



May 17, 2016

Ms. Christa Buhagiar, Finance Director  
City of West Covina  
1444 West Garvey Avenue  
West Covina, CA 91790

Dear Ms. Buhagiar:

This letter supersedes the California Department of Finance's (Finance) Recognized Obligation Payment Schedule (ROPS) letter dated April 14, 2016. Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of West Covina Successor Agency (Agency) submitted a Recognized Obligation Payment Schedule for the period of July 1, 2016 through June 30, 2017 (ROPS 16-17) to Finance on January 29, 2016. Finance issued a ROPS determination letter on April 14, 2016. 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 26, 2016.

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. 55 – Remediation costs related to BKK Landfill Closure in the total outstanding amount of \$500,000. Finance continues to deny this item. Finance previously denied this item because the Agency did not provide documentation to support the amount requested.

During the Meet and Confer process, the Agency provided new documentation in the form of a Purchase and Sale Agreement between the Agency and BKK Corporation, as well as an Agreement and Covenant Not to Sue entered into between the Environmental Protection Agency (EPA) and the City of West Covina (City). The Agency contends the former Redevelopment Agency (RDA) entered into an agreement with the EPA in May 2003, whereby the former RDA was required to conduct certain environmental remediation and monitoring activities.

However, the documentation provided is not sufficient to support this item as an enforceable obligation. Specifically, the Purchase and Sale Agreement and certain subsequent amendments to the Purchase and Sale Agreement provided to Finance, indicates that the BKK is responsible the remediation of the BKK Landfill property. Further, the Agency is not a party to the contract between the EPA and the City. Therefore, this item is not an enforceable obligation and the requested amount of \$500,000 is not eligible for Redevelopment Property Tax Trust Fund (RPTTF) funding. To the extent the Agency can provide documentation, such as an executed contract or

remediation order citing the former RDA/Agency, the Agency may place this item on a future ROPS for Finance's review and funding.

- Item No. 73 – City loan repayment in the total outstanding amount of \$821,965. Finance continues to deny this item. Finance previously denied this item because the Agency did not provide sufficient supporting documentation to support the requested amount, such as a loan agreement between the City and the Agency detailing the terms of the City loan.

However, during the Meet and Confer process, the Agency did not provide any additional documentation to support this item. Therefore, the requested amount of \$821,965 is not eligible for funding on the ROPS. To the extent the Agency can provide suitable documentation, such as a loan agreement between the City and the Agency detailing the terms of the City loan, and court filed documents and vendor invoices which distinguish Agency costs from City costs, the Agency may be eligible to obtain RPTTF funding in the future.

- Item No. 77 – Housing administrative cost allowance pursuant to AB 471 in the amount of \$150,000. Finance continues to deny this item. Finance previously denied this item because the housing entity administrative cost allowance is applicable only in cases where the city, county, or city and county that authorized the creation of the RDA elected to not assume the housing functions pursuant to HSC section 34171 (p). Because the housing entity to the former RDA of the City is the City-formed Housing Authority (Authority), and the Authority operates under the control of the City, the Authority is considered the City under Dissolution Law.

The Agency contends that the City elected not to retain the housing functions, but the Authority, as a separate legal entity from the City, did retain the housing functions pursuant to HSC section 34176 (b) and should therefore be eligible for the housing entity administrative allowance. However, pursuant to HSC section 34167.10 (a), the definition of city includes, but is not limited to, any reporting entity of the city for purposes of its comprehensive annual financial report (CAFR), any component unit of the city, or any entity controlled by the city or for which the city is financially responsible or accountable. HSC section 34167.10 (a) defines city for purposes of all of Dissolution Law, which includes HSC section 34171, as amended by AB 471, and HSC section 34176. The Authority is included in the City's CAFR, which identifies the Authority as a component unit of the City and states that the City is financially accountable for the component units.

Although the Authority is a separate legal entity from the City, HSC section 34167.10 (c) states that it shall not be relevant that the entity is formed as a separate legal entity. It should also be noted that HSC section 34167.10 (c) goes on to state that "the provisions of this section are declarative of existing law as the entities described herein are and were intended to be included within the requirements of this part [Part 1.8] and Part 1.85...and any attempt to determine otherwise would thwart the intent of these two parts." Therefore, based on our review, the City, by way of the Authority, elected to retain the housing functions pursuant to HSC section 34176 (a) and is not eligible for \$150,000 of housing entity administrative allowance.

