



Transmitted via e-mail

April 1, 2021

Miguel Figueroa, City Manager
City of Calexico
608 Heber Avenue
Calexico, CA 92231

2021-22 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Calexico Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period July 1, 2021 through June 30, 2022 (ROPS 21-22) to the California Department of Finance (Finance) on January 26, 2021. Finance has completed its review of the ROPS 21-22.

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

- Item No. 27 - Calexico Unified School District (CUSD) Capital Facilities in the amount of \$1,446,592 is not allowed. Finance continues to deny this item. The item is in litigation and will continue to be denied until the matter is resolved. Therefore, the requested \$1,446,592 in Bond Proceeds 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, 2018 through June 30, 2019 (ROPS 18-19) period. The ROPS 18-19 prior period adjustment (PPA) will offset the ROPS 21-22 Redevelopment Property Tax Trust Fund (RPTTF) distribution. The amount of RPTTF authorized includes the PPA resulting from the County Auditor-Controller's (CAC) review of the PPA, as adjusted by Finance. Specifically, Finance adjusted the actual expenditure amounts because the Agency was authorized to retain RPTTF funding as reserves for the subsequent ROPS period debt service payments. Therefore, the PPA should reflect the expenditure of RPTTF received to fund the Agency's Reserve Balance for the following items:
 - Item No. 19 - Principal Reduction Payment for the 2000 and 2006 Tax Allocation Bonds in the amount of \$75,000.
 - Item No. 23 - 2014 Refunding Tax Allocation Bond (Principal Reduction Only) in the amount of \$1,130,000.

As a result, the ROPS 18-19 PPA of \$1,216,559 as reported by the CAC was reduced to \$11,559.

The Agency's maximum approved RPTTF distribution for the reporting period is \$2,128,947, as summarized in the Approved RPTTF Distribution table (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1, 2021 through December 31, 2021 period (ROPS A period), and one distribution for the January 1, 2022 through June 30, 2022 period (ROPS B period), based on Finance's approved amounts. Since this determination is for the entire ROPS 21-22 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 does not object to the remaining items listed on the ROPS 21-22. If the Agency disagrees with our determination with respect to any items on the ROPS 21-22, 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 21-22. 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 21-22 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 21-22 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.

Miguel Figueroa
April 1, 2021
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Please direct inquiries to Todd Vermillion, Supervisor, or Preston Saitta, Staff, at (916) 322-2985.

Sincerely,

Original signed by Cheryl L. McCormick for:

JENNIFER WHITAKER
Program Budget Manager

cc: Karla Lobatos, Finance Director, City of Calexico
Ivonne Ramirez, Property Tax Manager, Imperial County

Approved RPTTF Distribution July 2021 through June 2022			
	ROPS A	ROPS B	Total
RPTTF Requested	\$ 12,550	\$ 2,085,988	\$ 2,098,538
Administrative RPTTF Requested	41,968	0	41,968
Total RPTTF Requested	54,518	2,085,988	2,140,506
RPTTF Authorized	12,550	2,085,988	2,098,538
Administrative RPTTF Authorized	41,968	0	41,968
ROPS 18-19 prior period adjustment (PPA)	(11,559)	0	(11,559)
Total RPTTF Approved for Distribution	\$ 42,959	\$ 2,085,988	\$ 2,128,947