

**OVERSIGHT BOARD RESOLUTION NO. OB 16-03**

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE  
AVALON COMMUNITY IMPROVEMENT AGENCY APPROVING THE RECOGNIZED  
OBLIGATION PAYMENT SCHEDULE 16-17 AND SUCCESSOR AGENCY ADMINISTRATIVE  
BUDGET FOR FISCAL YEAR 2016-17**

**WHEREAS**, pursuant to Health and Safety Code Section 34177(m), the Successor Agency is required to prepare and submit for Oversight Board approval a Recognized Obligation Payment Schedule ("ROPS"), in a manner prescribed by the California Department of Finance ("DOF"); and

**WHEREAS**, Assembly Bill 1484 ("AB 1484") (Chapter 26, Statutes of 2012) established new procedural requirements for the preparation, review, and approval of ROPS by the Successor Agency, including clarifications regarding "enforceable obligations"; and

**WHEREAS**, Senate Bill 107 ("SB 107") (Chapter 325, Statutes of 2015) established revised procedural requirements for the preparation, review and approval of ROPS by the Successor Agency, including modifying the ROPS process to an annual ROPS beginning with FY 2016-17; and

**WHEREAS**, Exhibit "A" to this resolution establishes a ROPS for the fiscal year beginning July 1, 2016 and ending June 30, 2017 ("ROPS 16-17"), in a manner consistent with that prescribed by DOF; and

**WHEREAS**, on July 16, 2013, DOF issued a Finding of Completion letter to the Successor Agency pursuant to Health and Safety Code Section 34179.7; and

**WHEREAS**, Health and Safety Code Section 34177(j) requires the Successor Agency to prepare and submit a Successor Agency Administrative Budget ("Administrative Budget") for approval by an oversight board; and

**WHEREAS**, the Successor Agency will be allocated an "Administrative Cost Allowance," as defined in Health and Safety Code Section 34171(b); and

**WHEREAS**, pursuant to Amendment No. 1 to the Agreement for Reimbursement of Tax Increment Funds entered into by and between the County of Los Angeles, City of Avalon, and Avalon Community Improvement Agency on June 17, 2003, the City and Successor Agency are to be provided a "Permitted Administrative Expense" to fund administrative and operational costs related to the Successor Agency, the estimate of which for fiscal year 2016-17 is \$519,505; and

**WHEREAS**, Exhibit "B" to this resolution presents a draft annual Administrative Budget of \$769,505 for fiscal year 2016-17, divided evenly between the first and second halves of the fiscal year.

**NOW, THEREFORE, THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE AVALON COMMUNITY IMPROVEMENT AGENCY DOES HEREBY RESOLVE AS FOLLOWS:**

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. CEQA Compliance. The action of the Oversight Board to approve the ROPS 16-17 and Successor Agency Administrative Budget does not commit the Oversight Board to any action that may have a significant effect on the environment. As a result, such action does not constitute a project subject to the requirements of the California Environmental Quality Act.

Section 3. Approval of ROPS 16-17. The Oversight Board hereby approves the Recognized Obligation Payment Schedule for the fiscal year beginning July 1, 2016 and ending June 30, 2017 in substantially the form attached hereto as Exhibit "A," as required by ABX1 26, enacted during the 2011 legislative year, AB 1484, enacted during the 2012 legislative year, and SB 107, enacted during the 2015 legislative year.

Section 4. Approval of Fiscal Year 2016-17 Administrative Budget. The Oversight Board hereby approves the Successor Agency Administrative Budget for Fiscal Year 2016-17, in substantially the form attached hereto as Exhibit "B," as required by ABX1 26, enacted during the 2011 legislative year, AB 1484, enacted during the 2012 legislative year, and SB 107, enacted during the 2015 legislative year.

Section 5. Transmittal to Appropriate Agencies. The Oversight Board hereby directs staff to transmit, by mail or electronic means, to the Los Angeles County Auditor-Controller, State Department of Finance, and the State Controller's Office a copy of the ROPS and Administrative Budget documents for review, and to post the ROPS on the Successor Agency's Internet Web site.

