



October 3, 2016

Mr. Chris Pahule, Principal Planner
Sacramento County
700 H Street, Suite 6750
Sacramento, CA 95814

Dear Mr. Pahule:

Subject: Amended Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1) (E), the Sacramento County Successor Agency (Agency) submitted an Amended Recognized Obligation Payment Schedule for the period January 1, 2017 through June 30, 2017 (ROPS 16-17B) to the California Department of Finance (Finance) August 19, 2016. Finance has completed its review of the Amended ROPS 16-17B.

Based on a review of the adjustments requested and application of the law, Finance has made the following determinations:

- Item No. 88 – Other Post-Employment Benefits in the amount of \$14,034 is partially allowed. It is our understanding the Agency received an updated actuarial valuation report supporting that a total of \$14,034 is required for the ROPS 16-17B period. Since Finance previously authorized \$6,249 for the ROPS 16-17B period, the correct adjustment should have been \$7,785 (\$14,034 - \$6,249). Therefore, \$7,785 is approved and \$6,249 is not eligible for Redevelopment Property Tax Trust Fund (RPTTF) funding.
- Item No. 147 – Construction of Improvements/Infrastructure in the amount of \$564,971 is partially allowed. Finance concurrently reviewed Oversight Board Resolution No. 2016-07, approving an amendment to a Master Inter-Agency Project Agreement (Agreement) that authorized the transfer of an additional \$564,971 in excess bond proceeds to the County of Sacramento (County). In accordance with Finance's determination letter dated October 3, 2016, of the \$564,971 adjustment amount (\$150,000 Bond Proceeds + \$414,971 Other Funds), Finance is approving \$150,000 in Bond Proceeds funding. However, although the use of \$414,971 in Other Funds are restricted by Government Code section 63010 (q) and terms specified in the Tax Allocation Loan Agreement, the funds are not excess bond proceeds and are not allowed to transfer to the County. Therefore, the amount of \$414,971 is not eligible for Other Funds funding.

Except for the adjustments denied in part, Finance is not objecting to the remaining items listed on your Amended ROPS 16-17B.

The Agency's amended maximum approved RPTTF distribution for the ROPS 16-17B period is \$6,410,492 as summarized in the Approved RPTTF Distribution table on Page 3 (See Attachment).

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

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

This is Finance's determination related to the funding of enforceable obligations reported on your Amended ROPS 16-17B. Please note there is not a Meet and Confer option for the Amended ROPS process so Finance's determination is final. 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 Amended 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 Cindie Lor, Supervisor, or Michael Barr, Lead Analyst, at (916) 445-1546.

Sincerely,



JUSTYN HOWARD
Program Budget Manager

cc: Mr. Ben Lamera, Director of Finance, Sacramento County

Attachment

Approved RPTTF Distribution	
For the period of January 2017 through June 2017	
Authorized RPTTF on ROPS 16-17B	\$ 6,259,707
Authorized Administrative RPTTF on ROPS 16-17B	125,000
Total Authorized RPTTF on ROPS 16-17B	6,384,707
Total Requested 16-17B RPTTF Adjustments	32,034
Finance RPTTF Adjustments	
Item No. 88	(6,249)
Authorized 16-17B RPTTF Adjustments	25,785
Total Finance Authorized 16-17B Adjustments	25,785
Total Amended ROPS 16-17B RPTTF approved for distribution	\$ 6,410,492