

**SUCCESSOR AGENCY TO THE
DISSOLVED REDEVELOPMENT AGENCY
OF THE CITY OF GROVER BEACH**

**Agreed Upon Procedures – AB1484
Low/Moderate Housing Fund**

June 30, 2012

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OF THE CITY OF GROVER BEACH**
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**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED UPON PROCEDURES ON
THE LOW AND MODERATE INCOME HOUSING FUND**

Oversight Board of the Successor Agency
City of Grover Beach
Grover Beach, California 93433

We have performed the procedures enumerated below solely to assist in ensuring that the Successor Agency to the Dissolved Redevelopment Agency of the City of Grover Beach is complying with its statutory requirements with respect to AB1484. 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 performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of 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.

Procedures Applied

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.

Result:

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

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.

Result:

Not applicable. No low and moderate assets were transferred to the City of Grover Beach.

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.

Result:

Not applicable. No low and moderate assets were transferred to a public agency or private party.

4. Procedure not applicable to 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.

Result:

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

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.)
 - 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.

Result:

The procedure was not considered required as the successor agency did not have unspent bond proceeds.

- 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.

Result:

The procedure was not considered required as the successor agency did not have grant proceeds and program income restricted by third parties.

- C. Other assets considered to be legally restricted:
 - 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 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.

Result:

The procedure was not considered required as the successor agency did not have other assets legally 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.

Result:

The procedure was not considered required because of the results from procedures 6(A), 6(B), 6(C).

- 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.

Result:

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

- 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.

Result:

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

- 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.

Result:

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

- 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.

Result:

The procedure was not considered required as the assets are not listed at market value.

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.

Result:

We found no exceptions as a result of the procedures performed. See Attachments D and E.

- 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.
 - 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.

Result:

The procedure was not considered required as the successor agency believes dedicated balances will be sufficient to fund future obligations.

- 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.

Result:

The procedure was not considered required as the successor agency does not have bond debt service payments.

- 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.

Result:

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

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.

Result:

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

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).

Result:

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

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.

Result:

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

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertion. Accordingly, we do not express such an opinion.

This report is intended solely for the information of the Oversight Committee, Management, California State Controller's Office, Department of Finance, and Santa Barbara County Auditor-Controller, and is not intended to be and should not be used by anyone other than these specified parties.

Moss, Remy & Haugheim LLP

Santa Maria, California
September 27, 2012

Grover Beach Improvement Agency - Low and Moderate Housing Funds
RDA Assets Transferred to the Housing Successor Agency as of February 1, 2012
County of San Luis Obispo Auditor-Controller
(Per AB 1484 - Section 34179.5 (c) (1))

Item No.	Description	Agency Area One	Agency Area Two	Total Assets Transferred
1	Cash	\$692,350	\$298,417	\$990,767
2	Due from other Funds	303,423		303,423
3	Land Held for Projects	680,000		680,000
	Total Assets	\$1,675,773	\$298,417	\$1,974,190

Grover Beach Improvement Agency - Low and Moderate Housing Funds
Housing Successor Agency Assets by Fund as of June 30, 2012
County of San Luis Obispo Auditor-Controller
(Per AB 1484 - Section 34179.5 (c) (5) (A))

Item No.	Description	Housing Successor Agency	Total Successor Agency Assets As of June 30, 2012
1	Cash	\$943,300	\$943,300
2	Due from Other Funds	227,568	227,568
3	Land Held for Projects	680,000	680,000
	Total Assets	\$1,850,868	\$1,850,868

Grover Beach Improvement Agency - Low and Moderate Housing Funds
Housing Successor Agency Non-Cash Assets as of June 30, 2012
County of San Luis Obispo Auditor-Controller
(Per AB 1484 - Section 34179.5 (c) (5) (C))

Item No.	Description	Successor Agency	Housing Successor Agency	Total Successor Agency Assets As of June 30, 2012
1	Due From Other Funds	\$ -	\$ 227,568.00	\$ 227,568.00
2	Land Held for Projects	-	680,000.00	680,000.00
	Total Assets	\$ -	\$ 907,568.00	\$ 907,568.00

Note: Value listed as purchase cost.

