

Minutes - Draft

Solano Consolidated Oversight Board

BOARD MEMBERS:

*Jim Spering, Solano County Board of Supervisors
Bob Sampayan, Solano County City Selection Committee
H Lee Tedder, Vacaville-Elmira Cemetery District
Tommy Welch, Solano County Office of Education
Rob Diamond, Solano Community College
Jerry Wilkerson, Member of the Public
Dave Feinstein, Successor Agency Employee*

Thursday, January 10, 2019

9:00 AM

Board of Supervisors Chambers

CALL TO ORDER

The Solano Consolidated Oversight Board met on the 10th day of January 2019 in regular session in the Board Chambers at the Solano County Government Center, 675 Texas Street, Fairfield, California at 9:00 A.M.

ROLL CALL

Present were Board members Jim Spering, Bob Sampayan, H Lee Tedder, Tommy Welch, Jerry Wilkerson and Dave Feinstein. Board member Rob Diamond arrived at 9:02 A.M. following the approval of the Agenda. Also present were Auditor-Controller Phyllis Taynton, Deputy Auditor-Controller Rosemary Bettencourt and Deputy County Counsel Dan Wolk.

PLEDGE OF ALLEGIANCE

This meeting of the Solano Consolidated Oversight Board continued with the Salute to the Flag.

PUBLIC COMMENT

Chairperson Sampayan invited members of the public to address the Board on matters not listed on the agenda but within the subject matter jurisdiction of the Board. There were no public comments.

ADDITIONS/DELETIONS TO THE AGENDA

There were no additions to or deletions from the Solano Consolidated Oversight Board agenda for January 10, 2019.

APPROVAL OF THE AGENDA

On motion of Board Member Welch, seconded by Board Member Feinstein, the Board approved the agenda of the Solano Consolidated Oversight Board for January 10, 2019 as submitted. So ordered by 6-0 vote.

PUBLIC COMMENT ON CONSENT CALENDAR

Chairperson Sampayan invited members of the public to address the Board on matters listed on the Consent Calendar. There were no public comments.

CONSENT CALENDAR

1 [COB 19-7](#)

Accept the Solano Consolidated Oversight Board meeting calendar

Attachments: [A - Meeting Schedule](#)
 [Minute Order](#)

Board Member Welch advised that he would not be able to attend the February 14, 2019 scheduled meeting.

Board Member Diamond arrived at the dais.

On motion of Board Member Feinstein, seconded by Board Member Wilkerson, the Board accepted the Solano Consolidated Oversight Board meeting calendar. So ordered by 7-0 vote.

REGULAR CALENDAR

2 [COB 19-2](#)

Consider adopting a resolution approving the Recognized Obligation Payment Schedule (ROPS) and Administrative Budget for the Dixon Successor Agency for the period from July 1, 2019 through June 30, 2020

Attachments: [A - Resolution](#)
 [B - ROPS 19-20](#)
 [C - Administrative Budget](#)
 [Minute Order](#)

City of Dixon representative Michelle Wilder provided the Board with an overview of the item.

Board Member Wilkerson asked why there was not a cash balance report for the period of July 1, 2017 to July 1, 2018.

Ms. Wilder noted that successor agency staff had followed the reporting requirements set by the state.

Auditor-Controller Phyllis Taynton advised that the state did set the date period requirements and noted that staff would follow up and provide this data to the Board.

Board Member Wilkerson advised that it would be helpful to have this information when being asked to approve the ROPS.

Ms. Wilder advised that the agency would not receive the first half of funds for the 18-19 payment until January and would not receive the other half until July.

Mr. Wilkerson noted that there was approximately 18 months of information missing from July of 2017 to current.

Chairperson Sampayan noted that he was hesitant to approve the item given the missing information.

Ms. Taynton advised that once the Board approved the ROPS, the State Department of Finance (DOF) and the County Auditor-Controller both individually conducted a review of the ROPS and provided a report of any discrepancies. She encouraged the Board to approve the item and advised that staff would clarify the reporting and conduct a reconciliation.

Mayor Sampayan advised that a discrepancy would be difficult to amend later.

