

**OVERSIGHT BOARD  
RESOLUTION NO. 2012-08-1025**

**A RESOLUTION OF THE OVERSIGHT BOARD OF  
THE SUCCESSOR AGENCY TO THE  
REDEVELOPMENT AGENCY APPROVING THE  
SUCCESSOR AGENCY ADMINISTRATIVE BUDGET  
FOR JANUARY 1 – JUNE 30, 2013**

**WHEREAS**, the Successor Agency to the Redevelopment Agency of the City of San José (“Successor Agency”) must meet administrative, legislative, and financial deadlines to comply with AB X1 26; and

**WHEREAS**, one of the provisions of AB X1 26 is Section 34177(j) of the Health and Safety Code, which requires the Successor Agency to prepare an administrative budget for each six-month period, and submit it to its Oversight Board for approval; and

**WHEREAS**, Health and Safety Code Section 34177(j) also requires that the Successor Agency's administrative costs not exceed three percent (3%) of the property tax allocated to the Successor Agency each fiscal year; and

**WHEREAS**, based on current projected tax increment for FY 2012-2013 of \$169 million, the maximum allowable administrative costs are approximately \$5.1 million for FY 2012-2013. The Successor Agency's proposed total Administrative Budget for 2012-2013 reflects estimated expenditures of \$2.5 million, 49% of the estimated allowable expenditures; and

**WHEREAS**, the proposed Successor Agency Administrative Budget for the period of January 1 – June 30, 2013 (“Administrative Budget”), has been prepared and is attached to this resolution as Attachment A; and

**WHEREAS**, on August 21, 2012, the City Council and Successor Agency approved the Administrative Budget, which includes Successor Agency personnel and non-personal costs, and City of San Jose support services;

**NOW, THEREFORE**, BE IT RESOLVED THAT THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SAN JOSE:

1. Finds that the Successor Agency's administrative costs do not exceed three percent (3%) of the property tax allocated to the Successor Agency for FY 2012-2013.
2. Approves the Successor Agency Administrative Budget for the period of January 1 – June 30, 2013, attached hereto.

ADOPTED this 23<sup>rd</sup> day of August 2012, by the following vote:

AYES: SINGH, GAGE, MADULI, ANDRADE, HARRISON,  
SHELTON; REED

NOES: NONE.

ABSENT: NONE.

DISQUALIFIED: NONE.

  
CHUCK REED  
Chair

ATTEST:  
  
DENNIS D. HAWKINS, CMC  
Successor Agency Clerk

PROPOSED

SARA Administrative Budget  
January - June 2013

Attachment A

Administration of Operation	Payee	Description of Work	Source/Payment 34177 (1)(1)(A-E) *	Total
Successor Agency personnel	Personnel Staff	Personnel costs for operations	City of San Jose General Fund Transfer	494,010
SJRA - unemployment benefits	EDD	Ongoing Unemployment benefits of former staff	CSJ General Fund Transfer	30,000
Successor Agency operations	Value Business Products	Office supplies/equipment on an as-needed basis	CSJ General Fund Transfer	300
Successor Agency operations	AT&T Mobility	Monthly cell phone usage - SARA employees	CSJ General Fund Transfer	1,300
Successor Agency operations	City of San José	SARA phone bill	CSJ General Fund Transfer	1,200
Successor Agency operations	Pitney Bowes Global Financial	Lease of postage meter machine	CSJ General Fund Transfer	2,392
Successor Agency operations	Ricoh	Monthly lease and usage of copiers	CSJ General Fund Transfer	4,200
Successor Agency operations	Misc Vendors	Meeting and office equipment maintenance expenses	CSJ General Fund Transfer	750
Successor Agency operations	CDW-Government, Inc.	Computer/printer supplies on an as-needed basis	CSJ General Fund Transfer	300
Successor Agency financial system	Systems Management, Inc.	JD Edwards Technical Support Services*	CSJ General Fund Transfer	1,500
Successor Agency operations	Chang, Ruthenberg & Long PC	Legal Services - Employee Benefits**	CSJ General Fund Transfer	600
Successor Agency operations	Jones Hall	Legal services on an as-needed basis**	CSJ General Fund Transfer	10,000
Successor Agency operations	TBD - Outside Counsel	Oversight Board legal services*	CSJ General Fund Transfer	10,000
Annual financial audit	Macias, Gint & O'Connell, I.L.P	Financial Audit Services	CSJ General Fund Transfer	30,260
Due Diligence Review	BPM	Audit services required by AB1484 to complete new "due diligence review" requirements.	CSJ General Fund Transfer	75,000
Successor Agency employee benefit plan	EFLEXGROUP, Inc.	Flexible spending account administration-employee benefit	CSJ General Fund Transfer	300
Successor Agency operations	ADP, Inc.	Services associated with SARA payroll processing	CSJ General Fund Transfer	4,020
Successor Agency retirement plans	Standard Retirement Services, Inc.	Investment administration services	CSJ General Fund Transfer	2,000
Successor Agency retirement plans	Slancorp Investment Advisers, Inc.	Investment services	CSJ General Fund Transfer	8,000
Successor Agency employee benefit plan	Lee Hacht Harrison I.L.C	Transillon Employment Services**	CSJ General Fund Transfer	2,000
Successor Agency operations	Oracle America, Inc.	JD Edwards Financial Software Update License & Support	CSJ General Fund Transfer	18,334
Successor Agency operations	Progeni Corporation	Information technology network system assessment in connection with IT	CSJ General Fund Transfer	1,000
Successor Agency operations	Ross Financial	On-going financial advisor services **	CSJ General Fund Transfer	5,000
City Support Services	City of San José	City staff costs (legal, Clerck, financial, housing, oversight)	CSJ General Fund Transfer	526,000
City Hall Lease	City of San José	Leased space-14th Floor Tower	CSJ General Fund Transfer	60,000
<b>ADMINISTRATION BUDGET JANUARY - JUNE 2013</b>				<b>1,278,456</b>
* The source of funding for these services is intended to be the Redevelopment Property Tax Trust Fund, however, due to projected insufficient tax increment to cover obligations, it is recommended that the City's General Fund provide support.				
** Contracted services on an as-needed basis				