Grover Beach Improvement Agency - Low and Moderate Housing Funds
Housing Successor Agency Assets Dedicated or Restricted to Fund Enforceable Obligations as of June 30, 2012
County of San Luis Obispo Auditor-Controller
(Per AB 1484 - Section 34179.5 (c) (5) (D))

Item No.	Description	Successor Agency	Housing Successor Agency	Total Successor Agency Assets As of June 30, 2012
1	Reimburse developer for project costs - Farroll Road Project	\$ -	\$ 25,000.00	\$ 25,000.00
	Total Assets	\$ -	\$ 25,000.00	\$ 25,000.00

Item 1 - Cash encumbered for Farroll Road Project

This item represents the potential maximum costs of an agreement between the former Grover Beach Improvement Agency and Vernon and Associates for the Farroll Road Affordable Housing Project.

RESOLUTION NO. IA-12-02

A RESOLUTION OF THE IMPROVEMENT AGENCY OF THE CITY OF GROVER BEACH, CALIFORNIA, AMENDING ITS ENFORCEABLE OBLIGATION PAYMENT SCHEDULE PURSUANT TO AB 1X 26

WHEREAS, in compliance with AB 1X 26, enacted by the California State Legislature and the Governor signed as part of the 2011-2012 State budget bill, the Improvement Agency of the City of Grover Beach adopted an Enforceable Obligation Payment Schedule ("EOPS") to allow the Agency to make payments on debts and obligations listed on the EOPS; and

WHEREAS, Health and Safety Code Section 34169, added as part of AB 1X 26, allows that the EOPS may be amended at any public meeting of the Agency; and

WHEREAS, the Grover Beach Improvement Agency now desires to amend the EOPS to include all of the current enforceable obligations of the Agency.

NOW, THEREFORE, THE IMPROVEMENT AGENCY OF THE CITY OF GROVER BEACH DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true and correct and incorporated herein by reference.

Section 2. Amendment of EOPS. The Agency hereby amends the Enforceable Obligation Payment Schedule, as set forth in the Amended Enforceable Obligations Payment Schedule attached hereto as Exhibit A, as authorized by Health and Safety Code Section 34169.

Section 3. Posting; Transmittal to Appropriate Agencies. The Executive Director is hereby authorized and directed to post a copy of the Amended EOPS on the City's website. The Executive Director is further authorized and directed to transmit, by mail or electronic means, to the San Luis Obispo County Auditor-Controller, the State Controller, and the Department of Finance, notification providing the website location of the posted Amended EOPS and other information as required by AB 1X 26.

Section 4. Effective Date. Pursuant to Health and Safety Code Section 34169(i), the Agency's action to amend the EOPS as set forth herein shall not be effective for three (3) business days following adoption of this Resolution, pending a request for review of the Amended EOPS by the Department of Finance.

On motion by Vice Chair Nicolls, seconded by Board Member Peterson, and on the following roll-call vote, to wit:

AYES: Board Members Bright, Peterson, Vice Chair Nicolls, and Chair Shoals.
NOES: Board Members – None.
ABSENT: Board Member Molnar.
ABSTAIN: Board Members – None.

the foregoing Resolution was **PASSED, APPROVED, and ADOPTED** at a Special Joint meeting of the City Council / Improvement Agency of the City of Grover Beach, California, this 23rd day of January, 2012.



