



Transmitted via e-mail

November 13, 2020

Danielle Habr, Deputy City Clerk
City of Pleasant Hill
100 Gregory Lane
Pleasant Hill, CA 94523

Amended Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1) (E), the City of Pleasant Hill Successor Agency (Agency) submitted an Amended Recognized Obligation Payment Schedule for the period January 1, 2021 through June 30, 2021 (Amended ROPS 20-21B) to the California Department of Finance (Finance) on September 29, 2020. Finance has completed its review of the Amended ROPS 20-21B.

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

Item No. 1 – Pleasant Hill RDA Tax Allocation Refunding Bonds (Refunding Bonds) for the requested adjustment of \$130,335 in Redevelopment Property Tax Trust Fund (RPTTF) is not approved. The requested adjustment is not related to the debt service for the Refunding Bonds, but rather to correct an overpayment of RPTTF made by the Contra Costa County Auditor Controller (CAC) in the amount of \$130,335 for the January 1, 2018 through June 30, 2018 (ROPS 17-18B) period. It is our understanding the CAC subsequently corrected the error by reducing the January 1, 2019 through June 30, 2019 (ROPS 18-19B) RPTTF distribution by \$130,335.

To account for the CAC correction, the Agency was expected to retain the \$130,335 over-payment from January 2018 and apply the funds towards approved ROPS 18-19 obligations. However, when the Agency prepared the ROPS 17-18 Prior Period Adjustment (PPA) form, it reported the \$130,335 as being available for ROPS 17-18 obligations in error, which resulted in a PPA of \$78,343. The Agency contends the PPA should have been \$0 instead of \$78,343 and these reporting errors now impair the ability to pay for obligations during the ROPS 20-21 period. After further review, Finance concurs the PPA applied to ROPS 20-21 should be \$0. Therefore, Finance is making an adjustment in the amount of \$78,343 to increase approved RPTTF for the ROPS 20-21B period.

Except for the adjustments denied in whole or in part, Finance is not objecting to the remaining adjustments listed on your Amended ROPS 20-21B.

The Agency's amended maximum approved RPTTF distribution for the ROPS 20-21B period is \$1,009,811, as summarized in the Approved RPTTF Distribution table (See Attachment).

Please refer to the ROPS 20-21B schedule used to calculate the total RPTTF approved for distribution:

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

This is Finance's determination related to the funding of enforceable obligations reported on your Amended ROPS 20-21B. Please note there is not a Meet and Confer option for the Amended ROPS process; therefore, Finance's determination is final. This determination is effective for this time 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 it was not denied on this Amended 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 statutes. Therefore, as a practical matter, the ability to fund the items on the ROPS with property tax is limited to the amount of funding available to the Agency in the RPTTF.

Please direct inquiries to Todd Vermillion, Supervisor, or Jeremy Bunting, Staff, at (916) 322-2985.

Sincerely,

Original signed by Cheryl L. McCormick for:

JENNIFER WHITAKER
Program Budget Manager

cc: Mary McCarthy, Finance Manager, City of Pleasant Hill
Bob Campbell, Auditor-Controller, Contra Costa County

Attachment

Approved RPTTF Distribution January 2021 through June 2021	
Authorized RPTTF on ROPS 20-21B	\$ 706,468
Authorized Administrative RPTTF on ROPS 20-21B	125,000
Total Authorized RPTTF on ROPS 20-21B	831,468
Total Requested 20-21B RPTTF Adjustments	230,335
Finance RPTTF Adjustments	
Item No. 1	(130,335)
Correction to 17-18 PPA	78,343
Authorized RPTTF 20-21B Adjustments	178,343
Total Amended ROPS 20-21B RPTTF approved for distribution	\$ 1,009,811

ICC: Bunting, Vermillion, Stacy, McAllister, McCormick, Whitaker

Final Path: J:\Audits and Review\ROPS 20-21 Letters\Amended ROPS 20-21 PDF

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