

From: Richard Nichols
Sent: Sunday, February 24, 2013 8:24 AM
To: Jose Henriquez; Erica Sanchez
Subject: Grassy Run CSD

José and Erica:

Has the \$5K issue between LAFCO and the County been resolved and put to bed?

I ask this because I have just received a "closing statement" from DOT regarding all of its expenditures in performance of the County's contract with the Grassy Run CSD. That "closing statement" shows that the County expended a total of \$107,840.58 in such performance. That was approximately (within about \$150 of) the balance of the CSD's assets in the Spring of 2012, when performance of the contract commenced, after presumed payment of all of LAFCO's fees and expenses. I think we all assumed that that would be the total net amount of CSD funds that would be transferred to the County.

That assumption failed to take into account, however, certain partial insurance premium refunds paid to the CSD thereafter, which I in turn delivered to the Auditor-Controller's Office. Specifically, those refunds were:

1. \$687.00, delivered to the Auditor-Controller's Office in late September 2012;
2. \$3,047.50, delivered to the Auditor-Controller's Office in late October 2012; and
3. \$1,044.89, delivered to the Auditor-Controller's Office in late January 2013.

This totals \$4,779.39, not including the approximately \$150, or nearly the \$5K that was at issue between LAFCO and the County. If LAFCO has not recovered the \$5K that it is claiming, those insurance premium refunds might be a source of such payment for you.

The Auditor-Controller's Office may or may not already have disclosed the foregoing to you. If it has not, however, I think you are entitled to the information.

Richard W. Nichols