JOHN P. SHOALS, CHAIR

Attest:



DONNA L. McMAHON, AGENCY SECRETARY

Name of Redevelopment Agency: Grover Beach Improvement Agency

Project Area(s) Grover Beach Improvement Project Area

ENFORCEABLE OBLIGATION PAYMENT SCHEDULE

Per AB 26 - Section 34167 and 34169 (*)

Project Name / Debt Obligation	Payee	Description	Total Outstanding Debt or Obligation	Total Due During Fiscal Year	Payments by month						Total	
					January	February**	March**	April**	May**	June**		
1) Series 2005 Tax Allocation Bonds	Union Bank of California	Bonds Issued to fund non-housing projects	4,045,000.00	289,000.00	96,237.31	-	-	-	-	-	192,762.69	\$ 289,000.00
2) City Loan from Water Fund	City of Grover Beach Water Fund	Loan for Agency start-up costs	906,546.97	-	-	-	-	-	-	-	4,532.73	\$ 4,532.73
3) Wastewater Fund Loan for W. Grand Ave Project	City of Grover Beach Wastewater Fund	Loan for Agency Costs for W. Grand Avenue Project	400,000.00	40,000.00	-	-	-	-	-	-	12,952.41	\$ 12,952.41
4) SERAF	Grover Beach Improvement Agency	Loan from Low and Moderate Housing Fund	301,147.00	75,840.00	-	-	-	-	-	-	75,840.00	\$ 75,840.00
5) Tax Allocation Bond Fees	Union Bank of California	Tax Allocation Bond Trustee Fees	1,986.00	1,986.00	1,986.00	-	-	-	-	-	-	\$ 1,986.00
6) Contract for Services	Chamber of Commerce	Contract with Chamber for the Marketing of the City	25,000.00	25,000.00	2,083.33	2,083.34	2,083.33	2,083.34	2,083.33	2,083.33	2,083.33	\$ 12,500.00
7) Cost Allocation	City of Grover Beach	To cover office space and overhead	44,600.00	44,600.00	3,716.67	3,716.67	3,716.67	3,716.67	3,716.66	3,716.66	3,716.66	\$ 22,300.00
8) Employee Costs	Employees of Agency	Payroll for Employees	71,000.00	71,000.00	5,461.54	5,461.54	5,461.54	5,461.54	5,461.54	5,461.54	8,192.30	\$ 35,500.00
9) Agency Insurance Costs	California Joint Powers Insurance Authority	W/C Insurance for employees	1,400.00	1,400.00	-	-	-	-	-	-	-	\$ -
10) Contract for Consulting Services	Law Office of Martin D. Koczanowicz	Agency Attorney Am't per month is estimate as it varies by amount of work in agency area	9,500.00	9,500.00	4,750.00	-	-	-	-	-	-	\$ 4,750.00
11) Property Tax Administrative Costs	County of San Luis Obispo	Estimated amount of the Property Tax Administrative Fees Charged by the County of San Luis Obispo	38,000.00	38,000.00	-	0.00	0.00	38,000.00	0.00	0.00	0.00	\$ 38,000.00
12) Agency Audit	Moss, Levy and Hartzheim, CPA's	Agency Area's share of Annual Audit Costs	2,400.00	2,400.00	2,400.00	0.00	0.00	0.00	0.00	0.00	0.00	\$ 2,400.00
13) Dues	California Redevelopment Association	Agency Area's share of Annual Dues	1,000.00	1,000.00	0.00	0.00	0.00	1,000.00	0.00	0.00	0.00	\$ 1,000.00
14) Dues	EVC Membership	Dues for Economic Vitality Corporation	3,600.00	3,600.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$ -
15) Dues	VCB Membership	Dues for Visitors Conference Bureau	4,400.00	4,400.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$ -
16) Staff Support Costs for FY 12	Various	Office Supplies, Data Processing Supplies, Marketing Materials and Supplies, Copying - Allocated, printing and copying, postage and shipping, Costs for Newsletter	5,200.00	5,200.00	433.34	433.33	433.33	433.34	433.33	433.33	433.33	\$ 2,600.00
17) Grover Beach Lodge and Conference Center Project Costs	Various	Costs associated with the Grover Beach Lodge and Conference Center Project	10,000.00	10,000.00	0.00	370.67	370.66	370.66	370.66	370.66	370.66	\$ 1,853.31
18) A. M. Peche and Associates	Bond Disclosure	Costs to complete Bond Disclosure	2,500.00	2,500.00	0.00	0.00	2,500.00	0.00	0.00	0.00	0.00	\$ 2,500.00
19) Contract for Services	Lisa Wise Consulting	Contract for Services - Zoning Code Amendment	1,740.00	1,740.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$ -
20) Contract for Services	Rincon	Contract for Services - Train Station MND	1,275.00	1,275.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$ -
Low and Moderate Housing Items												
21) Dues	Housing Trust Fund	Housing Trust Fund Annual Dues	5,000.00	5,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$ -
22) Affordable Housing Project	City of Grover Beach	Development Fees & Building & Planning Costs associated with Development Regulatory Agreement with Vernon & Associates	120,000.00	25,000.00	0.00	0.00	0.00	0.00	0.00	0.00	25,000.00	\$ 25,000.00
23) Affordable Housing Project	Vernon and Associates	Transfer of Property for Low- & Moderate Housing Project with a Development Regulatory Agreement	380,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$ -
Totals - This Page			\$ 6,381,294.97	\$ 658,441.00	\$ 117,068.19	\$ 12,065.55	\$ 14,565.53	\$ 51,065.55	\$ 12,065.52	\$ 325,884.11	\$ 532,714.45	
Totals - Other Obligations			\$ 22,343,000.00	\$ 202,434.00	\$ -	\$ -	\$ -	\$ 133,934.50	\$ -	\$ -	\$ 133,934.50	
Grand total - All Pages			\$ 28,724,294.97	\$ 860,875.00	\$ 117,068.19	\$ 12,065.55	\$ 14,565.53	\$ 185,000.05	\$ 12,065.52	\$ 325,884.11	\$ 666,648.95	