- Item No. 89 – Project Administrative Costs in the total requested amount of \$193,830. Finance no longer objects to this item, however, the requested amount is partially

allowed. Finance previously denied this item because the Agency did not provide additional supporting documentation to support the requested amount.

During the Meet and Confer process, the Agency submitted Time and Attendance Reports covering a three month period for the City Manager and Economic Development and Housing Manager. The sum of the salaries was used to estimate the yearly cost at \$13,315 or \$6,658 each for ROPS Period A and B. As a result, the \$193,830 requested amount is being reduced by \$180,515 (\$193,830 - \$13,315). Therefore, the property disposition costs in the amount of \$13,315 are eligible for RPTTF funding.

- Item No. 121 – Property Administrative Costs in the total outstanding amount of \$25,600. Finance no longer objects to this item, however, the amount is partially allowed. Finance previously denied this item because the Agency was fully funded in the amount of \$30,000 for ROPS 15-16 per the Professional Service Agreement with Rincon Environmental, which supports maximum annual costs of \$30,000.

During the Meet and Confer process, the Agency contended they mistakenly requested \$30,000 for ROPS 15-16A, but only spent \$4,400 during that period. As a result, the County Auditor-Controller (CAC) applied a prior period adjustment toward their ROPS 15-16B distribution, and the Agency was unable to expend leftover funds toward this item in ROPS 15-16B.

Upon further review of this item, Finance is approving the requested amount in part for \$15,000, half of the maximum allowable annual amount. As a result, the requested amount of \$25,600 is being reduced by \$10,600. Further, Item No. 121 is a duplicate obligation of Item No. 67 and should be retired in ROPS 17-18. Therefore, property management costs in the amount of \$15,000 are eligible for RPTTF funding for ROPS 16-17A.

- Item No. 122 – Fees for Property Management Plan in the amount of \$15,645 requested for the ROPS A period. Finance continues to deny this item. Finance previously denied this item because the Agency was fully funded in the amount of \$80,000 for ROPS 15-16 per the contract with Kosmont and Associates, which supports maximum annual costs of \$29,500

During the Meet and Confer process, the Agency did not submit any new supporting documentation. Therefore, the requested amount of \$15,645 exceeds the maximum amount allowable and is not eligible for RPTTF funding. Further, Item No. 122 is a duplicate of Item No. 22 and should be retired in ROPS 17-18.

- Item No. 123 – Auditing fees in the amount of \$5,294 requested for the ROPS A period. Finance continues to deny this item. Finance previously denied this item because the Agency was fully funded in the amount of \$11,191 as of ROPS 16-17 per the engagement letter from White Nelson Diehl Evans LLP, which supports a maximum audit cost of \$5,191.

During the Meet and Confer process, the Agency did not submit any new supporting documentation. Therefore, the requested amount of \$5,294 exceeds the maximum amount allowable and is not eligible for RPTTF funding. Further, Item No. 123 is a duplicate of Item No. 29 and should be retired in ROPS 17-18.

- Item No. 127 – Litigation fees in the total requested amount of \$38,800. Finance continues to deny this item. Finance previously denied this item because the Agency was unable to provide adequate documentation showing these litigation fees are for on-going cases.

During the Meet and Confer process, the Agency disagreed with Finance's determination, contending that these fees relate to the appeal of an ongoing bankruptcy case involving Hassen Imports Partnership. The Agency submitted additional documentation in the form of attorney invoices covering a three month period. The sum of the invoices was used to estimate a yearly cost of approximately \$1,300.

However, this item is not an enforceable obligation because it a duplicate of Item No. 70, which was approved for \$5,000 during ROPS 16-17. Therefore, this item is not an enforceable obligation eligible for RPTTF funding, and should be retired in ROPS 17-18.

- Item No. 128 – Litigation fees in the total requested amount of \$5,000. Finance no longer objects to this item. Finance previously denied this item because the Agency was unable to provide adequate documentation to support the requested amount.

During the Meet and Confer process, the Agency disagreed with Finance's determination, contending that the requested amount is for legal costs which were denied under Item No. 80 during ROPS 15-16B, relating to an ongoing case involving the Department of Transportation v. Plaza West Covina. The Agency submitted additional documentation in the form of attorney invoices covering February and March 2016. The sum of the invoices was used to estimate an annual cost.

