



Transmitted via e-mail

April 15, 2022

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City of Roseville
316 Vernon Street, Suite 150
Roseville, CA 95678

2022-23 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Roseville Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period July 1, 2022 through June 30, 2023 (ROPS 22-23) to the California Department of Finance (Finance) on January 31, 2022. Finance has completed its review of the ROPS 22-23.

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

- Item No. 5 - City Loan No. 85671 between the former Roseville Redevelopment Agency (RDA) and the City of Roseville (City) in the total outstanding amount of \$85,671 is not allowed. The Agency did not provide a loan agreement to support a required repayment schedule or other mandatory loan terms as defined under HSC section 34171 (d) (1) (B) or accounting records for loans of money pursuant to HSC section 34191.4 (b) (2) (A). Therefore, the total requested amount of \$85,671 is not allowed.

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, 2019 through June 30, 2020 (ROPS 19-20) period. The ROPS 19-20 prior period adjustment (PPA) will offset the ROPS 22-23 Redevelopment Property Tax Trust Fund (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.

Based on our review of the PPA, Finance noted the Agency spent more than was authorized for the Administrative Cost Allowance. Finance authorized \$250,000 pursuant to the cap; yet a total of \$276,114 was reported as being spent. This is \$26,114 in excess of the maximum amount allowed pursuant to HSC section 34171 (b) (3). Further, pursuant to HSC section 34177 (a) (3), only those payments listed on a ROPS may be made by the Agency from the funds and source specified on the ROPS, up to the amount authorized by Finance. Finance reminds the Agency that funds in excess of the amounts authorized on the ROPS cannot be expended. Any excess funds must be retained and expended once the Agency receives approval for their use on a future ROPS.

The Agency's maximum approved RPTTF distribution for the reporting period is \$2,975,427, as summarized in the Approved RPTTF Distribution table (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1, 2022 through December 31, 2022 period (ROPS A period), and one distribution for the January 1, 2023 through June 30, 2023 period (ROPS B period), based on Finance's approved amounts. Since this determination is for the entire ROPS 22-23 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 22-23 at this time. If the Agency disagrees with our determination with respect to any items on the ROPS 22-23, 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 Meet and Confer process and guidelines are available on our website:

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

The Agency must use the RAD App to complete and submit its Meet and Confer request form.

Absent a Meet and Confer, this is our final determination regarding the obligations listed on the ROPS 22-23. 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 22-23 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 22-23 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.

Claudia Carreno
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Please direct inquiries to Todd Vermillion, Supervisor, or Sergey Fomin, Staff, at (916) 322-2985.

Sincerely,

Original signed by Cheryl L. McCormick for:

JENNIFER WHITAKER
Program Budget Manager

cc: Trisha Isom, Housing Manager, City of Roseville
Roxanne Nored, Managing Accountant Auditor, Placer County

Approved RPTTF Distribution July 2022 through June 2023			
	ROPS A	ROPS B	Total
RPTTF Requested	\$ 1,693,946	\$ 1,475,636	\$ 3,169,582
Administrative RPTTF Requested	79,860	50,000	129,860
Total RPTTF Requested	1,773,806	1,525,636	3,299,442
RPTTF Requested	1,693,946	1,475,636	3,169,582
<u>Adjustment(s)</u>			
Item No. 5	(85,671)	0	(85,671)
RPTTF Authorized	1,608,275	1,475,636	3,083,911
Administrative RPTTF Authorized	79,860	50,000	129,860
ROPS 19-20 prior period adjustment (PPA)	(238,344)	0	(238,344)
Total RPTTF Approved for Distribution	\$ 1,449,791	\$ 1,525,636	\$ 2,975,427