#### **Orange Countywide Oversight Board**

Date: 1/29/2019 Agenda Item No. 5C

From: Successor Agency to the Huntington Beach Redevelopment Agency

Subject: Resolution of the Countywide Oversight Board Approving Annual Recognized Obligation

Payment Schedule (ROPS) and Administrative Budget

#### Recommended Action:

Approve resolution approving FY 2019-20 ROPS and Administrative Budget for the Huntington Beach Successor Agency

The Huntington Beach Successor Agency requests approval of the Recognized Obligation Payment Schedule (ROPS) and Administrative Budget for Fiscal Year 2019-20.

Under the Dissolution Law, Division 24, Parts 1.8 and 1.85 of the California Health and Safety Code ("Dissolution Law"), in particular Section 34171(h), each ROPS is "the document setting forth the minimum payment amounts and due dates of payments required by enforceable obligations for each fiscal year as provided in subdivision (o) of Section 34177." Under the mandatory dates in the Dissolution Law, the Successor Agency must submit a copy of ROPS 19- 20 A-B, after approval from the Orange Countywide Oversight Board ("Oversight Board"), and transmittal to the County Executive Officer ("CEO"), County Auditor Controller ("CAC"), State Controller's Office ("SCO"), and DOF by February 1, 2019. ROPS 19-20 A-B contains many of the same enforceable obligations listed on the ROPS 18-19 AB.

Included in the ROPS 2019-20 are all of the enforceable obligations of the Huntington Beach Successor Agency requiring payments during Fiscal Year 2019-20. These obligations include annual bond debt service payments and cooperation agreements:

- Debt Service Payments (lines 3 & 4) for 2002 Tax Allocation Refunding Bonds and 1999 Tax Allocation Refunding Bonds in the merged project area.
- Development Disposition Agreements, Owner Participation Agreements for Bella Terra and the Strand Developments (lines 14, 15, 29, & 30)
- HUD Section 108 Infrastructure Loan for Waterfront Development (Line 13)

The Administrative Budget of \$250,000 provides necessary funding for staffing support, including financial oversight and reporting, continuing disclosure reporting, audits, and interaction with the County of Orange and the Department of Finance, which is typically extensive throughout the ROPS approval process. Staff support is \$225,000 and includes a portion of the salary of the Deputy Director of Business Development, to prepare the ROPS, staff reports, requested information and implementation of the ROPS. In addition part of the Real Estate Manager, Economic Development Manager and Administrative Secretary is included in salaries, based on the ROPS implementation and required auditing and inspections. The Administrative Budget also includes \$25,000 for professional services; this includes financial oversight and review of the property tax sharing agreements.

The Huntington Beach Successor Agency is scheduled to approved the ROPS 19-20 A-B and attached Resolutions as its regularly scheduled meeting on Tuesday, January 22, 2019. Successor Agency approval is subject to submittal to and approval by the Oversight Board and by the State Department and Finance (DOF). The Successor Agency also requests authorization to post the approved Resolution and ROPS 19-20 A-B to the City's website and to transmit the ROPS 19-20 A-B to the DOF. Further, the City of Huntington Beach's Chief Financial Officer and Deputy Director of Economic Development and his/her

designees, in consultation with legal counsel, shall be authorized to make augmentations, modifications, additions or revisions as may be necessary or directed by DOF.

#### **Impact on Taxing Entities**

If the DOF approves the ROPS as submitted, the Huntington Beach Successor Agency will receive \$15,936,825, which includes \$250,000, for the administrative budget, for the period of July 1, 2019 through June 30, 2020 to pay the Successor Agency's enforceable obligations.