Upon further review of this item, Finance is approving the amount requested. Further, Item No. 128 is a duplicate obligation of Item No. 80 and should be retired in ROPS 17-18. Therefore, litigation fees in the amount of \$5,000 are eligible for RPTTF funding for ROPS 16-17A.

In addition, per Finance's letter dated April 14, 2016, we continue to make the following determinations not contested by the Agency during the Meet and Confer:

- Item No. 3 – 2006 Lease Revenues Bonds in the amount of \$824,015 for the July 1, 2016 through December 31, 2016 (ROPS A period) is partially allowed. It is our understanding the Agency inadvertently forgot to request \$360,861 for the June 2016 debt service payment during the January through June 2016 (ROPS 15-16B) period and requested funding under Item No. 125 in the amount of \$368,682. As stated below, funding for Item No. 125 was moved to this line item. However, funding requested for the June 2016 debt service payment is exceeded by \$7,821 (\$368,682 - \$360,861). Therefore, only \$816,194 (\$824,015 - \$7,821) is eligible for funding. As such, the excess \$7,821 is not allowed.
- Item Nos. 6 and 7 – 2010 and 2011 Low and Moderate Income Housing Fund (LMIHF) loan repayments for purposes of the Supplemental Educational Revenue Augmentation Fund (SERAF) in the total outstanding amounts of \$3,160,818 and \$744,377, respectively. The Agency requested to reduce funding by \$502,656 from \$757,688 to \$255,032, for each ROPS A and January 1, 2017 through June 30, 2017 (B period) periods totaling \$1,005,312 (\$502,656 + \$502,656) in RPTTF funding reduction for Item No. 6. Likewise, the Agency requested to reduce funding by \$229,184 from \$294,656 to

\$65,472, for each ROPS A and B periods totaling \$458,378 (\$229,184 + \$229,184) in RPTTF funding for Item No. 7. As such, RPTTF requested has been reduced by \$1,436,680 (\$1,005,312 + \$458,378).

- Item Nos. 13 and 23 through 27 – City of West Covina (City) loan repayments in the total outstanding amount of \$47,593,351 are not allowed. Finance denied four City loans in our OB Resolution No. OB-0045 determination letter dated March 9, 2016 related to these obligations. As such, these loans are not enforceable obligations and not eligible for funding. Specifically, Finance denied the four City loans for the following reasons:
  - Item Nos. 13 and 27 – The Cooperation Agreement and Implementation Agreement makes no mention that the City will enter into contracts with third parties for the purposes of infrastructure; therefore, this is not an enforceable obligation pursuant to HSC section 34191.4 (b) (2) (C). In addition, the Agency did not provide any City-third party contracts entered into prior to June 27, 2011. As such, the Cooperation and Implementation Agreements are considered reimbursement agreements. HSC section 34191.34 (b) (c) defines a “loan agreement” as a loan of money. Since there was no actual loan of moneys from the City to the RDA, the reimbursement agreement is not an enforceable obligation. Therefore, the requested amounts of \$19,610,214 for Item No. 13 and \$20,000 for Item No. 27 are not eligible for RPTTF funding.
  - Item Nos. 23 through 25 – In February 1972, the RDA and the City entered into a Funding Agreement where the City made periodic advances through the budgeting appropriation process to the RDA for administrative, overhead and capital improvement expenses. Under dissolution law, reimbursements for City personnel and use of City facilities would not be considered a loan eligible for repayment. Therefore, the 1972 Funding Agreement is not an enforceable obligation and the requested amount of \$728,142 for each line item, totaling \$2,184,426 is not eligible for RPTTF funding.
  - Item No. 26 – The sales and use tax revenue received by the RDA per the 2005 Sales Tax Reimbursement Agreement are not funds transferred from the City and; therefore, are not considered loans of monies. Since this is a reimbursement agreement and there was no actual loan of moneys from the City to the RDA, the 2005 Reimbursement Agreement is not an enforceable obligation. Therefore, the requested amount of \$611,890 is not eligible for RPTTF funding.
- Item Nos. 17, 78, 79, and 126 – Litigation fees totaling \$55,800 are not allowed. Litigation expenses not associated with challenging redevelopment dissolution statutes are generally considered an enforceable obligation outside the administrative cap. However, adequate documentation was not provided to show these expenditure requests are for on-going cases. To the extent the Agency can provide documentation, such as status of litigation, court documents, or previous litigation invoices, the Agency may be able to obtain RPTTF in the future. Therefore, these items are not eligible for RPTTF funding. Specifically for the ROPS 16-17 period, Finance is denying Item No. 17 for \$5,000, Item No. 78 for \$1,000, Item No. 79 for \$1,000, Item No. 126 for \$5,000.
- Item No. 22 – Property Management Plan costs in the amount of \$112,740 are not allowed. The Agency requests to increase the ROPS A period amount by \$52,740 to