* This Enforceable Obligation Payment Schedule (EOPS) is to be adopted by the redevelopment agency no later than late January 30, 2012. It is valid through June 30, 2012. It is the basis for the Preliminary Draft Recognized Obligation Payment Schedule (ROPS), which must be prepared by the dissolving Agency and delivered to Successor Agency by January 30, 2012. (The draft ROPS must be prepared by the Successor Agency by March 1, 2012.) Preliminary Draft must be audited and certified and approved by oversight board by March 1, 2012. If an agency adopts a continuation ordinance per ABX1 27, this EOPS will not be valid and there is no need to prepare a ROPS.

** Include only payments to be made after the adoption of the EOPS.

Note:

Payments made during first seven months of the year have left an estimated deficit cash balance of (\$175,000) in the fund. This is due to both Debt Service Payments totaling \$289,000 being due by January and Debt Service payments of \$40,000 to the City for advances for Redevelopment Start-Up Costs. A letter will be sent to the County prior to March 1st to notify them of the insufficient funds.

Exhibit A (Part 1)

Name of Redevelopment Agency: Grover Beach Improvement Agency

Project Area(s) Grover Beach Improvement Project Area

OTHER OBLIGATION PAYMENT SCHEDULE
Per AB 26 - Section 34167 and 34169 (*)

