



April 26, 2013

Ms. Dori Boyer, Management Technician
Community Development Department
City of San Buenaventura
501 Pol Street, #133
Ventura, CA 93001

Dear Ms. Boyer:

Subject: Other Funds and Accounts Due Diligence Review

This letter supersedes the California Department of Finance's (Finance) original Other Funds and Accounts (OFA) Due Diligence Review (DDR) determination letter dated March 22, 2013. Pursuant to Health and Safety Code (HSC) section 34179.6 (c), the City of San Buenaventura Successor Agency (Agency) submitted an oversight board approved OFA DDR to Finance on January 9, 2013. The purpose of the review was to determine the amount of cash and cash equivalents available for distribution to the affected taxing entities. Finance issued an OFA DDR determination letter on March 22, 2013. Subsequently, the Agency requested a Meet and Confer session on one or more items adjusted by Finance. The Meet and Confer session was held on April 11, 2013.

Based on a review of additional information and documentation provided to Finance during the Meet and Confer process, Finance has completed its review of those specific items being disputed. Specifically, the following adjustments were made:

- Balances retained for fiscal year 2012-13 obligations in the amount of \$106,398. The Agency is requesting to retain excess balances from Redevelopment Property Tax Trust Fund (RPTTF) distribution for the Recognized Obligation Payment Schedule (ROPS) period of January through June 2012 (ROPS I). The amount represents unexpended amounts of \$103,898 and line Item 18 for \$2,500 in ROPS I. The Agency did not contest Finance's determination in regard to line Item 18 in the amount of \$2,500.

The Agency provided documentation to support \$103,898 of the unencumbered balance was adjusted by the County Auditor-Controller as a Prior Period Adjustment on the January through June 2013 ROPS distribution pursuant to HSC section 34186 (a). Therefore, the Agency will be permitted to retain these balances. However, the reversal of Finance's prior denial of \$103,898 requested retention has no effect on the balance available for distribution. As stated in our March 22, 2013 letter, the Agency does not have any unencumbered OFA balances available for distribution.

This is Finance's final determination of the OFA balances available for distribution to the taxing entities.

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Pursuant to HSC sections 34167.5 and 34178.8, the California State Controller's Office (Controller) has the authority to claw back assets that were inappropriately transferred to the city, county, or any other public agency. Determinations outlined in this letter do not in any way eliminate the Controller's authority.

Please direct inquiries to Evelyn Suess, Supervisor or Danielle Brandon, Analyst at (916) 445-1546.

Sincerely,



STEVE SZALAY
Local Government Consultant

cc: Mr. Jeffery Lambert, Community Development Director, City of San Buenaventura
Ms. Sandra Bickford, Chief Deputy, County of Ventura
California State Controller's Office