

**MINUTES
OVERSIGHT BOARD TO THE
CITY OF SAN DIMAS SUCCESSORY AGENCY**

**MAY 22, 2012, 3:00 P.M.
SAN DIMAS COUNCIL CONFERENCE ROOM
245 EAST BONITA AVENUE
SAN DIMAS, CA 91773**

PRESENT: Board Members Bonnie Bowman, A.F. Feldbush, David Hall (arrived 3:06 p.m.), Curt Morris, Ann Sparks, Larry Stevens, Brian Stiger

City Staff: City Manager Blaine Michaelis, Assistant City Manager Ken Duran, City Attorney J. Kenneth Brown, Finance Manager Barbara Bishop, Senior Accounting Technician Steven Valdivia, Oversight Board Secretary Ina Rios

1. Call to Order and Pledge of Allegiance

Chairman Morris called the meeting of the Oversight Board to the San Dimas Successor Agency to order at 3:01 p.m. and led the flag salute.

2. Review and Reconsideration of January 1, 2012 - June 30, 2012 Recognized Obligation Payment Schedule and July 1, 2012 – December 31, 2012 Recognized Obligation Payment Schedule

RECOMMENDED ACTION:

Review and reconsideration of the January 1, 2012 – June 30, 2012 Recognized Payment Obligation Schedule and adopt **RESOLUTION NO. 010** – A RESOLUTION OF THE SAN DIMAS OVERSIGHT BOARD APPROVING THE JANUARY 1, 2012 THROUGH JUNE 30, 2012 RECOGNIZED OBLIGATION PAYMENT SCHEDULE PURSUANT TO HEALTH AND SAFETY CODE SECTION 34180(g)

Review and reconsideration of the July 1, 2012 – December 31, 2012 Recognized Payment Obligation Schedule and adopt **RESOLUTION NO. 011** – A RESOLUTION OF THE SAN DIMAS OVERSIGHT BOARD APPROVING THE JULY 1, 2012 THROUGH DECEMBER 31, 2012 RECOGNIZED OBLIGATION PAYMENT SCHEDULE PURSUANT TO HEALTH AND SAFETY CODE SECTION 34180 (g)

Assistant City Manager Duran stated that on Friday, May 11, 2012, the Recognized Obligation Payment Schedule (ROPS) was submitted to the State Department of Finance. On May 14, the State notified City staff that they would be questioning some items. On Friday, May 18th, a call was received from the State Auditor stating that they concluded that city loans are not recognized obligations and they would be denying the entire ROPS based upon the inclusion of city loans on the ROPS. However, they offered approval of the ROPS if the city loans were voluntarily removed from the ROPS. The Auditor clarified that she understood the points made in the letter and the offer would allow city loans to be kept as a line item and the total amount due would be approved if there was not a payment requirement for six months period of the ROPS. Mr. Duran said the purpose of this meeting is to have the Oversight Board amend the ROPS. Staff feels this is the best compromise and stated that if the loan amount is kept on the January-July 2013 ROPS, revenue would be received this fiscal year.

In response to Board Member Feldbush, Mr. Duran replied that the same amount would be received whether the loans were included in the January or July obligation schedule. He explained that one loan to the Walker House, LLC, item 7, is not a city loan. He said the Walker House is a legal separate entity and the source of revenue used for that loan came from historic tax credit, not tax increments. The Auditor agreed this was a legitimate loan that could be considered an enforceable obligation.

Staff recommended that the Oversight Board approve the amended Recognized Obligation Payment Schedule and adopt OB Resolution No. 010 approving the amended ROPS for period January-June 2012 and OB Resolution No. 011 approving the amended ROPS for period July-December 2012.

In response to Board Member Stiger, Mr. Duran replied that the Department of Finance would recommend approval of the ROPS with that one change.

After the title was read, it was moved by Board Member Feldbush, seconded by Board Member Sparks, to waive further reading and adopt **RESOLUTION NO. 010** – A RESOLUTION OF THE SAN DIMAS OVERSIGHT BOARD APPROVING THE JANUARY 1, 2012 THROUGH JUNE 30, 2012 RECOGNIZED OBLIGATION PAYMENT SCHEDULE PURSUANT TO HEALTH AND SAFETY CODE SECTION 34180(g) as amended. The motion carried 7.0 by the following vote: AYES: Board Members Bowman, Feldbush, Hall, Sparks, Stevens, Stiger, Morris; NOES: None; ABSTAIN: None; ABSENT: None

After the title was read, it was moved by Board Member Feldbush, seconded by Board Member Sparks, to waive further reading and adopt **RESOLUTION NO. 011** – A RESOLUTION OF THE SAN DIMAS OVERSIGHT BOARD APPROVING THE JULY 1, 2012 THROUGH DECEMBER 31, 2012 RECOGNIZED OBLIGATION PAYMENT SCHEDULE PURSUANT TO HEALTH AND SAFETY CODE SECTION 34180(g). The motion carried 7.0 by the following vote: AYES: Board Members Bowman, Feldbush, Hall, Sparks, Stevens, Stiger, Morris; NOES: None; ABSTAIN: None; ABSENT: None

7. Public Comment

City Manager Michaelis stated that provisions in AB1x26 allow a Successor Agency to enter or re-enter into an agreement with the City that formed the Redevelopment Agency, provided that those agreements are approved by its Oversight Board.

8. Reports of Board Members

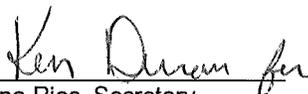
City Manager Michaelis welcomed new Board Member Bonnie Bowman.

In response to Board Members, Assistant City Manager Duran replied that the next meeting is scheduled for Thursday, June 14, 2012, at 4:00 p.m., in the City Council Conference Room.

9. Adjournment

Chairman Morris adjourned the meeting of the Oversight Board at 3:20 p.m.

Respectfully submitted,


Ina Rios, Secretary
Oversight Board