



Transmitted via e-mail

April 13, 2021

Poonam Aujla, Senior Accounting Manager
Sacramento County
700 H Street, Room 3650
Sacramento, CA 95814

2021-22 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the Sacramento County 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 28, 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. 96 – Property Holding Costs in the amount of \$47,600 (\$44,100 + \$3,500) from Redevelopment Property Tax Trust Fund (RPTTF) is partially allowed. The Agency inadvertently included the property maintenance costs of \$44,100 in this item. As a result, Finance transferred \$44,100 to Item No. 97 Property Maintenance Costs. Finance is approving \$3,500 in RPTTF for the special assessment on the property located at 5700 Stockton Boulevard.
- Item No. 97 – Property Maintenance Costs. Finance transferred \$44,100 to this item due to the error as noted in Item No. 96. As support for the estimated amount of property maintenance costs, the Agency provided accounting records for calendar year 2020. However, these documents were insufficient to support the total amount requested. Based on the historical costs, plus a potential needed increase, Finance is approving \$10,000 for property maintenance and the excess amount of \$34,100 (\$44,100 - \$10,000) from RPTTF is not allowed. As a result, the net adjustment for this item is \$10,000 (\$44,100 - \$34,100).

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 \$6,548,950, 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 item, 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.

Poonam Auja
April 13, 2021
Page 3

Please direct inquiries to Anna Kyumba, Supervisor, or Michael Barr, Staff, at (916) 322-2985.

Sincerely,

Original signed by Cheryl L. McCormick for:

JENNIFER WHITAKER
Program Budget Manager

cc: Tanya Sivokonenko, Accountant, Sacramento County
Ben Lamera, Finance Director, Sacramento County

Approved RPTTF Distribution July 2021 through June 2022			
	ROPS A	ROPS B	Total
RPTTF Requested	\$ 433,202	\$ 6,323,666	\$ 6,756,868
Administrative RPTTF Requested	96,496	96,496	192,992
Total RPTTF Requested	529,698	6,420,162	6,949,860
RPTTF Requested	433,202	6,323,666	6,756,868
<u>Adjustment(s)</u>			
Item No. 96	(44,100)	0	(44,100)
Item No. 97	10,000	0	10,000
RPTTF Authorized	399,102	6,323,666	6,722,768
Administrative RPTTF Authorized	96,496	96,496	192,992
ROPS 18-19 prior period adjustment (PPA)	(366,810)	0	(366,810)
Total RPTTF Approved for Distribution	\$ 128,788	\$ 6,420,162	\$ 6,548,950