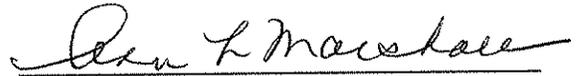
Section 6. Severability. If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Oversight Board declares that the Oversight Board would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

Section 7. Certification. The City Clerk of the City of Avalon, acting on behalf of the Oversight Board as its Secretary, shall certify to the adoption of this Resolution.

Section 8. Effective Date. Pursuant to Health and Safety Code Section 34179(h), all actions taken by the Oversight Board may be reviewed by the State of California Department of Finance, and, therefore, this Resolution shall not be effective for five (5) business days, pending a request for review by the State of California Department of Finance.

**PASSED, APPROVED AND ADOPTED** this 21<sup>st</sup> day of January, 2016 by the following vote:

Ayes: Marshall, Morones, Blehm, and Huart  
Noes: None  
Abstain: None  
Absent: Moore, Steinhauser, and Thompson



Ann H. Marshall  
Ann H. Marshall  
Oversight Board Chairperson

ATTEST:



Denise A. Radde  
Denise A. Radde  
Oversight Board Secretary

EXHIBIT A

RECOGNIZED OBLIGATION PAYMENT SCHEDULE  
JULY 1, 2016 TO JUNE 30, 2017

**Recognized Obligation Payment Schedule (ROPS 16-17) - Summary**  
 Filed for the July 1, 2016 through June 30, 2017 Period

Successor Agency: Avalon  
 County: Los Angeles

	16-17A Total	16-17B Total	ROPS 16-17 Total
<b>Current Period Requested Funding for Enforceable Obligations (ROPS Detail)</b>			
<b>Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF) Funding</b>			
A Sources (B+C+D):	\$ -	\$ -	\$ -
B Bond Proceeds Funding	-	-	-
C Reserve Balance Funding	-	-	-
D Other Funding	-	-	-
E Enforceable Obligations Funded with RPTTF Funding (F+G):	\$ 1,715,666	\$ 1,175,379	\$ 2,891,045
F Non-Administrative Costs	1,515,666	975,379	2,491,045
G Administrative Costs	200,000	200,000	400,000
H Current Period Enforceable Obligations (A+E):	\$ 1,715,666	\$ 1,175,379	\$ 2,891,045

Certification of Oversight Board Chairman:  
 Pursuant to Section 34177 (c) of the Health and Safety code, I hereby  
 certify that the above is a true and accurate Recognized Obligation  
 Payment Schedule for the above named successor agency.

\_\_\_\_\_  
 Name  
 Title  
 /s/ \_\_\_\_\_  
 Signature  
 Date



**Avalon Recognized Obligation Payment Schedule (ROPS 16-17) - Report of Cash Balances**  
 (Report Amounts in Whole Dollars)

