



April 26, 2012

Rick Warsinski, City Manager  
City of Buena Park  
6650 Beach Boulevard  
Buena Park, CA 90622

Dear Mr. Warsinski:

Pursuant to Health and Safety Code (HSC) section 34177 (l) (2) (C), the City of Buena Park (City) Successor Agency submitted a Recognized Obligation Payment Schedule (ROPS) to the California Department of Finance (Finance) on April 11, 2012 for the period January through June 2012. Finance staff contacted you for clarification of items listed in the ROPS.

HSC section 34171 (d) lists enforceable obligation (EO) characteristics. Based on a sample of line items reviewed and application of the law, the following do not qualify as EOs:

- Item No. 100 – Match Grant of \$50,000. A California Department of Transportation grant was awarded on July 26, 2011 to the City in the amount of \$200,000. The City was to provide matching funds in the amount of \$50,000 for the Multi-Modal Mobility Action Plan. HSC section 34163 (b) prohibits these commitments to commence if valid contracts have not been entered into prior to June 28, 2011.

As authorized by HSC section 34179 (h), Finance is returning your ROPS for your reconsideration. This action will cause the specific ROPS items noted above to be ineffective until Finance approval. Furthermore, items listed on future ROPS will be subject to review and may be denied as EOs.

If you believe we have reached this conclusion in error, please provide further evidence that the items questioned above meet the definition of an EO.

Please direct inquiries to Chikako Takagi-Galamba, Supervisor or Wendy Griffe, Lead Analyst at (916) 322-2985.

Sincerely,

MARK HILL  
Program Budget Manager

cc: May Hui, Economic Development Director, City of Buena Park  
Scott Riordan, Project Manager, City of Buena Park  
Melissa Dhauw, Administrative Analyst, City of Buena Park  
Frank Davies, Orange County Auditor Controller