

*City of Brisbane  
Successor Agency  
Agenda Report*

To: City Council via City Manager  
From: Stuart Schillinger, Administrative Services Director  
Subject: Proposed Budget for FY 2013/14  
Date: April 15, 2013

**Purpose:**

Ensure the administrative expenses of the Successor Agency are properly charged.

**Recommendation:**

Preliminarily approve the proposed budget for the Successor Agency and forward to the Oversight for their review and approval.

**Background:**

The City's Redevelopment Agency was replaced with the Successor Agency to the Redevelopment Agency. According to State Law the Successor Agency is allowed a minimum of \$250,000 for administration. The Successor Agency needs to approve this budget and then have reviewed and approved by the Successor Agency's Oversight Board. The Oversight Board's next meeting is April 17<sup>th</sup>.

**Discussion:**

The City is allowed to charge staff time dedicated to the Successor Agency as well as outside contracts to the Agency. Based on the previous year and issues which will arise in the former Redevelopment Areas staff anticipates the following staff time will be used: 20% of the City Clerk time, 20% of the City Manager's time, 30% of the Deputy Finance Director's time, 20% of the Administrative Services Director time, and 5% of the Community Development Director's time. Additionally, the Successor Agency needs to pay for its annual audit and attorney fees including the time spent by the City Attorney on Successor Agency issues, our special counsel Goldfarb and Lipman, and the Oversight Board's attorney.

Attached are the budget pages related to the Successor agency.

**Fiscal Impact:**

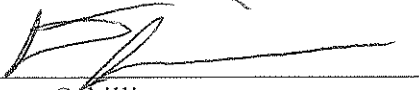
The City budget, when presented in May, will include the Successor Agency budget. The \$250,000 administrative expense reimbursement will be reflected in the City's final budget.

**Measure of Success**

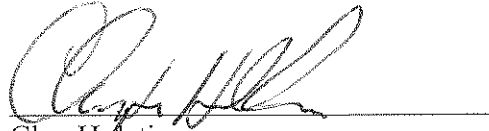
The City tracks the expenses of the Successor Agency separately.

**Attachments:**

Budget for the Successor Agency.



Stuart Schillinger  
Administrative Services Director



Clay Holstine  
City Manager

Department/Division: 7082 Successor Agency		Successor Agency Fund Fund 880			
Account and Title:	2009/10 Actual Expended	2010/11 Actual Budget	2011/12 Actual Budget	2012/13 Approved Budget	2013/14 Proposed Budget

<b>SERVICES AND SUPPLIES</b>					
52232 Maintenance - Structures			240		
52233 Memberships					
52234 Office Expense			98		
52235 Professional Services			13,817	20,000	31,000
52241 Special Department Expense					
52243 Travel and Training					
<b>Total Services &amp; Supplies</b>			<b>13,915</b>	<b>20,000</b>	<b>31,000</b>
<b>EXPENDITURE TRANSFERS</b>					
54100 Administrative Charges				231,388	219,101
<b>Total Expenditure Transfers</b>			<b>0</b>	<b>231,388</b>	<b>219,101</b>
55950 Miscellaneous Expense					
<b>TOTAL BUDGET</b>			<b>13,915</b>	<b>251,388</b>	<b>250,101</b>

**Successor Agency to the Redevelopment Agency**

**Mission Statement**

The mission of the Successor Agency is to ensure payment of all of the former Redevelopment Agency's debts and liabilities in a timely and appropriate fashion.

**Department Description**

**Budget Line Item Descriptions**

**52235 Professional Services**

	2009/10	2010/2011	2011/2012	2012/2013	2013/14
Maintenance of Successor Agency				5,000	
Property					
Audit Costs					7,000
Outside Attorney Costs				<u>15,000</u>	<u>24,000</u>
<b>Total</b>				<b>20,000</b>	<b>31,000</b>

**54100 Administrative Charges**

Other city departments perform services for the Successor Agency. The Successor Agency employs no workers; therefore city staff provides the labor needed to accomplish its goals. Salaries and benefit costs as well as a portion of the Services and Supplies cost for those workers performing these services are charged on a set percentage basis to the Project Area budget and correspondingly credited to the appropriate department. These charges are composed of the following:

<u>Position</u>	<u>Salary</u> <u>2013/14</u>	<u>Benefits</u> <u>2013/14</u>	<u>Insurance</u>	<u>Total</u>
City Clerk	21,012	7,808	2,884	31,704
City Manager	41,063	18,608	5,636	65,307
Administrative Services Director	37,124	14,786	5,096	57,006
Deputy Finance Director	36,454	14,209	5,004	55,666
Community Development Director	6,906	1,564	948	9,417