\$97,740 for water basin repairs on Agency owned property. However, the Agency could not provide support for the amount requested nor could they support the repairs were required. Based on the review of documents provided, some repairs are needed at the BKK Landfill site; however, most, if not all repairs are to occur on BKK Corporation owned land, which neighbors the Agency's property. The Agency claims per the License Agreement between the former RDA and BKK Corporation the Agency is responsible for maintaining the BKK Landfill site.

However, the License Agreement states the Agency is responsible for Agency owned facilities, fixtures, and equipment on the site and it further states BKK Corporation owns and is responsible for a water tank on the site. It is unclear whether the water basin is in connection to the water tank. In addition, it could not be determined the Agency is responsible for the water basin repairs needed on the BKK Landfill Site. Further, most of the water basin repair costs are actually for remediation type activities. Pursuant to HSC section 34177.3 (b), unless required by an existing enforceable obligation, wind down activities do not include site remediation, site development or improvement, and other similar work. Therefore, the requested amount of \$112,740 is not eligible for RPTTF funding.

- Item No. 30 – Owner Participation Agreement CFD in the amount of \$895,000 is not eligible for RPTTF funding. The Agency requests \$895,000 in RPTTF for the ROPS A period. It is our understanding this obligation may be payable from RPTTF only to the extent there are insufficient Other Funds available. However, the Agency did not provide documentation to support the need for RPTTF funding. To the extent the Agency can provide documentation, such as calculations showing funding is needed and displaying insufficient Other Funds available, the Agency may be able to obtain RPTTF on future ROPS. As such, the \$895,000 in RPTTF has been reclassified to Other Funds.
- Item No. 57 – Public notice fees in the amount of \$30,000. The Agency believes they overestimated the funding required for this item and requests to decrease the funding from \$30,000 to \$6,600, a decrease of \$23,400. In addition, the Long-Range Property Management Plan (LRPMP) dated December 18, 2015 approved three properties for sale requiring four public notices for each property. Based on a prior invoice provided, the requested amount of \$6,600 appears reasonable. As such, the RPTTF requested has been reduced by \$23,400 for the ROPS 16-17.
- Item No. 75 – Litigation costs in the total outstanding amount of \$49,000 is not allowed. Finance denied a City loan for this line item in our OB Resolution No. OB-0030 determination letter dated January 16, 2015 because the County Auditor-Controller allowed the Agency to retain funds to pay the obligation, therefore, making the loan unnecessary. As such, this obligation is not an enforceable obligation and the requested amount of \$49,000 is not eligible for RPTTF funding.
- Item Nos. 87, 88, and 90 – Project management costs in the total outstanding amount of \$49,698 is not allowed. It is our understanding these costs are for City staff time on property management tasks related to the disposition of the Plaza, Eastland, and Lake properties which were approved for transfer to the City for government use through the LRPMP process. Thus, the management fees for these properties are obligations of the City and are not eligible for funding on the ROPS.

- Item Nos. 105 and 106 – The outstanding balances for the Cash Flow Loan in the amount of \$3,458,341 and the Financing Agreement in the amount of \$9,703,740 between the City and the RDA have been adjusted to \$2,968,750 and \$7,725,500, respectively. The Agency applied the wrong interest rate to the loans. Pursuant to HSC section 34191.6 (b) (2), interest on the remaining principal amount of the loan that was previously unpaid after the original effective date of the loan shall be recalculated from the date of origination of the loan on a quarterly basis, at a simple interest rate of three percent and repayments shall be applied first to principal, and second to interest. Finance has recalculated the total outstanding loan balances and adjusted the outstanding loan balance to \$2,968,750 for Item No. 105 and \$7,725,500 for Item No. 106.

