



Transmitted via e-mail

March 28, 2025

Jamie Murguia, Finance Manager
City of Artesia
18747 Clarkdale Avenue
Artesia, CA 90701

2025-26 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Artesia Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period July 1, 2025 through June 30, 2026 (ROPS 25-26) to the California Department of Finance (Finance) on January 27, 2025. Finance has completed its review of the ROPS 25-26.

Based on a sample of line items reviewed and application of the law, Finance made the following determinations:

- The Agency requested to fund the following items from Bond Proceeds in error. Therefore, with the Agency's concurrence, the funding source for the following items has been reclassified in the amounts specified below:
 - Item No. 3 – Tax Allocation Bond Disclosure Fees. The requested \$4,300 has been reclassified from Bond Proceeds to Redevelopment Property Tax Trust Fund (RPTTF).
 - Item No. 16 – Tax Allocation Bond Trustee Fees. The requested \$4,500 has been reclassified from Bond Proceeds to RPTTF.
 - Item No. 21 – Administration and Overhead. The requested \$33,360 has been reclassified from Bond Proceeds to Administrative RPTTF.
 - Item No. 23 – 2022A Tax Allocation Refunding Bonds. The requested \$739,743 has been reclassified from Bond Proceeds to RPTTF.
 - Item No. 24 – 2022B Tax Allocation Refunding Bonds. The requested \$220,277 has been reclassified from Bond Proceeds to RPTTF.

Pursuant to HSC section 34186, successor agencies are required to report differences between actual payments and past estimated obligations (prior period adjustments) for the July 1, 2022 through June 30, 2023 (ROPS 22-23) period. The ROPS 22-23 prior period adjustment (PPA) will offset the ROPS 25-26 RPTTF distribution. The amount of RPTTF authorized includes the PPA resulting from the County Auditor-Controller's review of the PPA form submitted by the Agency.

The Agency's maximum approved RPTTF distribution for the reporting period is \$409,488, as summarized in the Approved RPTTF Distribution table (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1, 2025 through December 31, 2025 period (ROPS A period), and one distribution for the January 1, 2026 through June 30, 2026 period (ROPS B period), based on Finance's approved amounts. Since this determination is for the entire ROPS 25-26 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

Except for the adjusted items, Finance approves the remaining items listed on the ROPS 25-26 at this time. If the Agency disagrees with our determination with respect to any items on the ROPS 25-26, except items which are the subject of litigation disputing our previous or related determinations, the Agency may request a Meet and Confer within five business days from the date of this letter. The Agency must use the RAD App to complete and submit its Meet and Confer request form. The Meet and Confer process and guidelines are available on our website:

http://dof.ca.gov/Programs/Redevelopment/Meet_And_Confer/

Absent a Meet and Confer, this is our final determination regarding the obligations listed on the ROPS 25-26. This determination only applies to items when funding was requested for the 12-month period. If a determination by Finance in a previous ROPS is currently the subject of litigation, the item will continue to reflect the determination until the matter is resolved.

The ROPS 25-26 form submitted by the Agency and this determination letter will be posted on our website:

<http://dof.ca.gov/Programs/Redevelopment/ROPS/>

This determination is effective for the ROPS 25-26 period only and should not be conclusively relied upon for future ROPS periods. All items listed on a future ROPS are subject to Finance's review and may be adjusted even if not adjusted on this ROPS or a preceding ROPS. The only exception is for items that have received a Final and Conclusive determination from Finance pursuant to HSC section 34177.5 (i). Finance's review of Final and Conclusive items is limited to confirming the scheduled payments as required by the obligation.

The amount available from the RPTTF is the same as the amount of property tax increment available prior to the enactment of the redevelopment dissolution law. Therefore, as a practical matter, the ability to fund the items on the ROPS with property tax increment is limited to the amount of funding available to the Agency in the RPTTF.

Jamie Murguia
March 28, 2025
Page 3

Please direct inquiries to RedevelopmentAdministration@dof.ca.gov.

Sincerely,

Original signed by:

Cheryl L. McCormick, CPA
Chief, Office of State Audits and Evaluations

cc: Mary Ann Laquian, Management Analyst, City of Artesia
Linda Santillano, Property Tax Apportionment Division Chief, Los Angeles County
Martha Arana, Countywide Oversight Board Representative

Attachment

Approved RPTTF Distribution July 2025 through June 2026			
	ROPS A	ROPS B	Total
RPTTF Requested	\$ 0	\$ 0	\$ 0
Administrative RPTTF Requested	0	0	0
Total RPTTF Requested	0	0	0
RPTTF Requested	0	0	0
<u>Adjustment(s)</u>			
Item No. 3	4,300	0	4,300
Item No. 16	4,500	0	4,500
Item No. 23	184,987	554,756	739,743
Item No. 24	73,954	146,323	220,277
	267,741	701,079	968,820
RPTTF Authorized	267,741	701,079	968,820
Administrative RPTTF Requested	0	0	0
<u>Adjustment(s)</u>			
Item No. 21	16,680	16,680	33,360
Administrative RPTTF Authorized	16,680	16,680	33,360
ROPS 22-23 Prior Period Adjustment (PPA)	(284,421)	(308,271)	(592,692)
Total RPTTF Approved for Distribution	\$ 0	\$ 409,488	\$ 409,488