	Project Name / Debt Obligation	Payee	Description	Total Outstanding Debt or Obligation	Total Due During Fiscal Year	Payments by month						
						January	February	March	April	May	June	Total
1)	Statutory Payments	County General Fund	Payments Per CRL 33607.5 and .7	7,157,000.00	60,346.00	-	-	-	30,173.00	-	-	30,173.00
2)	Statutory Payments	Air Pollution Control	Payments Per CRL 33607.5 and .7	24,000.00	202.00	-	-	-	101.00	-	-	101.00
3)	Statutory Payments	County Library	Payments Per CRL 33607.5 and .7	468,000.00	3,941.00	-	-	-	1,970.50	-	-	1,970.50
4)	Statutory Payments	City of Grover Beach	Payments Per CRL 33607.5 and .7	2,765,000.00	37,342.00	-	-	-	18,671.00	-	-	18,671.00
5)	Statutory Payments	Port San Luis Harbor	Payments Per CRL 33607.5 and .7	384,000.00	3,245.00	-	-	-	1,622.50	-	-	1,622.50
6)	Statutory Payments	GB Street Lighting	Payments Per CRL 33607.5 and .7	1,108,000.00	9,343.00	-	-	-	4,671.50	-	-	4,671.50
7)	Statutory Payments	SLO Flood Control	Payments Per CRL 33607.5 and .7	91,000.00	767.00	-	-	-	383.50	-	-	383.50
8)	Statutory Payments	Nacimiento Water service	Payments Per CRL 33607.5 and .7	73,000.00	620.00	-	-	-	310.00	-	-	310.00
9)	Statutory Payments	Flood Control Zone 3	Payments Per CRL 33607.5 and .7	85,000.00	719.00	-	-	-	359.50	-	-	359.50
10)	Statutory Payments	Arroyo Grande Cemetery	Payments Per CRL 33607.5 and .7	43,000.00	366.00	-	-	-	183.00	-	-	183.00
11)	Statutory Payments	Lucia Mar Unified (Oper)	Payments Per CRL 33607.5 and .7	3,710,900.00	31,507.00	-	-	-	15,753.50	-	-	15,753.50
12)	Statutory Payments	Lucia Mar Unified (Ed Fac)	Payments Per CRL 33607.5 and .7	4,919,100.00	41,257.00	-	-	-	20,628.50	-	-	20,628.50
13)	Statutory Payments	Cuesta College (oper)	Payments Per CRL 33607.5 and .7	712,050.00	6,070.00	-	-	-	3,035.00	-	-	3,035.00
14)	Statutory Payments	Cuesta College (Ed Fac)	Payments Per CRL 33607.5 and .7	802,950.00	6,709.00	-	-	-	3,354.50	-	-	3,354.50
15)	Statutory Payments	Co School Service (Oper)	Payments Per CRL 33607.5 and .7	93,040.00	1,439.00	-	-	-	719.50	-	-	719.50
16)	Statutory Payments	Co School Service (Ed Fac)	Payments Per CRL 33607.5 and .7	2,232,960.00	35,065.00	-	-	-	17,532.50	-	-	17,532.50
17)	Basic Aid	Co School Service (Ed Fac)	Basic Aid Return	2,089,808.20	28,931.00	-	-	-	14,465.50	-	-	14,465.50
18)												\$ -
Totals - Other Obligations				\$ 22,343,000.00	\$ 202,434.00	\$ -	\$ -	\$ -	\$ 133,934.50	\$ -	\$ -	\$ 133,934.50

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Name of Redevelopment Agency: Grover Beach Industrial Enhancement Project

Project Area(s) Grover Beach Industrial Enhancement Project

ENFORCEABLE OBLIGATION PAYMENT SCHEDULE

Per AB 26 - Section 34167 and 34169 (*)

