



DEPARTMENT OF
FINANCE

EDMUND G. BROWN JR. • GOVERNOR

915 L STREET ■ SACRAMENTO CA ■ 95814-3706 ■ WWW.DOF.CA.GOV

May 17, 2012

Kevin McCarthy, City Finance Director
City of Indian Wells
44-950 Eldorado Drive
Indian Wells, CA 92210-7497

Dear Mr. McCarthy:

Pursuant to Health and Safety Code (HSC) section 34177 (l) (2) (C), the Indian Wells (City) Successor Agency (SA) submitted revised Recognized Obligation Payment Schedules (ROPS) to the California Department of Finance (Finance). 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:

January through June 2012 Period

Item 8, 11, and 12 total \$615,656 is for contracts with the City and not the SA. Therefore, no EO has been established.

July through December 2012 Period

Item 8 for \$100,000 has no supporting document. Therefore, the EO is not established.

As authorized by HSC section 34179 (h), Finance is returning your ROPS for reconsideration. This action will cause the 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 evidence the items above meet the definition of an EO and submit to Redevelopment_Administration@dof.ca.gov.

Finance may continue to review items on the ROPS in addition to those mentioned above and identify additional issues. We will provide separate notice if we are requesting further modifications to the ROPS. It is our intent to provide an approval notice with regard to each ROPS prior to the June 1 property tax distribution date.

Please direct inquiries to Robert Scott, Supervisor or Kylie Le, Lead Analyst at (916) 322-2985.

Sincerely,

MARK HILL
Program Budget Manager

cc: Ms. Pam Elias, Chief Accountant Property Tax Division, County of Riverside
Ms. Jennifer Baechel, Business Process Analyst II, County of Riverside
Ms. April Nash, Supervising Accountant, County of Riverside