A	B										I	
	C	D	E	F	G	H	Fund Sources					
							Bond Proceeds	Reserve Balance	Other	RPTTF		
Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS period balances and DDR RPTTF balances retained	Prior ROPS RPTTF distributed as reserve for future periods	Rent, grants, interest, etc.	Non-Admin and Admin							
Cash Balance Information by ROPS Period												
1	ROPS 15-16A Actuals (07/01/15 - 12/31/15)											
1	4,226,895				(348,851)	96,060					Column C: Beginning balance validated by DOF (Kelly Wyatt) review of Avalon cash balances.	
2	Revenue/Income (Actual 12/31/16)											
2												Column C: Includes deposit to establish 2015 TARB reserve account during bond refinancing. Column D: Revenues include Permitted Administrative Expense (PAE) pass-through from County restricted for administrative expenditures outside of RPTTF.
3	Expenditures for ROPS 15-16A Enforceable Obligations (Actual 12/31/15)											
3	2,021,285				254,659	1,865,063					Column C: Housing bond proceeds were transferred to a Housing Successor LAIF account to pay for projects approved on the ROPS 15-16A. Column D: Expenditures include PAE pass-through from County restricted for administrative expenditures outside of RPTTF.	
4	Retention of Available Cash Balance (Actual 12/31/15)											
4	4,071,284				254,659	1,956,727					Column C: Remaining non-housing bond proceeds	
5	ROPS 15-16A RPTTF Balances Remaining											
5	2,020,006						No entry required					
6	Ending Actual Available Cash Balance											
6	\$ 456,880	\$ -	\$ -	\$ -	\$ (348,851)	\$ 24,386						
ROPS 15-16B Estimate (01/01/16 - 06/30/16)												
7	Beginning Available Cash Balance (Actual 01/01/16)											
7	\$ 2,176,896	\$ -	\$ -	\$ -	\$ (348,851)	\$ 24,386						
8	Revenue/Income (Estimate 06/30/16)											
8					254,659	1,269,705					Column D: Revenues include PAE	
9	Expenditures for ROPS 15-16B Enforceable Obligations (Estimate 06/30/16)											
9	156,655				254,659	1,789,914					Column D: Expenditures include PAE	
10	Retention of Available Cash Balance (Estimate 06/30/16)											
10	2,020,005										Column H: The ROPS 15-16B was underfunded due to an RPTTF shortfall. The shortfall amount is requested through a City Loan on the ROPS	
11	Ending Estimated Available Cash Balance (7 + 8 - 9 - 10)											
11	\$ 235	\$ -	\$ -	\$ -	\$ (348,851)	\$ (495,813)					16-17	

Pursuant to Health and Safety Code section 34177 (f), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation. For tips on how to complete the Report of Cash Balances Form, see CASH BALANCE TIPS SHEET

**EXHIBIT B**

**SUCCESSOR AGENCY ADMINISTRATIVE BUDGET**  
**FISCAL YEAR 2016-17**

**SUCCESSOR AGENCY TO THE AVALON COMMUNITY IMPROVEMENT AGENCY**  
**ANNUAL & SIX-MONTH ADMINISTRATIVE BUDGETS**  
**FISCAL YEAR 2016-17**

	ANNUAL FY 2016-17	JUL-DEC 2016	JAN - JUN 2017
<b>Revenues*</b>			
Annual Administrative Allowance	\$ 250,000	\$ 125,000	\$ 125,000
Permitted Administrative Expenses	519,505	\$ 259,753	\$ 259,753
<b>Total Revenues</b>	<b>\$ 769,505</b>	<b>\$ 384,753</b>	<b>\$ 384,753</b>
<b>Expenses</b>			
Salaries	\$ 276,850	\$ 138,425	\$ 138,425
Benefits/Insurance	172,317	\$ 86,158	\$ 86,158
<b>Personnel</b>	<b>\$ 449,167</b>	<b>\$ 224,583</b>	<b>\$ 224,583</b>
Supplies & Travel	\$ 10,000	\$ 5,000	\$ 5,000
Noticing	2,000	1,000	1,000
Professional Services	80,000	40,000	40,000
Legal Services	173,338	86,669	86,669
Financial Services	30,000	15,000	15,000
Overhead & Property Related Fees	25,000	12,500	12,500
<b>Other Line Items</b>	<b>\$ 320,338</b>	<b>\$ 160,169</b>	<b>\$ 160,169</b>
<b>Total Expenses</b>	<b>\$ 769,505</b>	<b>\$ 384,752</b>	<b>\$ 384,752</b>

NOTES:

\* Sources of payment for proposed expenditures are: (1) Successor Agency annual Administrative Cost Allowance of \$250,000; and (2) Permitted Administrative Expense under County Agreement for Reimbursement of Tax Increment of \$519,505. All available revenue sources total \$769,505.

\*\* Successor Agency will reimburse the City for operational and administrative costs (staffing, overhead).