



Transmitted via e-mail

April 15, 2022

Kim McKinney, Director of Administrative Services
City of Woodland
300 First Street
Woodland, CA 95695

2022-23 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Woodland 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 determinations:

- Item Nos. 10 and 11 - California Public Employees' Retirement System (CalPERS) Liability and Other Post Employee Benefits (OPEB) Obligation in the total outstanding amounts of \$416,416 and \$81,572 respectively, are not allowed. As support for the CalPERS request, the Agency provided a portion of the 2011 Actuarial Valuation and as support for the OPEB request, the Agency provided accounting records from 2011. However, the Agency has not provided contracts related to the retirement/pension plan that obligates the Agency to make these payments. Therefore, these items are not enforceable obligations and the requested amounts of \$416,416 and \$81,572 are not allowed from Redevelopment Property Tax Trust Fund (RPTTF) funding. To the extent the Agency can provide suitable documentation that obligates the Agency, the items may be considered on a future ROPS.

The Yolo County, County Auditor-Controller (CAC) did not provide its review of the Agency's prior period adjustments for the July 1, 2019 through June 30, 2020 (ROPS 19-20) period as required by HSC section 34186. In addition, the Agency did not provide documents to support their reported amounts. Therefore, we were unable to review the ROPS 19-20 expenditures. The amount of RPTTF approved includes the prior period adjustment (PPA) self-reported by the Agency as adjusted by Finance. Specifically, Finance increased the available RPTTF by \$355,793 to match the RPTTF distribution reports provided by the CAC. The difference was applied to Item No. 7 and resulted in the PPA being increased from \$128,342 to \$484,135.

The Agency's maximum approved RPTTF distribution for the reporting period is \$1,315,176, 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.

Kim McKinney
April 15, 2022
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Please direct inquiries to Zuber Tejani, Supervisor, or Michael Barr, Staff, at (916) 322-2985.

Sincerely,

Original signed by Cheryl L. McCormick for:

JENNIFER WHITAKER
Program Budget Manager

cc: Evis Morales, Finance Officer, City of Woodland
Chad Rinde, Chief Financial Officer, Yolo County

| Approved RPTTF Distribution July 2022 through June 2023 | | | |
|--|---------------------|-------------------|---------------------|
| | ROPS A | ROPS B | Total |
| RPTTF Requested | \$ 1,580,302 | \$ 666,997 | \$ 2,247,299 |
| Administrative RPTTF Requested | 26,250 | 23,750 | 50,000 |
| Total RPTTF Requested | 1,606,552 | 690,747 | 2,297,299 |
| RPTTF Requested | 1,580,302 | 666,997 | 2,247,299 |
| <u>Adjustment(s)</u> | | | |
| Item No. 10 | 0 | (416,416) | (416,416) |
| Item No. 11 | (81,572) | 0 | (81,572) |
| | (81,572) | (416,416) | (497,988) |
| RPTTF Authorized | 1,498,730 | 250,581 | 1,749,311 |
| Administrative RPTTF Authorized | 26,250 | 23,750 | 50,000 |
| ROPS 19-20 prior period adjustment (PPA) | (484,135) | 0 | (484,135) |
| Total RPTTF Approved for Distribution | \$ 1,040,845 | \$ 274,331 | \$ 1,315,176 |