In addition, pursuant to the maximum repayment formula, the Agency requests to adjust the City loan repayment amounts as follows:

- Item No. 105 – Increase of \$1,484,216 from \$345,834 to \$2,968,431 for ROPS A period and a corresponding increase of \$1,484,215 for the ROPS B period. As such, the RPTTF requested has been increased by \$2,622,597 for the ROPS 16-17.
- Item No. 106 – Reduce requested amount to zero for the fiscal year. As such, the RPTTF requested has been decreased by \$970,374.
- Item Nos. 107 through 112 – 2010 and 2011 LMIHF loan repayments for purposes of the SERAF in the total outstanding amounts of \$599,862 and \$146,400, respectively. These obligations are duplicates of Item Nos. 6 and 7. The Agency added these obligations to request funding for previous fiscal years. However, HSC section 34191.4 (b) (2) (A) allows these repayment along with City loan repayments to be equal to one-half of the increase between the ROPS residual pass-through distributed to the taxing entities in that fiscal year and the ROPS residual pass-through distributed to the taxing entities in the fiscal year 2012-13 base year.

According to the Los Angeles County Auditor-Controller's report, the amounts distributed to the taxing entities for fiscal year 2012-13 and applicable comparison year 2015-16 is \$3,907,263 and \$11,126,140, respectively. Therefore, pursuant to the repayment formula, the maximum repayment amount authorized for applicable fiscal year 2016-17 is \$3,609,439. A total of \$3,609,439 (\$510,064 + \$130,944 + \$2,968,431) is approved for SERAF and City loan repayments under Item Nos. 6, 7, 105, respectively; therefore, the additional amount requested totaling \$746,262 for Item Nos. 107 through 112 is not available pursuant to the formula and is not allowed. In addition, Item Nos. 107 through 112 are duplicate obligations and should be retired.

- Item Nos. 113, 114, 124, 125, 133 – These are duplicate obligations. For consistency purposes, funding for these obligations were moved to their previously identified line item. Specifically, the following adjustments were made:
  - Item No. 113 in the amount of \$5,550 and Item No. 114 in the amount of \$6000, totaling \$11,550 were moved to Item No. 117
  - Item No. 124 in the amount of \$5,334 was moved to Item No. 58

- Item No. 125 in the amount of \$368,682 was moved to Item No. 3
- Item No. 133 in the amount of \$238 was moved to Item No. 90

Item Nos. 113, 114, 124, 125 and 133 should be retired on the ROPS because funding is no longer required and these are duplicate obligations. Further, retired line items are excluded from the ROPS Detail form, therefore; these item numbers remain unavailable to use, as it is assigned to that specific retired obligation indefinitely.

- Item No. 118 – Bond letter of credit fees in the amount of \$10,000 is partially allowed. The contract provided supports the maximum annual costs of \$5,000. Therefore, the excess \$5,000 is not enforceable and not eligible for RPTTF funding.
- Item No. 129 – Project management costs related to the HIP litigation in the amount of \$5,760 is partially approved. The supporting documentation provided indicates staff costs in the amount of \$2,886 for the ROPS A period. Therefore, the excess \$2,874 (\$5,760 - \$2,886) is not supported and not eligible for funding. In addition, the project managements in the amount of \$2,886 are considered administrative costs and therefore have been reclassified.
- The claimed administrative costs exceed the allowance by \$1,088,393. HSC section 34171 (b) (3) limits the fiscal year 2016-17 Administrative Cost Allowance (ACA) to three percent of actual distributed RPTTF in the preceding fiscal year or \$250,000, whichever is greater; not to exceed 50 percent of the distributed RPTTF in the preceding fiscal year. As a result, the Agency's maximum ACA is \$250,000 for the fiscal year 2016-17. Although \$1,270,700 is claimed for administrative cost, Item Nos. 54, 120 and 129 through 132 for consulting fees and various project costs totaling \$67,693 are considered administrative costs and should be counted toward the cap. Therefore, \$1,088,393 (\$1,270,700 + \$67,693 - \$250,000) of excess administrative cost allowance is not allowed.
- On the ROPS 16-17 form, the Agency reported cash balances and activity for the period of July 1, 2015 through June 30, 2016. Pursuant to HSC section 34177 (l) (1) (E), agencies are required to use all available funding sources prior to RPTTF for payment of enforceable obligations. During our review, which may have included obtaining financial records, Finance determined the Agency possesses funds that should be used prior to requesting RPTTF. Therefore, with the Agency's concurrence, the funding source for the following item has been reclassified to Other Funds and in the amount specified below:
  - Item No. 1 – 1999 Tax Allocation Bonds in the amount of \$46,054. The Agency requests \$175,000 of RPTTF for the ROPS A period; however, Finance is reclassifying \$46,054 to Other Funds. This item is an enforceable obligation for the ROPS 16-17 period. However, the obligation does not require payment from property tax revenues. Therefore, Finance is approving RPTTF in the amount of \$123,946 and the use of Other Funds in the amount of \$46,054, totaling \$170,000 for the ROPS A period.