Deputy Auditor-Controller Rosemary Bettencourt advised that the Auditor-Controller's Office annually reviewed the ROPS prior period adjustments where the cash balance came into play. She noted that once the ROPS was approved, staff would look at the expenditures of the agency and would take back any unused funds. She advised that the Auditor-Controller's Office would be submitting this information to the DOF on February 1, 2019 for the period of 16-17 and advised that there would always be a gap of time due to the reporting requirements. She then advised that the agencies would be sanctioned by the state at a rate of \$10,000 per day if the approved ROPS were not submitted by February 1st.

Board Member Welch commented that what the Board was being asked to approve was the obligations the successor agency has moving forward and not the current cash balance or what the payments would be in the current year. He then asked what would happen if there was not enough cash to pay for the 19-20 obligations.

Ms. Bettencourt advised that the 19-20 obligations were coming from property tax and that funding would be coming on June 1st from the April apportionment. She noted that adjustments were done after the fact and that it was not a matter of the cash the agency had on hand.

On motion of Board Member Welch, seconded by Board Member Feinstein, the Board adopted Resolution No. 2019-1 approving the Recognized Obligation Payment Schedule (ROPS) and Administrative Budget for the Dixon Successor Agency for the period from July 1, 2019 through June 30, 2020. Board Member Wilkerson voted no. So ordered by 6-1 vote.

Enactment No: Resolution 2019-1

3 **COB 19-3**

Consider adopting a resolution approving the Recognized Obligation Payment Schedule (ROPS) and Administrative Budget for the Fairfield Successor Agency for the period of July 1, 2019 through June 30, 2020

Attachments: [A - Resolution](#)
 [B - ROPS 19-20](#)
 [C - Administrative Budget](#)
 [Minute Order](#)

City of Fairfield Budget Manager Brian Chua provided an overview of the item.

Board Member Wilkerson asked what the cash balance was for fiscal year 2017/18.

City of Fairfield Principal Accountant Myles Dixon advised that there was a cash balance of \$4.6 million to pay for July 2018 through June 2019. He advised that there was sufficient cash for that time period and that the funding for fiscal year 2019/20 was what was being requested.

On motion of Board Member Tedder, seconded by Board Member Welch, the Board adopted Resolution No. 2019-2 approving the Recognized Obligation Payment Schedule (ROPS) and Administrative Budget for the Fairfield Successor Agency for the period of July 1, 2019 through June 30, 2020. Board Member Wilkerson voted no. So ordered by 6-1 vote.

Enactment No: Resolution 2019-2

4 **COB 19-1**

Consider adopting a resolution approving a Recognized Obligation Payment Schedule (ROPS) and Administrative Budget for the City of Suisun City Successor Agency for the period of July 1, 2019 through June 30, 2020

Attachments: [A - Resolution](#)
 [B - ROPS 19-20](#)
 [C - Administrative Budget](#)
 [Minute Order](#)

City of Suisun City Development Services Director Tim McNamara provided an overview of the item.

On motion of Board Member Welch, seconded by Board Member Feinstein, the Board adopted Resolution No. 2019-3 approving a Recognized Obligation Payment Schedule (ROPS) and Administrative Budget for the City of Suisun City Successor Agency for the period of July 1, 2019 through June 30, 2020. Board Member Wilkerson voted no. So ordered by 6-1 vote.

Enactment No: Resolution 2019-3

5 [COB 19-4](#)

Consider adopting a resolution approving the Recognized Obligation Payment Schedule (ROPS) for the Successor Agency of the Redevelopment Agency of the City of Vacaville for the period of July 1, 2019 through June 30, 2020

Attachments: [A - Resolution](#)
 [B - ROPS 19-20](#)
 [Minute Order](#)

City of Vacaville Housing Services Director Emily Cantu provided an overview of the item.

Board Member Wilkerson asked what the cash balance was.

Ms. Cantu advised that she did not have the information with her.

Board Member Feinstein asked if Vacaville was the only community that did not have an administrative allowance. He asked why Vacaville was not eligible for the allowance.

Ms. Cantu advised that a calculation in the law determined the administrative allowance which was based on the property tax funds received in the prior fiscal year. She noted that Vacaville had enough cash on hand in the prior year to pay obligations and was not eligible for the allowance.

Board Member Feinstein commented on the calculation of the ROPS for the total obligation for the administration portion for Vacaville and asked that there be consistency in the future in how the agencies calculated this.

Auditor-Controller Phyllis Taynton advised that staff would look at this to determine if the calculation should be for the current year or a cumulative amount of years.