#### **Attachments**

- 1. Orange Countywide Oversight Board Resolution
- 2. Exhibit A ROPS 19-20
- 3. Exhibit B ROPS Admin Budget
- 4. Placeholder Staff Report with Resolutions Attached
- 5. Support Material for ROPS 19-20

A RESOLUTION OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD WITH OVERSIGHT OF THE SUCCESSOR AGENCY TO THE HUNTINGTON BEACH REDEVELOPMENT AGENCY APPROVING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE 19-20 FISCAL PERIOD OF JULY 1, 2019 TO JUNE 30, 2020, SUBJECT TO SUBMITTAL TO, AND REVIEW BY, THE STATE DEPARTMENT OF FINANCE UNDER CALIFORNIA HEALTH AND SAFETY CODE, DIVISION 24, PART 1.85, AND AUTHORIZING THE POSTING AND TRANSMITTAL THEREOF

WHEREAS, the former Redevelopment Agency of the City of Huntington Beach ("former Agency") was established as a community redevelopment agency that was organized and existing under the California Community Redevelopment Law, Health and Safety Code Section 33000, et seq., and previously authorized to transact business and exercise powers of a redevelopment agency by action of the City Council of the City of Huntington Beach ("City"); and

WHEREAS, Assembly Bill x1 26 added Parts 1.8 and 1.85 to Division 24 of the California Health and Safety Code, which caused the dissolution of all redevelopment agencies and wind down of the affairs of former agencies, including as such laws were amended by Assembly Bill 1484 and by other subsequent legislation, and most recently by Senate Bill 107 (together, as amended, the "Dissolution Law"); and

WHEREAS, as of February 1, 2012 the former Agency was dissolved under the Dissolution Law, and, as a separate public entity, corporate and politic, the Successor Agency to the Redevelopment Agency of the City of Huntington Beach ("Successor Agency") administers the enforceable obligations of the former Agency and otherwise unwinds the former Agency's affairs, all subject to the review and approval by a seven-member oversight board; and

WHEREAS, prior to July 1, 2018 under Dissolution Law, in particular Sections 34179 and 34180, all Huntington Beach Successor Agency actions were subject to the review and approval by a local seven-member oversight board, which oversaw and administered the Huntington Beach Successor Agency activities during the period from dissolution until June 30, 2018; and

WHEREAS, as of, on and after July 1, 2018 under Dissolution Law, in particular Sections 34179(j), in every California county there shall be only one oversight board that is staffed by the county auditor-controller, with certain exceptions that do not apply here; and

WHEREAS, every oversight board, both the prior local oversight board and this newly established Orange Countywide Oversight Board ("Oversight Board"), has fiduciary responsibilities to the holders of enforceable obligations and to the taxing entities that benefit from distributions of property tax and other revenues under Dissolution Law, in particular Sections 34188; and

WHEREAS, Sections 34177(m), 34177(o) and 34179 provide that each Recognized Obligation Payment Schedule ("ROPS") is submitted to, reviewed and approved by the Successor Agency and then reviewed and approved by the Oversight Board before final review and approval by the State of California, Department of Finance ("DOF"); and

WHEREAS, Section 34177(o) of the Dissolution Law requires that the annual ROPS for the 19-20 fiscal period of July 1, 2019 to June 30, 2020 ("ROPS 19-20") shall be submitted to the DOF by the Successor Agency, after approval by the Oversight Board, no later than February 1, 2019; and

WHEREAS, the Oversight Board has reviewed the ROPS 19-20 presented by the Successor Agency and desires to approve the ROPS 19-20, including the FY 19-20 Administrative Budget included therewith, and to authorize the Successor Agency, to cause posting of ROPS 19- 20 on the City's website and to direct transmittal of such ROPS to the DOF, with copies to the County Executive Officer, the County Auditor-Controller, and the State Controller's Office;

NOW, THEREFORE, BE IT RESOLVED THAT THE ORANGE COUNTYWIDE OVERSIGHT BOARD does hereby resolve as follows:

- Section 1. The foregoing recitals are hereby incorporated into this Resolution by this reference, and constitute a material part of this Resolution.
- Section 2. The Oversight Board hereby approves the ROPS 19-20, along with the Administrative Budget for FY 19-20 that is included therewith as Attachment 1 and 2, and incorporated by this reference, all under the requirements of the Dissolution Law.
- Section 3. The Oversight Board authorizes transmittal of ROPS 19-20 to the DOF, with copies to the County Executive Officer, the County Auditor-Controller, and the State Controller's Office.
- Section 4. The Executive Director of the Successor Agency, or his authorized designee(s), is directed to post this Resolution, including ROPS 19-20, on the Successor Agency website under the Dissolution Law.
- Section 5. Under Section 34179(h) written notice and information about all actions taken by the Oversight Board shall be provided to the DOF by electronic means and in a manner of DOF's choosing. An Oversight Board's action shall become effective five (5) business days after notice in the manner specified by the DOF unless the DOF requests a review; provided however, that under Section 34177(m) as to each ROPS submitted the DOF shall make its determination of the enforceable obligations and the amounts and funding sources of the enforceable obligations thereon no later than 45 days after submittal.

Section 6. The Clerk of the Oversight Board shall certify to the adoption of this Resolution.

# Recognized Obligation Payment Schedule (ROPS 19-20) - Summary Filed for the July 1, 2019 through June 30, 2020 Period

Successor Agency:	Huntington Beach
County:	Orange

Currer	nt Period Requested Funding for Enforceable Obligations (ROPS Detail)	9-20A Total · - December)	19-20B Total (January - June)	F	ROPS 19-20 Total
Α	Enforceable Obligations Funded as Follows (B+C+D):	\$ 497,723	\$ -	\$	497,723
В	Bond Proceeds	-	-		-
С	Reserve Balance	-	-		-
D	Other Funds	497,723	-		497,723
E	Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$ 7,460,920	\$ 7,978,182	\$	15,439,102
F	RPTTF	7,335,920	7,853,182		15,189,102
G	Administrative RPTTF	125,000	125,000		250,000
Н	Current Period Enforceable Obligations (A+E):	\$ 7,958,643	\$ 7,978,182	\$	15,936,825

Certification of Oversight Board Chairman:

Pursuant to Section 34177 (o) of the Health and Safety code, I hereby certify that the above is a true and accurate Recognized Obligation Payment Schedule for the above named successor agency.