Except for the items denied in whole or in part or the items that have been adjusted, Finance is not objecting to the remaining items listed on your ROPS 16-17.

The Agency's maximum approved RPTTF distribution for the reporting period is \$12,438,197 as summarized in the Approved RPTTF Distribution Table on Pages 10 through 12 (See Attachment).

ROPS distributions will occur twice annually, one distribution for the ROPS A period, and one distribution for the ROPS B period based on Finance's approved amounts. Since Finance's determination is for the entire ROPS 16-17 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

On the ROPS 16-17 form, the Agency was not required to report the estimated obligations versus actual payments (prior period adjustment) associated with the ROPS 15-16A. The Agency will report actual payments for ROPS 15-16A and ROPS 15-16B on the ROPS 18-19 form pursuant to HSC section 34186 (a) (1). A prior period adjustment will be applied to the Agency's future RPTTF distribution. Therefore, the Agency should retain any difference in unexpended RPTTF.

Please refer to the ROPS 16-17 schedule used to calculate the total RPTTF approved for distribution:

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

This is Finance's final determination related to the enforceable obligations reported on your ROPS for the period July 1, 2016 through June 30, 2017. This determination only applies to items when funding was requested for the 12-month period. Finance's determination is effective for this time period only and should not be conclusively relied upon for future ROPS periods. All items listed on a future ROPS are subject to review and may be denied even if it was not denied 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 statutes. 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.

Please direct inquiries to Evelyn Suess, Dispute Resolution Supervisor, or Michael Barr, Lead Analyst, at (916) 445-1546.

Sincerely,



JUSTYN HOWARD  
Program Budget Manager

cc: Ms. Paulina Morales, Project Manager, City of West Covina  
Ms. Kristina Burns, Manager, Department of Auditor-Controller, Los Angeles County

**Attachment**

<b>Approved RPTTF Distribution</b>			
<b>For the period of July 2016 through June 2017</b>			
	<b>ROPS A Period</b>	<b>ROPS B Period</b>	<b>Total</b>
Requested RPTTF (excluding administrative obligations)	\$ 21,709,524	\$ 16,404,280	\$ 38,113,804
Requested Administrative RPTTF	635,350	635,350	1,270,700
<b>Total RPTTF requested for obligations on ROPS 16-17</b>	<b>22,344,874</b>	<b>17,039,630</b>	<b>\$ 39,384,504</b>
<b>Adjustment to Agency Requested RPTTF</b>			
Item No. 3	368,682	0	368,682
Item No. 6	(502,656)	(502,656)	(1,005,312)
Item No. 7	(229,184)	(229,184)	(458,368)
Item No. 22	52,740	0	52,740
Item No. 57	(11,700)	(11,700)	(23,400)
Item No. 58	5,334	0	5,334
Item No. 90	238	0	238
Item No. 105	1,311,299	1,311,298	2,622,597
Item No. 106	(485,187)	(485,187)	(970,374)
Item No. 113	(5,550)	0	(5,550)
Item No. 114	(6,000)	0	(6,000)
Item No. 117	11,550	0	11,550
Item No. 124	(5,334)	0	(5,334)
Item No. 125	(368,682)	0	(368,682)
Item No. 133	(238)	0	(238)
Adjustment to Agency Requested Administrative RPTTF	0	0	0
<b>Total RPTTF adjustments</b>	<b>135,312</b>	<b>82,571</b>	<b>\$ 217,883</b>
<b>Total RPTTF requested</b>	<b>21,844,836</b>	<b>16,486,851</b>	<b>\$ 38,331,687</b>
<b>Denied Items</b>			
Item No. 3	(7,821)	0	(7,821)
Item No. 13	(9,805,107)	(9,805,107)	(19,610,214)
Item No. 17	(2,500)	(2,500)	(5,000)
Item No. 22	(97,740)	(15,000)	(112,740)
Item No. 23	(364,071)	(364,071)	(728,142)
Item No. 24	(364,071)	(364,071)	(728,142)
Item No. 25	(364,071)	(364,071)	(728,142)
Item No. 26	(305,945)	(305,945)	(611,890)
Item No. 27	(15,000)	(5,000)	(20,000)
Item No. 55	(250,000)	(250,000)	(500,000)
Item No. 73	(821,965)	0	(821,965)
Item No. 75	(49,000)	0	(49,000)
Item No. 77	(150,000)	0	(150,000)
Item No. 78	(500)	(500)	(1,000)
Item No. 79	(500)	(500)	(1,000)

