



**DEPARTMENT OF
FINANCE**

EDMUND G. BROWN JR. ■ GOVERNOR

915 L STREET ■ SACRAMENTO CA ■ 95814-3706 ■ WWW.DOF.CA.GOV

May 30, 2012

Michael Powers, City Manager
City of King City
212 So. Vanderhurst Ave.
King City, CA 93930

Dear Mr. Powers:

Subject: Missing Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (I) (2) (C), the King City Successor Agency was required to submit a Recognized Obligation Payment Schedule (ROPS) that has been approved by your oversight board to the California Department of Finance (Finance). Our records indicate that to date, Finance has not received the ROPS for the January to June 2012 or the July to December 2012 periods.

Since all distributions from the Redevelopment Property Tax Trust Fund (RPTTF) are required by law to be made on June 1, 2012 covering obligations for July 2012 through December 2012, as well as adjusting for property tax funding needs for the January 2012 through June 2012 period, there will be no basis on which your agency can receive property tax revenue for that period if a ROPS is not approved as of that date. The law also provides that after July 1, 2012, no payments can be made without an approved ROPS. Therefore we urge you to adopt a ROPS as soon as possible to allow spending of existing reserves and other revenues available to you.

The May Revision proposes legislation to recoup any amounts owed to taxing agencies for the January through June 2012 period from future property tax distributions. We urge you to adopt a ROPS for that period as soon as possible so a determination of the amount owed to taxing agencies, if any, can be determined.

Sincerely,

A handwritten signature in cursive script that reads "Mark Hill".

MARK HILL
Program Budget Manager

cc: Julie Aguero, Auditor Controller Analyst II, Monterey County