Name	Title
/s/	
Signature	Date

#### July 1, 2019 through June 30, 2020

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											19-20	A (July - Dece	mber)		-		19-20B	(January - 、	June)		
												Fund Sources						nd Sources			
Item # Project Name/Debt Obligation	Obligation Type	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Retired	ROPS 19-20 Total	Bond Proceeds R	eserve Balance	Other Funds	RPTTF /	Admin RPTTF	19-20A Total	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	19-20B Total
1 Land Sale Emerald Cove	City/County Loan (Prior	5/18/2009	10/1/2030	COHB Park A & D Fund	Legally Binding Operative Agreement	Merged	\$ 133,691,341	N	\$ 15,936,825 \$ -		0			125,000	\$ 7,958,643 \$ -	0	\$ 0 \$	0 \$		125,000	\$ 7,978,182 \$ -
2 Hyatt Regency Huntington Beach Project		9/14/1998	9/30/2023	PCH Beach Resorts LLC		Merged	3,008,585	N	\$ 715,338			357,669			\$ 357,669				357,669		\$ 357,669
3 2002 Tax Allocation Refunding Bonds	Bonds Issued On or Before 12/31/10	6/19/2002	8/1/2024	Bank of New York Trust	Tax Allocation Bonds Debt Service Payments	Merged	7,965,500	N	\$ 1,615,000				1,509,625		\$ 1,509,625				105,375		\$ 105,375
4 1999 Tax Allocation Refunding	Bonds Issued On or Before 12/31/10	1/12/1999	8/1/2024	Bank of New York Trust	Tax Allocation Bonds Debt Service Payments	Merged	3,653,578	N	\$ 737,375				689,000		\$ 689,000				48,375		\$ 48,375
5 2002 Tax Allocation Refunding Bonds	Fees	11/17/2010	11/17/2016	Arbitrage Compliance Specialist	Tax Allocation Bonds arbitrage rebate calculation - Federal IRS Compliance		500	N	\$ 500			500			\$ 500						\$ -
6 1999 Tax Allocation Refunding Bonds	Fees	11/17/2010	11/17/2016	Arbitrage Compliance Specialist	Tax Allocation Bonds arbitrage rebate calculation - Federal IRS Compliance	Merged	500	N	\$ 500						\$ -				500		\$ 500
8 2002 Tax Allocation Refunding Bonds	Fees	6/19/2002	8/1/2024	Bank of New York Mellon	Tax Allocation Bonds - Payment to Fiscal Agent	Merged	1,500	N	\$ 1,500			1,500			\$ 1,500						\$ -
9 1999 Tax Allocation Refunding	Fees	1/12/1999	8/1/2024	Bank of New York Mellon	Tax Allocation Bonds - Payment to Fiscal Agent	Merged	1,500	N	\$ 1,500						\$ -				1,500		\$ 1,500
10 2002 Tax Allocation Refunding Bonds	Fees	1/3/2001	9/3/2018	Harrell & Company Advisors, LLC	Preparation and filing of Continuing Disclosure Annual Reports and Material Event Notices	Merged	500	Y	\$ -						\$ -						\$ -
11 1999 Tax Allocation Refunding Bonds	Fees	1/3/2001	9/3/2018	Harrell & Company Advisors, LLC	Preparation and filing of Continuing Disclosure Annual Reports and Material Event Notices		1,550	Y	\$ -			_			\$ -						\$
12 Emerald Cove 2010 Series A Leas Revenue Refunding Bonds	e Bonds Issued On or Before 12/31/10	5/13/2010	9/1/2021	US Bank	Emerald Cove 2010 Series A Lease Revenue Refunding Bonds Debt	Merged		N	\$ -						\$ -						\$
