



March 29, 2019

Mr. David Defanti, Deputy County Executive Officer
Placer County
175 Fulweiler Avenue
Auburn, CA 95603

Dear Mr. Defanti:

Subject: 2019-20 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the Placer County Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period of July 1, 2019 through June 30, 2020 (ROPS 19-20) to the California Department of Finance (Finance) on January 22, 2019. Finance has completed its review of the ROPS 19-20.

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

- Item Nos. 23 and 24 – Unfunded liabilities for former Redevelopment Agency (RDA) Fund Public Employee Retirement System and RDA Fund Other Post Employee Benefits for the total outstanding amounts of \$841,950 and \$387,000, respectively, are not allowed. Previously, during the ROPS 17-18 period the Agency was unable to provide an agreement or contract between the RDA and the California Public Employees' Retirement System (CalPERS) or any other benefits provider to support the RDA's obligation. Currently, for the ROPS 19-20 period, no new documentation has been provided. Therefore, these items continue to not be enforceable obligations and the requested amounts of \$187,100 and \$86,000, respectively, in Redevelopment Property Tax Trust Fund (RPTTF) funding are not allowed.
- Item No. 41 – Project management costs in the amount of \$10,000. The Agency requested RPTTF funding for this item. Per discussion with the Agency, the requested \$10,000 has been reclassified from RPTTF to Administrative RPTTF funding.

Pursuant to HSC section 34186, successor agencies are required to report differences between actual payments and past estimated obligations. Reported differences in RPTTF are used to offset current RPTTF distributions. The amount of RPTTF approved in the table on Page 3 includes the prior period adjustment resulting from the County Auditor-Controller's review of the prior period adjustment form submitted by the Agency.

Except for the items adjusted, Finance is not objecting to the remaining items listed on the ROPS 19-20. If the Agency disagrees with our determination with respect to any items on the ROPS 19-20, 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 of 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's maximum approved RPTTF distribution for the reporting period is \$1,510,293 as summarized in the Approved RPTTF Distribution table on Page 3 (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1 through December 31 period (ROPS A period), and one distribution for the January 1 through June 30 period (ROPS B period) based on Finance approved amounts. Since this determination is for the entire ROPS 19-20 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

Absent a Meet and Confer, this is our final determination regarding the obligations listed on the ROPS 19-20. This determination only applies to items when funding was requested for the 12-month period. If a denial by Finance in a previous ROPS is currently the subject of litigation, the item will continue to be denied until the matter is resolved.

The ROPS 19-20 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 19-20 period only and should not be conclusively relied upon for future ROPS periods. All items listed on a future ROPS are subject to review and may be denied even if not denied 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 RPTTF is the same as the amount of property tax increment available prior to the enactment of 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 RPTTF.

Please direct inquiries to Cindie Lor, Supervisor, or Mathew Rios, Lead Analyst, at (916) 322-2985.

Sincerely,


JENNIFER WHITAKER
Program Budget Manager

cc: Mr. Daniel Vick, Budget Analyst, Placer County
Ms. Roxanne Nored, Managing Accountant Auditor, Placer County

Attachment

Approved RPTTF Distribution			
For the period of July 1, 2019 through June 30, 2020			
	ROPS A Period	ROPS B Period	ROPS 19-20 Total
RPTTF Requested	\$ 1,452,183	\$ 605,303	\$ 2,057,486
Administrative RPTTF Requested	50,000	50,000	100,000
Total RPTTF Requested	1,502,183	655,303	2,157,486
RPTTF Requested	1,452,183	605,303	2,057,486
<u>Adjustments</u>			
Item No. 23	(93,550)	(93,550)	(187,100)
Item No. 24	(43,000)	(43,000)	(86,000)
Item No. 41	(5,000)	(5,000)	(10,000)
	(141,550)	(141,550)	(283,100)
RPTTF Authorized	1,310,633	463,753	1,774,386
Administrative RPTTF Requested	50,000	50,000	100,000
<u>Adjustment</u>			
Item No. 41	5,000	5,000	10,000
Administrative RPTTF Authorized	55,000	55,000	110,000
Total RPTTF Authorized for Obligations	1,365,633	518,753	1,884,386
Prior Period Adjustment	(374,093)	0	(374,093)
Total RPTTF Approved for Distribution	\$ 991,540	\$ 518,753	\$ 1,510,293