

COMMISSION ON STATE MANDATES

980 NINTH STREET, SUITE 300
SACRAMENTO, CA 95814
PHONE: (916) 323-3562
FAX: (916) 445-0278
E-mail: csminfo@csm.ca.gov



September 27, 2002

Mr. J. Bradley Burgess
League of California Cities
4320 Auburn Blvd., Suite 2000
Sacramento, CA 95841

Mr. Mike Havey
State Controller's Office
Division of Accounting and Reporting
3301 C Street, Suite 501
Sacramento, CA 95816

RE: *Investment Reports*

Incorrect Reduction Claims of:

County of Glenn, 02-9635802-I-19
City of Huntington Beach, 02-9635802-I-20
City of Laguna Beach, 02-9635802-I-21
City of Redding, 02-9635802-I-22
City of West Covina, 02-9635802-I-23
City of Cerritos, 02-9635802-I-24
City of Irvine, 02-9635802-I-25
City of Westminster, 02-9635802-I-26
County of Marin, 02-9635802-I-27
County of Seaside, 02-9635802-I-28

Government Code Section 53646

Statutes 1995, Chapter 783 (SB 564)

Statutes 1996, Chapters 156 (SB 864) and 749 (SB 109)

Fiscal Years 1995-96 through 1997-98 (Counties of Glenn and Marin)

Fiscal Years 1995-96 through 1996-97 (Cities of Huntington Beach, Laguna Beach,
Redding, West Covina, Cerritos, Irvine, and Westminster)

Fiscal Year 1995-96 (City of Seaside)

Dear Mr. Burgess and Mr. Havey:

On September 19, 2002, the above-named claimants filed incorrect reduction claims (IRCs) with the Commission on State Mandates (Commission) based on the *Investment Reports* program. Commission staff determined that the IRC filings are complete.

Government Code section 17551, subdivision (b), requires the Commission to hear and decide upon claims filed by local agencies and school districts that the State Controller's Office (SCO) has incorrectly reduced payments to the local agencies or school districts.

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SCO Review and Response. Please file the SCO response and supporting documentation regarding these claims within 90 days of the date of this letter. Please include an explanation of the reason(s) for the reductions and the computation of reimbursements. All documentary evidence must be authenticated by declarations under penalty of perjury signed by persons who are authorized and competent to do so and be based on the declarant's personal knowledge, information or belief. The Commission's regulations also require that the responses (opposition or recommendation) filed with the Commission be simultaneously served on the claimants and their designated representatives, and accompanied by a proof of service. (Cal. Code Regs., tit. 2, § 1185.01.)

The failure of the SCO to respond within this 90-day timeline shall not cause the Commission to delay consideration of these IRCs.

Claimant's Rebuttal. Upon receipt of the SCO response, the claimant and interested parties may file rebuttals. The rebuttals are due 30 days from the service date of the response.

Prehearing Conference. A prehearing conference will be scheduled if requested.

Public Hearing and Staff Analysis. The public hearing on these claims will be scheduled after the records close. Staff analyses will be issued on the IRCs at least eight weeks prior to the public hearing.

Dismissal of Incorrect Reduction Claims. Under section 1188.31 of the Commission's regulations, IRCs may be dismissed if postponed or placed on inactive status by the claimant for more than one year. Prior to dismissing a claim, the Commission will provide 60 days notice and opportunity for the claimant to be heard on the proposed dismissal.

Please contact Nancy Patton at (916) 323-8217 if you have any questions.

Sincerely,



SHIRLEY OPIE
Assistant Executive Director

Enclosures: Incorrect Reduction Claims Filings (10) - (SCO only)