13 HUD Section 108 Infrastructure Loan for Hyatt/Hilton Properties	Bonds Issued On or Before 12/31/10	7/21/2010	8/1/2019	Bank of New York Mellon	Service Payments  Legally binding and enforceable loan agreement with the U.S. Department of Housing and Urban Development	Merged	1,043,384	N	\$ 528,580				528,580		\$ 528,580						\$ -
14 Strand Hotel and Mixed-Use Project, Parking & Infrastructure	OPA/DDA/Construction	6/1/1999	9/30/2033	CIM Group, LLC and Kane Ballmer and Berkman	for capital improvements Property Tax Sharing Agreement under the Disposition and Development Agreement (DDA) for development of hotel, retail, restaurant, and public parking structure. The Implementation of the DDA and the Sixth Implementation Agreement were entered into from June 1999 to November 2008.	Merged	6,406,637	N	\$ 677,903				677,903		\$ 677,903						\$
15 Strand Project Additional Parking	OPA/DDA/Construction	1/20/2009	9/30/2033	CIM Group, LLC	Property Tax Sharing Agreement under the Disposition and Development Agreement (DDA) and Sixth Implementation Agreement for the Strand projects parking structure authorized on January 20, 2009.		416,454	N	\$ 49,576				49,576		\$ 49,576						\$
16 Pacific City	OPA/DDA/Construction	10/16/2006	10/16/2026	Makar Properties & Kane Ballmer and Berkman	Owner Participation Agreement approved on October 16, 2006 for future development of a 31-acre site located at Pacific Coast Highway and First Street and financed by property tax allocations.		5,520,000	N	\$ -						\$ -						\$
17 Pacific City - Very Low Income Units	OPA/DDA/Construction	10/16/2006	11/26/2024	Makar Properties	15% affordable housing requirement pursuant to Attachment 5 of the Owner Participation Agreement approved on October 16, 2006. Of the 15% required housing obligation, 5% very-low income housing is to be developed by the Housing Authority. The Developer is required to provide the remaining 10% on site.			N	\$ -						\$ -						\$ -
21 Abdelmudi Owner Participation Agreement/Rent Differential Agreement	OPA/DDA/Construction	5/28/1991	12/31/2017	Abdelmudi Development Company	Owner Participation Agreement/Rent Differential Agreement approved on May 28, 1991 for the development of the three story building at the Oceanview Promenade. The Third Implementation Amendment took effect on November 21, 1994.			N	\$ -						\$ -						\$
27 Obligation for unused employee General Leave earned and vested	Unfunded Liabilities	9/30/2011	11/26/2024	City employees directly involved in Housing and Redevelopment projects and administration	Obligation for unused employee General Leave earned and vested as per MOUs and AB 1X26	Merged		N	\$ -						\$ -						\$
29 Bella Terra Parking Infrastructure Property Tax Sharing Agreement	OPA/DDA/Construction	10/2/2000	9/30/2025		Property Tax Sharing Agreement required under the terms of the Owne Participation Agreement (dated 10/2/2000) and Second Implementation Agreement (dated 9/17/2007) for the development of the Huntington Center (Bella Terra). Includes legal requirements to enforce obligation.		8,889,018	N	\$ 2,056,344						\$ -				2,056,344		\$ 2,056,344

