECT ONE):

☐ Housing Assets Transfers      ☐ Due Diligence Reviews      ☒ ROPS Period III

DATE OF FINANCE’S DETERMINATION LETTER: 9/24/12

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### REQUESTED FORMAT OF MEET AND CONFER SESSION (SELECT ONE):

☐ Meeting at Finance      ☒ Conference Call

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## DETAIL OF REQUEST

### A. Summary of Disputed Issue(s) *(Must be specific.)*

We are requesting a review of the DOF's decision to (1) reclassify Items Nos 2 through 5 - Utilities totaling \$6,180 to administrative costs and (2) the determination that the two invoices for Item No 11 for the Piru Area Plan Update, totaling \$6,228, were not eligible for Redevelopment Property Tax Trust Fund (RPTTF) funding.

### B. Background/History *(Provide relevant background/history, if applicable.)*

Our County Planning division performed work in 2006 for work, as required by RDA law, on the RDA 5-year plan. We contend these are legitimate expenses of the former RDA and would have been eligible for Tax Increment if the RDA were still in existence, therefore they are enforceable obligations.

These outstanding invoices were not received by our fiscal department until June 2012 (Please refer to attached documentation demonstrating the email stream notifying us of the outstanding expenses due). Due to changes in RDA staff assignments, these charges were not more timely presented for payment to the former RDA. When SA staff learned of the charges, we were not then able to amend what SA staff thought was appropriate ROPS because the DOF had, at that time, placed a moratorium on ROPS II amendments. Therefore, we placed them on the ROPS III submission.

We can understand how the DOF might want to now argue that ROPS III was not the appropriate place for the RMA charges to be placed (since the charges were invoiced to the SA in June 2012); however, their inclusion on ROPS III was due solely to DOF restrictions at that time. Because the DOF would not then permit amendments to ROPS I or II, these charges needed to be included in ROPS III, there being no other ROPS available for the SA to submit them and the charges clearly being obligations of the former RDA that can be enforced by the billing entity (should the County sue there would be no defense to an action to require payment for the contracted and performed work). Finally, at this point in time, since the DOF is apparently now permitting ROPS I or II amendments (e.g., as a result of the Apple Valley litigation), we are prepared to submit these expenses on an amended ROPS I or II to allow payment of this enforceable obligation of the RDA by such means should the DOF insist that inclusion on ROPS III is not proper.

### C. Justification *(Provide additional attachments to this form, as necessary.)*

(1) In regards to Items Nos 2 through 5 - Utilities, we took the position that according to 34171(d)(1) "Enforceable obligation" means any of the following: "(F) Contracts or agreements necessary for the administration or operation of the successor agency... including but not limited to... the costs of maintaining assets prior to disposition". Therefore, we believe the cost of utilities for the Piru Town Square RDA facility is a cost to maintain the asset prior to disposition. The Town Square facility is a public park with a community building and public restrooms that requires basic utilities, such as lights at night, to remain functional. It does not make sense that they would be considered administrative costs. These are not charges for utilities at the offices of the SA or staff.

(2) In regards to Item No 11, we would like to make it clear that the two invoices for the Piru Area Plan Update, totaling \$6,228, was clearly an obligation of the RDA, even though the invoices did not come to our attention until after close out. We demonstrate the costs were incurred prior to the dissolution of RDA's. The issue is the legislation does not account for liabilities that were not identified prior to closeout. We are seeking your opinion on how best to work with the legislation to get it paid (e.g., SA to submit an amended ROPS I or II or DOF to allow as stated on ROPS III).

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**Agency Contact Information**

Name: Donna Plummer

Title: SA Secretary

Phone: 805-654-2876

Email: donna.plummer@ventura.org  
robert.orellana@ventura.org

Date: 9/27/12

Name: Robert R. Orellana

Title: Assistant County Counsel

Phone: 805-654-2590

Email:

Date: 9/27/12

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**Department of Finance Local Government Unit Use Only**REQUEST TO MEET AND CONFER DATE: ☐ APPROVED ☐ DENIED

REQUEST APPROVED/DENIED BY: \_\_\_\_\_ DATE: \_\_\_\_\_

MEET AND CONFER DATE/TIME/LOCATION: \_\_\_\_\_

MEET AND CONFER SESSION CONFIRMED: ☐ YES DATE CONFIRMED: \_\_\_\_\_DENIAL NOTICE PROVIDED: ☐ YES DATE AGENCY NOTIFIED: \_\_\_\_\_