



May 15, 2015

Mr. Bill Aiken, Development Analyst  
City of Roseville  
311 Vernon Street  
Roseville, CA 95678

Dear Mr. Aiken:

Subject: Recognized Obligation Payment Schedule

This letter supersedes the California Department of Finance's (Finance) Recognized Obligation Payment Schedule (ROPS) letter dated April 03, 2015. Pursuant to Health and Safety Code (HSC) section 34177 (m), the City of Roseville Successor Agency (Agency) submitted a Recognized Obligation Payment Schedule (ROPS 15-16A) to Finance on February 27, 2015, for the period of July through December 2015. Finance issued a ROPS determination letter on April 03, 2015. Subsequently, the Agency requested a Meet and Confer session on one or more of the determinations made by Finance. The Meet and Confer session was held on April 13, 2015.

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. 56 – 2006A Unspent Bond Proceeds in the amount of \$5,823,705. Finance no longer denies these items. The Agency received a Finding of Completion on August 30, 2013. In addition, the Agency provided an Oversight Board (OB) approved agreement entered into between the Agency and the City of Roseville to expend the excess bond proceeds and submitted the OB action to Finance for review. Finance approved the excess bond expenditure agreement on May 15, 2015. Therefore, the Agency's request to expend bonds issued prior to December 31, 2010 pursuant to HSC section 34191.4 (c) is approved.

In addition, per Finance's letter dated April 03, 2015, we continue to make the following determinations not contested by the Agency during the Meet and Confer:

Pursuant to HSC section 34186 (a), successor agencies were required to report on the ROPS 15-16A form the estimated obligations and actual payments (prior period adjustments) associated with the July through December 2014 period. HSC section 34186 (a) also specifies prior period adjustments self-reported by successor agencies are subject to audit by the county auditor-controller (CAC) and the State Controller. The amount of Redevelopment Property Tax Trust Fund (RPTTF) approved in the table below includes the prior period adjustment resulting from the CAC's review of the Agency's self-reported prior period adjustment. Our review

indicates that the Agency overrode authorized amounts prepulated by Finance to restate amounts that were reclassified from RPTTF to Reserves and Other Funds for Item Nos. 14, 16, 17, 19, 24 through 26, 32 through 34, 40 and 47 totaling \$710,423. Therefore, Finance has made adjustments to the Prior Period Adjustments (PPA) form to correct authorized amounts to agree to Finance approved amounts for the period of July 1, 2014 through December 31, 2014 (ROPS 14-15A). In the future, please do not override authorized amounts prepulated by Finance unless the oversight board has approved a change in funding source per HSC section 34177 (a) (4). The changes Finance made do not have an impact on the PPA amount calculated by the Agency and CAC.

Except for the item denied in whole, Finance is not objecting to the remaining items listed on your ROPS 15-16A.

The Agency's maximum approved RPTTF distribution for the reporting period is \$1,465,616 as summarized in the Approved RPTTF Distribution table below:

<b>Approved RPTTF Distribution</b>	
<b>For the period of July through December 2015</b>	
Total RPTTF requested for non-administrative obligations	1,340,616
Total RPTTF requested for administrative obligations	125,000
<b>Total RPTTF requested for obligations on ROPS</b>	<b>\$ 1,465,616</b>
Total RPTTF authorized for non-administrative obligations	1,340,616
Total RPTTF authorized for administrative obligations	125,000
<b>Total RPTTF authorized for obligations</b>	<b>\$ 1,465,616</b>
ROPS 14-15A prior period adjustment	0
<b>Total RPTTF approved for distribution</b>	<b>\$ 1,465,616</b>

Please refer to the ROPS 15-16A schedule that was used to calculate the approved RPTTF amount:

<http://www.dof.ca.gov/redevelopment/ROPS>

This is Finance's final determination related to the enforceable obligations reported on your ROPS for July 1 through December 31, 2015. This determination only applies to items where funding was requested for the six-month period. Finance's determination is effective for this time period only and should not be conclusively relied upon for future periods. All items listed on a future ROPS are subject to a subsequent review and may be denied even if it was or was not denied on this ROPS or a preceding ROPS. The only exception is for those items that have received a Final and Conclusive determination from Finance pursuant to HSC section 34177.5 (i). Finance's review of items that have received a Final and Conclusive determination is limited to confirming the scheduled payments as required by the obligation.

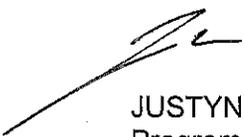
The amount available from the RPTTF is the same as the amount of property tax increment that was available prior to the enactment of ABx1 26 and AB 1484. This amount is not and never was an unlimited funding source. Therefore, as a practical matter, the ability to fund the items on the ROPS with property tax is limited to the amount of funding available to the agency in the RPTTF.

Pursuant to HSC section 34177 (a) (3), only those payments listed on an approved ROPS may be made by the successor agency from the funds specified in the ROPS. However, if the Agency needs to make payments for approved obligations from another funding source, HSC section 34177 (a) (4) requires the Agency to first obtain oversight board approval.

To the extent proceeds from bonds issued after December 31, 2010 exist and are not encumbered by an enforceable obligation pursuant to HSC section 34171 (d), HSC section 34191.4 (c) (2) (B) requires these proceeds be used to defease the bonds or to purchase those same outstanding bonds on the open market for cancellation.

Please direct inquiries to Evelyn Suess, Dispute Resolution Supervisor, or Danielle Brandon, Analyst, at (916) 445-3274.

Sincerely,



JUSTYN HOWARD  
Program Budget Manager

cc: Ms. Melissa Hagan, Financial Analyst, City of Roseville  
Ms. Roxanne Nored, Managing Accountant Auditor, Placer County  
California State Controller's Office

Mr. Bill Aiken  
May 15, 2015  
Page 4

[baiken@roseville.ca.us](mailto:baiken@roseville.ca.us)  
[mhagan@roseville.ca.us](mailto:mhagan@roseville.ca.us)  
[RNored@placer.ca.gov](mailto:RNored@placer.ca.gov)  
[RDA-SDSupport@sco.ca.gov](mailto:RDA-SDSupport@sco.ca.gov)