Project Name / Debt Obligation	Payee	Description	Total Outstanding Debt or Obligation	Total Due During Fiscal Year	Payments by month							
					January	February	March	April	May	June	Total	
1) City Loan from General Fund Various Years for Agency Start-up Costs	City of Grover Beach General Fund	Loan for Agency Start-up Costs	413,062.79	111,263.66		-	-	-	-	-	11,263.66	\$ 11,263.66
2) Employee Costs	Employees of Agency	Payroll for Employees	28,600.00	28,600.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	3,300.00	\$ 14,300.00
3) Agency Insurance Costs	California Joint Powers Insurance Authority	W/C Insurance for employees	500.00	500.00		-	-	-	-	-	-	\$ -
4) Contract for Consulting Services	Law Office of Martin D. Koczanowicz	Agency Attorney Amt per month is estimate as it varies by amount of work in agency area	500.00	500.00	500.00	-	-	-	-	-	-	\$ 500.00
5) Property Tax Administrative Costs	County of San Luis Obispo	Estimated amount of the Property Tax Administrative Fees Charged by the County of San Luis Obispo	10,000.00	10,000.00				10,000.00	-	-	-	\$ 10,000.00
6) Agency Audit	Moss, Levy and Hartzheim, CPA's	Agency Area's share of Annual Audit Costs	2,200.00	2,200.00	2,200.00	-	-	-	-	-	-	\$ 2,200.00
7) Dues	California Redevelopment Association	Agency Area's share of Annual Dues	790.00	790.00	790.00	-	-	-	-	-	-	\$ 790.00
8) Staff Support Costs for FY 12	Various	Office Supplies, Data Processing Supplies, Marketing Materials and Supplies, Copying - Allocated, printing and copying, postage and shipping, Costs for Newsletter	2,600.00	2,600.00	217.00	217.00	216.00	217.00	216.00	216.00	217.00	\$ 1,300.00
9) Contract for Services	Muni Services		2,613.92	2,613.92	2,613.92		1,306.96	1,306.96				\$ 5,227.84
10) Contract for Services	Digital West		15,840.00	15,840.00	13,410.00		7,920.00	7,920.00				\$ 29,250.00
												\$ -
Totals - This Page			\$ 476,706.71	\$ 174,907.58	\$ 21,930.92	\$ 2,417.00	\$ 11,642.96	\$ 21,643.96	\$ 2,416.00	\$ 14,780.66	\$ 74,831.50	
Totals - Other Obligations			\$ 3,833,319.00	\$ 42,795.00	\$ -	\$ -	\$ -	\$ 21,397.50	\$ -	\$ -	\$ 21,397.50	
Grand total - All Pages			\$ 4,310,025.71	\$ 217,702.58	\$ 21,930.92	\$ 2,417.00	\$ 11,642.96	\$ 43,041.46	\$ 2,416.00	\$ 14,780.66	\$ 96,229.00	

* This Enforceable Obligation Payment Schedule (EOPS) is to be adopted by the redevelopment agency no later than late January 30, 2012. It is valid through June 30, 2012. It is the basis for the Preliminary Draft Recognized Obligation Payment Schedule (ROPS), which must be prepared by the dissolving Agency and delivered to Successor Agency by January 30, 2012. (The draft ROPS must be prepared by the Successor Agency by March 1, 2012.) Preliminary Draft must be audited and certified and approved by oversight board by March 1, 2012. If an agency adopts a continuation ordinance per ABX1 27, this EOPS will not be valid and there is no need to prepare a ROPS.

** Include only payments to be made after the adoption of the EOPS.

Note:
 Payments made during first seven months of the year have left an estimated deficit cash balance of (\$80,000) in the fund. This is due to Debt Service payments of \$111,263.66 to the City for advances for Redevelopment Start-Up Costs. A letter will be sent to the County prior to March 1st to notify them of the insufficient funds.

Exhibit A (Part 2)

OTHER OBLIGATION PAYMENT SCHEDULE
Per AB 26 - Section 34167 and 34169 (*)