#### July 1, 2019 through June 30, 2020

March   Marc									(керс	ort Amour	nts in Whole Do	ilars)							•				
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Proceedings															nber)								1
March   Marc						_																	19-20B
Part of the Control	0 Bella Terra Pi	Phase II Property Tax				Bella Terra Villas, LLC and	Agreement approved on October 4,	Project Area Merged				Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	\$ -	Bond Proceeds	Reserve Balance	Other Funds		Admin RPTTF	Total \$ 1,274,128
March 15	Sharing Agree	reement				Kane Ballmer Berkman	use unit project. Construction is																
Process   Proc							allocations. Includes legal requirements to implement obligation.																
March Control And Service	Agency comp	mpliance with AB 1x 26	Legal	7/8/2012	7/8/2016	Kane Ballmer & Berkman	Agency compliance with AB 1x 26 and			N	\$ -						\$ -						\$
Description of the Control of Management of Management (Control of Management of Man	and Safety Co 34171(d)(1)(F	Code Section )(F)																					
March Carlot Mar	to Successor	or Agency compliance	Professional Services	6/15/2010	9/30/2017	Keyser Marston	services to ensure Successor Agency	Merged and Southeast Coastal		N	\$ -						\$ -						\$
State   Stat	pursuant to H Section 3417	Health and Safety Code 171(d)(1)(F)					1484																
Miles	dissolution co	compliance and	Admin Costs	2/1/2012	11/26/2024	Ballmer, Keyser Marston,	obligations relating to maintaining		250,000	N	\$ 250,000					125,000	\$ 125,000					125,000	\$ 125,000
March Control of Supplement   Marc	AB1484						and other activities as required by AB 1X26																
Second Content Agency Name   Second Content Agency			Property Dispositions	11/1/2010	11/26/2024	Co., American Fence		Merged		N	\$ -						\$ -						\$
Column   C			Property Maintenance	11/1/2010	11/26/2024			Merged		N	\$ -						\$ -						\$
Solid College   Management C	3 Emerald Cove	ove 2010 Series A Lease		5/30/2010	9/1/2021	US Bank	Emerald Cove 2010 Series A Lease	Merged		N	\$ -						\$ -						\$
Signature   Transport Messagement   Transport Messag		- Very Low Income	OPA/DDA/Construction	10/16/2006	11/26/2024	Housing Authority	Statutory housing obligation for	Merged	6,500,000	N	\$ -						\$ -						\$
Second Second Process Management (2014)   10,000   10,0		I Project Management	Project Management Costs	2/1/2012	11/26/2024	City of Huntington Beach	Project management direct cost for	Merged		N	\$ -						\$ -						\$
200   Collab Trans   Financial Analysis   Financial Analysis   Financial Collab Trans   Financial Analysis   Financial Collab Trans   Financial	58 Bella Terra II	II Project Management	Project Management Costs	2/1/2012	11/26/2024	City of Huntington Beach	Project management direct cost for	Merged		N	\$ -						\$ -						\$
Col. Set Tree   Francis Analysis   Project Management Cols   \$15/01/0   \$1/02/024   \$4/02/04   \$4	59 CIM Project M	t Management	Project Management Costs	2/1/2012	11/26/2024	City of Huntington Beach	Project management direct cost for	Merged		N	\$ -						\$ -						\$
6 Place From Financial Assignment (2005 of 11/2010) 11/201024 Septembarron (2005 of 11/2010) 11/2010 11/201	60 Bella Terra I F	I Financial Analysis	Project Management Costs	6/15/2010	11/26/2024	Keyser Marston	Project management direct cost for	Merged		N	\$ -						\$ -						\$
Column   C	61 Bella Terra II	II Financial Analysis	Project Management Costs	6/15/2010	11/26/2024	Keyser Marston	Project management direct cost for	Merged		N	\$ -						\$ -						\$
Gold Tax Advanture Refunding   Service Stution C nor infection   Final Plant   Service Stution C nor infection   Final Plant	62 CIM Financial	cial Analysis	Project Management Costs	6/15/2010	11/26/2024	Keyser Marston	Project management direct cost for	Merged		N	\$ -						\$ -						\$
March   Marc		Illocation Refunding		6/19/2002	8/1/2024	Bank of New York Trust	Amount needed to fund shortfall in	Merged	0	N	\$ -						\$ -						\$
Cost Allowance   Cost	4 Successor Ag			11/4/2013	11/7/2019	Davis Farr LLP	Statutorily required annual financial	Merged	10,000	N	\$ 10,000				10,000		\$ 10,000						\$ -
This issuing Authority Administrative   Administrative   Administrative   Administrative   Costs   Marged   N   S			Admin Costs	2/18/2014	11/26/2024	Housing Authority		Merged		N	\$ -						\$ -						\$ -
75 Waterfront Hyalf Regency Hotel (Parcel 6 and 7)  76 Waterfront Hyalf Regency Hotel (Parcel 6) (Waterfront Hyalf Regency Hotel Hyalf Regency Hotel (Parcel 6) (Waterfront Hyalf Regency Hotel Hyalf Regency Hotel (Parcel 6) (Waterfront Hyalf Regency Hotel (Parcel 6) (Waterfront Hyalf Regency Hotel Hyalf Regency Hyalf Re			Admin Costs	2/18/2014	11/26/2024	Housing Authority	Housing Entity Administrative Cost	Merged		N	\$ -						\$ -						\$