Item No. 87	(7,450)	(7,450)	(14,900)
Item No. 88	(3,035)	(3,035)	(6,070)
Item No. 89	(90,257)	(90,257)	(180,514)
Item No. 90	(14,483)	(14,245)	(28,728)
Item No. 107	(233,595)	0	(233,595)
Item No. 108	(54,058)	0	(54,058)
Item No. 109	(233,595)	0	(233,595)
Item No. 110	(54,058)	0	(54,058)
Item No. 111	(132,672)	0	(132,672)
Item No. 112	(38,284)	0	(38,284)
Item No. 118	(2,500)	(2,500)	(5,000)
Item No. 121	(10,600)	0	(10,600)
Item No. 122	(15,645)	0	(15,645)
Item No. 123	(5,294)	0	(5,294)
Item No. 126	(5,000)	0	(5,000)
Item No. 127	(38,800)	0	(38,800)
Item No. 129	(2,874)	0	(2,874)
	(13,540,491)	(11,594,252)	(25,134,743)
<u>Reclassified Items</u>			
Item No. 1	(46,054)	0	(46,054)
Item No. 30	(895,000)	0	(895,000)
Item No. 54	(15,000)	(15,000)	(30,000)
Item No. 120	(15,000)	0	(15,000)
Item No. 129	(2,886)	0	(2,886)
Item No. 130	(4,884)	0	(4,884)
Item No. 131	(9,549)	0	(9,549)
Item No. 132	(5,374)	0	(5,374)
	(993,747)	(15,000)	(1,008,747)
<b>Total RPTTF authorized</b>	<b>7,310,598</b>	<b>4,877,599</b>	<b>\$ 12,188,197</b>
<b>Total Administrative RPTTF requested</b>	<b>635,350</b>	<b>635,350</b>	<b>1,270,700</b>
<u>Reclassified Items</u>			
Item No. 54	15,000	15,000	30,000
Item No. 120	15,000	0	15,000
Item No. 129	2,886	0	2,886
Item No. 130	4,884	0	4,884
Item No. 131	9,549	0	9,549
Item No. 132	5,374	0	5,374
	52,693	15,000	67,693
Total Administrative RPTTF after Finance adjustments	688,043	650,350	1,338,393
Administrative costs in excess of the cap (see Administrative Cost Allowance Cap table below)	(438,043)	(650,350)	(1,088,393)
<b>Total Administrative RPTTF authorized</b>	<b>250,000</b>	<b>0</b>	<b>\$ 250,000</b>
<b>Total RPTTF approved for distribution</b>	<b>7,560,598</b>	<b>4,877,599</b>	<b>\$ 12,438,197</b>

<b>Administrative Cost Allowance Cap Calculation</b>	
Actual RPTTF distributed for fiscal year 2015-16	\$ 8,117,495
Less sponsoring entity loan and Administrative RPTTF	362,360
Actual RPTTF distributed for 2015-16 after adjustment	7,755,135
Administrative Cap for 2016-17 per HSC section 34171 (b)	250,000
ROPS 16-17 Administrative RPTTF after Finance adjustments	1,338,393
<b>Administrative Cost Allowance in excess of the cap</b>	<b>\$ (1,088,393)</b>