	Project Name / Debt Obligation	Payee	Description	Total Outstanding Debt or Obligation	Total Due During Fiscal Year	Payments by month						
						January	February	March	April	May	June	Total
1)	Statutory Payments	County General Fund	Payments Per CRL 33607.5 and .7	990,000.00	12,774.00	-	-	-	6,387.00	-	-	6,387.00
2)	Statutory Payments	Air Pollution Control	Payments Per CRL 33607.5 and .7	3,000.00	43.00	-	-	-	21.50	-	-	21.50
3)	Statutory Payments	County Library	Payments Per CRL 33607.5 and .7	65,000.00	834.00	-	-	-	417.00	-	-	417.00
4)	Statutory Payments	City of Grover Beach	Payments Per CRL 33607.5 and .7	0.00	0.00	-	-	-	-	-	-	-
5)	Statutory Payments	Port San Luis Harbor	Payments Per CRL 33607.5 and .7	53,000.00	687.00	-	-	-	343.50	-	-	343.50
6)	Statutory Payments	GB Street Lighting	Payments Per CRL 33607.5 and .7	153,000.00	1,978.00	-	-	-	989.00	-	-	989.00
7)	Statutory Payments	SLO Flood Control	Payments Per CRL 33607.5 and .7	13,000.00	162.00	-	-	-	81.00	-	-	81.00
8)	Statutory Payments	Nacimiento Water service	Payments Per CRL 33607.5 and .7	10,000.00	131.00	-	-	-	65.50	-	-	65.50
9)	Statutory Payments	Flood Control Zone 3	Payments Per CRL 33607.5 and .7	12,000.00	152.00	-	-	-	76.00	-	-	76.00
10)	Statutory Payments	Arroyo Grande Cemetery	Payments Per CRL 33607.5 and .7	6,000.00	77.00	-	-	-	38.50	-	-	38.50
11)	Statutory Payments	Lucia Mar Unified (Oper)	Payments Per CRL 33607.5 and .7	586,090.00	6,669.00	-	-	-	3,334.50	-	-	3,334.50
12)	Statutory Payments	Lucia Mar Unified (Ed Fac)	Payments Per CRL 33607.5 and .7	776,910.00	8,732.00	-	-	-	4,366.00	-	-	4,366.00
13)	Statutory Payments	Cuesta College (oper)	Payments Per CRL 33607.5 and .7	113,760.00	1,285.00	-	-	-	642.50	-	-	642.50
14)	Statutory Payments	Cuesta College (Ed Fac)	Payments Per CRL 33607.5 and .7	123,240.00	1,420.00	-	-	-	710.00	-	-	710.00
15)	Statutory Payments	Co School Service (Oper)	Payments Per CRL 33607.5 and .7	90,630.00	305.00	-	-	-	152.50	-	-	152.50
16)	Statutory Payments	Co School Service (Ed Fac)	Payments Per CRL 33607.5 and .7	386,370.00	1,298.00	-	-	-	649.00	-	-	649.00
17)	Basic Aid	Co School Service (Ed Fac)	Basic Aid Return	451,319.00	6,248.00	-	-	-	3,124.00	-	-	3,124.00
18)												
Totals - Other Obligations				\$ 3,833,319.00	\$ 42,795.00	\$ -	\$ -	\$ -	\$ 21,397.50	\$ -	\$ -	\$ 21,397.50

Grover Beach Improvement Agency - Low and Moderate Funds
Current Unrestricted Balances Necessary for Retention
County of San Luis Obispo Auditor-Controller
(Per AB 1484 - Section 34179.5 (c) (5) (D))

Item No.	Approved	Amount
1	Current restricted balance	\$25,000
2	Forecasted annual revenues	
	Amount of total resources available to fund enforceable obligations	\$25,000
3	Less forecasted annual spending requirement	(\$25,000)
	Unrestricted balances necessary for retention	\$ -

Grover Beach Improvement Agency - Low and Moderate Funds
 Estimated Cost of Enforceable Obligations on FY 13 ROPS
 County of San Luis Obispo Auditor-Controller
 (Per AB 1484 - Section 34179.5 (c) (5) (E))

Item Number	Approved Enforceable Obligation	Payee	FY 13 Expenditure Requirement	FY 13 Current Cash Requirement
	Successor Agency Items Housing Successor Agency Items			
	Farroll Road Housing Project - Development, Building and Planning Costs Associated with			
1	Project.	City of Grover Beach	\$95,000	\$95,000
2	Employee Payroll Housing Successor Agency	Various Employees and Benefit Providers	9,100	9,100
			\$104,100	\$104,100

<u>SUMMARY OF BALANCES AVAILABLE FOR ALLOCATION TO AFFECTED TAXING ENTITIES</u>		<u>Low/Mod</u>
Total amount of assets held by the successor agency as of June 30, 2012 (procedure 5)	\$	1,850,868
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)		-
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)		(907,568)
19 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)		(25,000)
Less balances needed to satisfy ROPS for the 2012-13 fiscal year (procedure 9)		(104,100)
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>814,200</u>

Note that separate computations are required for the Low and Moderate Income Housing Fund held by the Successor Agency and for all other funds held by the Successor Agency.

NOTES: For each line shown above, an exhibit should be attached showing the composition of the summarized amount.

If the review finds that there are insufficient funds available to provide the full amount due, the cause of the insufficiency should be demonstrated in a separate schedule.