



May 11, 2012

Tracy Robinson, Administrative Services Director
City of Lafayette
3675 Mt. Diablo Blvd. #210
Lafayette, CA 94549

Dear Ms. Robinson:

Pursuant to Health and Safety Code (HSC) section 34177 (l) (2) (C), the City of Lafayette Successor Agency submitted a Recognized Obligation Payment Schedule (ROPS) to the California Department of Finance (Finance) on May 3, 2012 for the period July through December 2012. Finance staff contacted you for clarification of items listed in the ROPS.

HSC section 34171 (d) lists enforceable obligation (EO) characteristics. Based on a sample of line items reviewed and application of the law, the following do not qualify as EOs:

- Item No. 7, page 1 in the amount of \$49,655. There is no document to support this line item.

As authorized by HSC section 34179 (h), Finance is returning your ROPS for reconsideration. This action will cause the ROPS items noted above to be ineffective until Finance approval. Furthermore, items listed on future ROPS will be subject to review and may be denied as EOs.

Finance may continue to review items on the ROPS in addition to those mentioned above and identify additional issues. We will provide separate notice if we are requesting further modifications to the ROPS. It is our intent to provide an approval notice with regard to each ROPS prior to the June 1 property tax distribution date.

If you disagree with our conclusion, please provide evidence the items questioned meet the definition of an EO and send to Redevelopment_Administration@dof.ca.gov.

Please direct inquiries to Robert Scott, Supervisor or Jenny DeAngelis, Lead Analyst at (916) 322-2985.

Sincerely,

MARK HILL
Program Budget Manager

cc: Mr. Bob Campbell, Auditor-Controller, Contra Costa County
Mr. Jay Wilverding, Chief Accountant, Contra Costa County