



Transmitted via e-mail

May 17, 2021

Melissa Hagan, Management Analyst II
City of Roseville
311 Vernon Street
Roseville, CA 95678

2021-22 Annual Recognized Obligation Payment Schedule

This letter supersedes the California Department of Finance's (Finance) Recognized Obligation Payment Schedule (ROPS) letter dated April 9, 2021. Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Roseville Successor Agency (Agency) submitted an annual ROPS for the period of July 1, 2021 through June 30, 2022 (ROPS 21-22) to Finance on February 1, 2021. The Agency requested a Meet and Confer on one or more of the determinations made by Finance. The Meet and Confer was held on April 19, 2021.

Based on a review of additional information and documentation provided to Finance during the Meet and Confer process, Finance has completed its review of the specific determinations being disputed:

- Item No. 1 – City Loan #969201 in the total outstanding amount of \$612,685. Finance continues to partially approve this item. Finance previously denied a portion of the amount requested as the documentation provided did not support the Agency's total request. During the Meet and Confer review, the Agency provided additional supporting documentation showing a loan from the City of Roseville to the Agency for \$102,603. However, documentation provided for \$300,087 did not show the exchange of cash required to qualify as a loan. After adjusting the loan principal and recalculating the interest, the total outstanding loan balance is \$457,075. Therefore, Finance is approving Redevelopment Property Tax Trust Fund (RPTTF) funding in the amount of \$446,577 and the use of Other Funds in the amount of \$10,498, totaling \$457,075. Of the total requested amount, \$155,610 is not allowed for RPTTF funding.

In addition, per Finance's letter dated April 9, 2021, we continue to make the following determinations not contested by the Agency during the Meet and Confer review:

- On the ROPS 21-22 form, the Agency reported cash balances and activity for the period July 1, 2018 through June 30, 2019 (ROPS 18-19). According to our review, the Agency has approximately \$90,921 from Other Funds and \$5,932 from Reserve Balances, totaling \$96,853, available to fund enforceable obligations on the ROPS 21-22. HSC section 34177 (l) (1) (E) requires these balances to be used prior to requesting RPTTF funding. This item does not require payment from property tax revenues; therefore, with the Agency's concurrence, the funding source for the following item has been reclassified in the amount specified below:
 - Item No. 54 – 2014 Refunding Tax Allocation Bond in the amount of \$136,969 is partially reclassified. Finance is approving RPTTF in the amount of \$40,116, Other Funds in the amount of \$90,921, and Reserve Balances in the amount of \$5,932, totaling \$136,969.

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 RPTTF distribution. The amount of RPTTF authorized includes the PPA resulting from the County Auditor-Controller's review of the PPA form submitted by the Agency.

The Agency's maximum approved RPTTF distribution for the reporting period is \$3,188,439, 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.

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.

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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.

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

Sincerely,

Original signed by Cheryl L. McCormick for:

JENNIFER WHITAKER
Program Budget Manager

cc: Laura Matteoli, Economic Development Director, City of Roseville
Roxanne Nored, Managing Accountant Auditor, Placer County

Approved RPTTF Distribution July 2021 through June 2022			
	ROPS A	ROPS B	Total
RPTTF Requested	\$ 1,922,139	\$ 1,463,968	\$ 3,386,107
Administrative RPTTF Requested	40,000	50,000	90,000
Total RPTTF Requested	1,962,139	1,513,968	3,476,107
RPTTF Requested	1,922,139	1,463,968	3,386,107
<u>Adjustment(s)</u>			
Item No. 1	(155,610)	0	(155,610)
Item No. 54	(96,853)	0	(96,853)
	(252,463)	0	(252,463)
RPTTF Authorized	1,669,676	1,463,968	3,133,644
Administrative RPTTF Authorized	40,000	50,000	90,000
ROPS 18-19 prior period adjustment (PPA)	(35,205)	0	(35,205)
Total RPTTF Approved for Distribution	\$ 1,674,471	\$ 1,513,968	\$ 3,188,439

ICC: Dunham, Vermillion, Takagi-Galamba, McAllister, McCormick,
Whitaker

Final Path: J:\Audits and Review\ROPS 21-22 Letters PDF

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