



DEPARTMENT OF  
**FINANCE**

EDMUND G. BROWN JR. • GOVERNOR

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

May 11, 2012

Tina Olson, Director of Finance and Administration  
City of Pittsburg  
65 Civic Avenue  
Pittsburg, CA 94565

Dear Ms. Olson:

Pursuant to Health and Safety Code (HSC) section 34177 (l) (2) (C), the City of Pittsburg Successor Agency submitted a Recognized Obligation Payment Schedule (ROPS) to the California Department of Finance (Finance) on April 26, 2012 for the period January through June 2012 and July through December 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:

Page 1, line 50, for the period January through June 2012 totaling \$1 million. This is an inter-fund loan with no supporting documents.

Page 3, line 141, for the period January through June 2012, and page 1, line 44, for the period July through December 2012 totaling \$1.6 million. HSC section 34163(b) prohibits a redevelopment agency from entering into a contract with any entity after June 27, 2011. The contract for this item was signed after June 27, 2011.

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.

Finance may continue to review items on the ROPS and identify additional issues. A separate notice will be provided if we require 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.

If you disagree with our conclusion please provide evidence items questioned meet the definition of an EO and submit to [Redevelopment\\_Administration@dof.ca.gov](mailto:Redevelopment_Administration@dof.ca.gov).

Please direct inquiries to Robert Scott or Jenny DeAngelis at (916) 322-2985.

Sincerely,

MARK HILL  
Program Budget Manager

cc: Mr. Bob Campbell, Auditor-Controller, Alameda County  
Mr. Jay Wilverding, Chief Accountant, Alameda County