

Amended Recognized Obligation Payment Schedule Frequently Asked Questions

Question 1: What is an Amended ROPS?

Response: Pursuant to Health and Safety Code (HSC) section 34177 (o) (1) (E), once per ROPS period, the agency may submit one amendment to the ROPS approved by Finance and is subject to the following:

- The Amended ROPS must be approved by the Oversight Board (OB) and is due to Finance no later than **October 1**.
- The OB must make a finding that the revision is necessary for payment of **approved enforceable obligations** during the second half of the ROPS period (January 1 to June 30).
- The agency may *only* amend the amounts authorized for payment of **approved enforceable obligations**.
- A request to decrease a payment amount is *not necessary* and will not be approved. (See Question 12.)
- Finance's determination will be issued at least 15 days before the date of the property tax distribution.

Refer to HSC section 34177 (o) for details on specific requirements.

Question 2: How do I submit an Amended ROPS?

Response: Access the Amended ROPS template from the RAD App. Complete the "Requested Adjustments" section by entering adjustment amounts needed for the line item(s) as necessary. The template will be pre-populated with the amounts previously authorized for enforceable obligations during the Annual ROPS review. Once completed, submit the OB approved Amended ROPS through RAD App, as you would with the Annual ROPS. *See Amended ROPS Instructions for details.*

Question 3: The agency was approved for a total of \$2 million in Redevelopment Property Tax Trust Fund (RPTTF) for enforceable obligations (\$1 million for the A period and \$1 million for the B period) during the Annual ROPS period. However, the agency was only distributed \$900,000 in RPTTF during the A period, resulting in a RPTTF funding shortfall of \$100,000. Can the agency submit an Amended ROPS to request for the shortfall amount?

Response: No, the Agency's maximum authorized RPTTF distribution for the Annual ROPS period is \$2 million. Under this scenario, to the extent RPTTF is available during the B period, the Agency is authorized to receive up to \$1.1 million, which includes the B period amount of \$1 million and the A period shortfall amount of \$100,000, during the January 1 RPTTF distribution. Agencies are authorized to receive up to the maximum Finance authorized RPTTF amount through the combined ROPS A and B period distributions.

Question 4: Can the agency add line items to the Amended ROPS and request new funding?

Response: No. Pursuant to HSC section 34177 (o) (1) (E), the Agency may only amend the amount authorized for payment of approved enforceable obligations as listed on the Annual ROPS. Additionally, the RAD App will not allow additional line items to be added.

Question 5: When completing the Amended ROPS workbook, should the agency request the new adjusted total amount for the line item, or just the adjustment amount needed?

Response: Only request the adjustment amount needed. For example, if the agency needs an additional \$1,000 of RPTTF for a line item, simply enter \$1,000 in the "Requested Adjustments" section under the funding source column. *See Amended ROPS Instructions for a detailed example.*

Question 6: Does the Amended ROPS have a Meet and Confer process?

Response: No, there is not a formal Meet and Confer process for the Amended ROPS review. During their review, your Finance analyst may request additional documentation to justify the requested adjustments prior to the issuance of the determination letter.

Question 7: Will Finance accept Amended ROPS submitted after October 1?

Response: No. Pursuant to HSC section 34177 (o) (1) (E), the Amended ROPS is due to Finance no later than October 1.

Question 8: Our Agency recently refunded some of our bond debt, which resulted in lower debt service payments. Should we submit an Amended ROPS to reflect the new debt service payments?

Response: No. Submitting an Amended ROPS for this purpose is not necessary. The Agency may use the funding approved and distributed for the bonds that were refunded to pay the new debt service for the refunding bonds. Pursuant to HSC section 34186 (a), the Agency is required to report estimated obligations and actual payments. Any unspent funds should be reported as prior period adjustments.

The Agency should however, in the subsequent Annual ROPS separately identify the new refunding bonds as a new line item and retire the bond line items that have been refunded.

Question 9: Should an Agency submit an Amended ROPS to reflect adjustments made by Finance through the Annual ROPS review process?

Response: No. There is no need to submit an Amended ROPS for this purpose. Any adjustment made during the Annual ROPS process should already be captured in

Finance's Annual ROPS determination letter.

Question 10: Should an Agency submit an Amended ROPS to change the funding source for a particular line item or line items?

Response: No. Submitting an Amended ROPS for this purpose is not necessary. Pursuant to HSC section 34177 (a) (3), only those payments listed on an approved ROPS may be made by the Agency from funds specified. If the Agency needs to make payments for approved obligations from another funding source, HSC 34177 (a) (4) requires the Agency to first obtain oversight board approval. Therefore, the Agency's submittal of an oversight board action to Finance will suffice and the submittal of an Amended ROPS is not necessary.

Question 11: If an agency did not submit an Annual ROPS to Finance for review and approval, can an agency still submit an Amended ROPS?

Response: No. The purpose of the Amended ROPS process was to allow an agency to request funding necessary for the ROPS B period that was not originally anticipated for and therefore, not approved on the Annual ROPS. The agency will have to wait until the next Annual ROPS cycle to request for funding.

Question 12: Should an Agency submit an Amended ROPS to decrease amounts previously authorized for the B period?

Response: No. Submitting a request to decrease a payment amount is not necessary and is not authorized. To be eligible to request an amendment to the ROPS under HSC section 34177 (o) (1) (E), the request must be to make a necessary payment on an approved enforceable obligation in the second half of the ROPS period and the OB must make a finding that a revision is necessary. Because a decrease in a payment is not necessary, it will not be approved.