In response to a question from Board Member Welch, Ms. Cantu advised that the agency was requesting a change to be made for the total outstanding administration allowance to take it to zero.

Ms. Taynton advised that the agency had reported the allowance as an obligation but was not requesting funding for it, therefore the change would not affect the funding request that the Board was being asked to approve.

On motion of Board Member Welch, seconded by Board Member Sperring, the Board adopted Resolution No. 2019-4 approving the Recognized Obligation Payment Schedule (ROPS) for the Successor Agency of the Redevelopment Agency of the City of Vacaville for the period of July 1, 2019 through June 30, 2020. Board Member Wilkerson voted no. So ordered by 6-1 vote.

Enactment No: Resolution 2019-4

6 **COB 19-5**

Consider adopting a resolution approving the Recognized Obligation Payment Schedule (ROPS) and Administrative Budget for the Vallejo Successor Agency for the period of July 1, 2019 through June 30, 2020

Attachments: [A - Resolution](#)
 [B - ROPS 19-20](#)
 [C - Administrative Budget](#)
 [Minute Order](#)

City of Vallejo Deputy Finance Director Florita Cruz provided an overview of the item.

On motion of Board Member Welch, seconded by Board Member Feinstein, the Board adopted Resolution No. 2019-5 approving the Recognized Obligation Payment Schedule (ROPS) and Administrative Budget for the Vallejo Successor Agency for the period of July 1, 2019 through June 30, 2020. Board Member Wilkerson voted no. So ordered by 6-1 vote.

Enactment No: Resolution 2019-5

7 **COB 19-6**

Consider reaffirming current Chairperson and Vice Chairperson to the Solano Consolidated Oversight Board to serve from July 2019 through December 2019

Attachments: [Minute Order](#)

Auditor-Controller Phyllis Taynton provided an overview of the item.

On motion of Board Member Spering, seconded by Board Member Diamond, the Board affirmed the continuing appointment of Chairperson Sampayan and Vice Chairperson Welch for the Solano Consolidated Oversight Board to serve from July 2019 thru December 2019. So ordered by 7-0 vote.

BOARD COMMENTS

Chairperson Sampayan invited members of the Board to make comments.

Board Member Spering commented on the need for staff to define to the Board that the successor agencies were meeting the requirements of reporting and filing and that there was no outstanding balances or concerns. He also suggested including an explanation of the process, especially if there were any outstanding property taxes.

Auditor-Controller Phyllis Taynton clarified that the agencies were meeting the requirements. She noted that the Auditor-Controller staff audited the ROPS after the Board approved them and then reported back to the State Department of Finance.

Board Member Spering noted that it was important to make the statement that the successor agencies were providing the required information.

Ms. Taynton noted that staff would make sure this was stated in the future.

In response to a question from Board Member Tedder, Ms. Taynton provided an overview of past actions and requirements for each city successor agency oversight board and noted that the ROPS were outstanding obligations from prior years that had been reviewed already by the Department of Finance. She advised that there should not be much that changed from year to year moving forward as the affairs of each successor agency were winding down.

In response to a question from Board Member Feinstein, Ms. Taynton noted that the City of Benicia did not have a redevelopment agency and that the City of Rio Vista had no outstanding obligations but was winding down its affairs.

Chairperson Sampayan asked that the requests made by Board Member Wilkerson be followed up on and provided to the Board. He then requested that the results of the audit to be conducted by the Auditor-Controller in March be shared with the Board.

Ms. Taynton advised that staff would gather information from the Department of Finance regarding reporting of 2016/2017 balances and why they were two years in arrears. She then advised that, on an annual basis, Auditor-Controller staff would audit the prior-period adjustments submitted by the successor agencies and would then reconcile those balances. She noted that the staff would get the 2016/2017 cash balances from the Department of Finance and ask each successor agency to roll forward those balances to June 30, 2018 and would report this information back to the Board.

ADJOURNMENT:

This meeting of the Solano Consolidated Oversight Board adjourned at 9:33 A.M. Next meeting of the Solano Consolidated Oversight Board will be February 14, 2019 at 9:00 A.M., Board Chambers, 675 Texas Street, Fairfield, California.

BOB SAMPAYAN, Chairperson
Solano Consolidated Oversight Board

ATTEST:

By _____
Jeanette Neiger, Secretary