

BEFORE THE KERN COUNTYWIDE OVERSIGHT BOARD

In the matter of:

Resolution No. 010

RESOLUTION OF THE KERN COUNTYWIDE OVERSIGHT BOARD TO THE DISSOLVED SHAFTER COMMUNITY DEVELOPMENT AGENCY, APPROVING AND ADOPTING A PROPOSED ADMINISTRATIVE BUDGET FOR THE PERIOD JULY 1, 2019 THROUGH JUNE 30, 2020, PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(j)

I, Karmeena Morales , Secretary on behalf of the Oversight Board, do certify that the following resolution, on motion of Director Debbie Martin, seconded by Director Gary Bray, was duly passed and adopted by the Board of Directors at an official meeting this 30th day of January, 2019, by the following vote:

AYES: Wiebe, Smith, Bray, Unruh, Martin, Adams

NOES: None

ABSENT: Agbalog



Secretary on behalf of the Oversight Board
Kern Countywide Oversight Board

RESOLUTION

Section 1. WHEREAS:

(a) Pursuant to Health and Safety Code Section 34173(d), the City of Shafter became the successor agency to the Shafter Community Development Agency ("Successor Agency"); and

(b) Pursuant to Health and Safety Code Section 34173(g), the Successor Agency is now a separate legal entity from the City; and

(c) Pursuant to Health and Safety Code Section 34179(j), on July 1, 2018 a single oversight board, staffed by the county auditor-controller, was created to oversee the actions of all successor agencies within Kern County, including the Successor Agency to the Shafter Community Development Agency, and

(d) Health and Safety Code Section 34177(j) requires the Successor Agency to prepare a proposed administrative budget covering each 6-month period, and submit it to the oversight board for approval; and

(e) Pursuant to Health and Safety Code Section 34177(k), upon approval of the administrative budget by the oversight board, the Successor Agency is required to provide administrative cost estimates, from the approved administrative budget, that are to be paid from property tax revenues deposited in the Redevelopment Property Tax Trust Fund, to the Kern County Auditor-Controller for each fiscal period covered by the administrative budget; and

(f) All other legal prerequisites to the adoption of this Resolution have occurred.

Section 2. THEREFORE IT IS RESOLVED by the Board of Directors of the Kern Countywide Oversight Board, as follows:

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

2. The Board of Directors of the Oversight Board of the Successor Agency hereby approves and adopts the proposed administrative budget covering the two six-month periods from July 1, 2019 to June 30, 2020, in substantially the form attached to this Resolution as Exhibit A, as required by Health and Safety Code Section 34177.

3. The City Manager and Administrative Services Director are hereby authorized and directed to take any action necessary to carry out the purposes of this Resolution and comply with applicable law regarding the proposed administrative budget, including submitting the proposed administrative budget to the California Department of Finance for review.

4. This Resolution shall be effective in accordance with California Health and Safety Code Section 34179(h)..

EXHIBIT A

SHAFTER COMMUNITY DEVELOPMENT AGENCY - SUCCESSOR AGENCY
Administrative Budget: 7/1/19 - 6/30/20

EXPENSE CLASSIFICATION	ANNUAL BUDGET	7/1/19 - 12/31/19 BUDGET	1/1/20 - 6/30/20 BUDGET
Administrative Services Agreement Fee to the City of Shafter:	\$ 250,000	\$ 125,000	\$ 125,000
(A) TOTAL BUDGET	\$ 250,000	\$ 125,000	\$ 125,000

** Administrative Budget limited to 3% of property tax distributed to the successor agency by the county auditor-controller in the preceding fiscal year for payment of enforceable obligations less any city loan repayments and administrative cost allowances ("PY Net Property Tax"), but not less than \$250,000 per year, but in no case can exceed 50% of the PY Net Property Tax, per H&S 34171(b),*

Administrative Budget Compliance Test:

Actual prior year property tax distributed to the successor agency (2018-19):	\$ 1,161,025
Less: city loan repayments:	-
Less: administrative cost allowances:	<u>(250,000)</u>
PY Net Property Tax:	911,025
1. 3% net Property Tax - limit:	\$ 27,331
2. Statutory administrative cost allowance minimum:	\$ 250,000
3. Greater of 1 or 2:	\$ 250,000
4. 50% PY Net Property Tax - hard limit:	\$ 455,513
5. Administrative Budget (A):	\$ 250,000
6. In Compliance?	YES