hours), Chief Assistant City Attorney (20 hours), and Project Manager (35 hours) to negotiate terms for the disposition of Successor Agency properly under the LRPMP and draft various documents in Hotel/Parcel C (Parcel 6) and 7)  76 Waterfront Hyatt Regency Hotel (Parcel 6) and 7)  77 Waterfront Hyatt Regency Hotel (Parcel 6) and 7)  78 Waterfront Hyatt Regency Hotel (Parcel 6) and 7)  79 Waterfront Hyatt Regency Hotel (Parcel 6) and 7)  79 Waterfront Hyatt Regency Hotel (Parcel 6) and 7)  70 Waterfront Hyatt Regency Hotel (Parcel 6) and 7)  70 Waterfront Hyatt Regency Hotel (Parcel 6) and 7)  71 Waterfront Hyatt Regency Hotel (Parcel 6) waterfront Hillon (Parcel 6) waterfro	(Parcel 5), Wa	Waterfront Hilton	Project Management Costs	2/17/1909	9/30/2033	City of Huntington Beach	Project Management Costs for City Manager (50 hours), Assistant City Manager (40 hours), Deputy Director of the Office of Business Development (176 hours), Director of	Merged		Y	\$ -						\$ -						\$ -
Parcel 5), Waterfront Hyatt Regency Hotel (Parcel 6 and 7)							hours), Chief Assistant City Attorney (20 hours), and Project Manager (35 hours) to negotiate terms for the disposition of Successor Agency property under the LRPMP and draft various documents including																
property under the LRPMP and prepare draft documents  77 Waterfront Hyatt Regency Hotel (Parcel 5), Waterfront Hilton Hotel/Parcel C (Parcel 6 and 7)  8 Waterfront Hyatt Regency Hotel (Parcel 6 and 8)  78 Waterfront Hyatt Regency Hotel Project Management Costs (6/15/2010 9/30/2017 Keyser Marston Economic Analysis services to Merged N \$ -	(Parcel 5), Wa	Waterfront Hilton	Project Management Costs	12/1/2015	9/30/2016	HB Staffing	Project Management Costs for Consultant to draft documents for the			N	\$ -						\$ -						\$
77 Waterfront Hyatt Regency Hotel (Parcel 5), Waterfront Hilton Hotel/Parcel C (Parcel 6 and 7)  8 Waterfront Hyatt Regency Hotel For pict Management Costs  9 Waterfront Hyatt Regency Hotel For pict Management Costs  7 8 / 2012  7 8 / 2016  8 Kane Ballmer & Berkman Legal Costs for outside counsel to negotiate terms for the disposition of Successor Agency properly under the LRPMP and draft various documents including Purchase and Sale Agreement  7 8 Waterfront Hyatt Regency Hotel  Project Management Costs  6 / 15 / 2010  9 / 30 / 2017  For pict Management Costs  8 Agreement For pict Management Costs  9 / 30 / 2017  For pict Management Costs  8 Agreement For pict Management Costs  9 / 30 / 2017  For pict Manageme	Hotel/Parcel (	el C (Parcel 6 and 7)					property under the LRPMP and																
78 Waterfront Hyatt Regency Hotel Project Management Costs 6/15/2010 9/30/2017 Keyser Marston Economic Analysis services to Merged N \$ -	(Parcel 5), Wa	Waterfront Hilton	Project Management Costs	7/8/2012	7/8/2016	Kane Ballmer & Berkman	negotiate terms for the disposition of Successor Agency property under the LRPMP and draft various documents including Purchase and Sale			N	\$ -						\$ -						\$
Hotel/Parcel C (Parcel 6 and 7) terms for the disposition of Successor	(Parcel 5), Wa	Waterfront Hilton	Project Management Costs	6/15/2010	9/30/2017	Keyser Marston	Economic Analysis services to prepare financial analysis to negotiate terms for the disposition of Successor			N	\$ -						\$ -						\$
Agency property under the LRPMP  90 Unfunded CalPERS Pension Liabilities Unfunded Liabilities		CalPERS Pension	Unfunded Liabilities	6/30/2011	11/26/2026	CalPERS	Unfunded CalPERS pension obligation as per CalPERS actuarial	Merged		N	\$ -						\$ -						\$

#### July 1, 2019 through June 30, 2020

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A	В		, u	-	<u> </u>	G		'	J		L		)A (July - Dece	mbor)	l F	ų	K	10.20	)B (January -	luno)	v v	VV
													Fund Sources						Fund Source			
			Contract/Agreement					Total Outstanding		ROPS 19-20						19-20A						19-20B
Item #	Project Name/Debt Obligation Unfunded Supplemental Retirement	Obligation Type Unfunded Liabilities	Execution Date 9/30/2011	Termination Date 11/26/2026	Payee US Bank	Description/Project Scope Unfunded actuarial accrued liability as	Project Area Merged	Debt or Obligation	Retired N	Total	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	Total	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	Total
	Liabilities					of September 30, 2013 as per actuarial valuation by Bartel Associates, LLC.																
92	Unfunded OPEB Liabilities	Unfunded Liabilities	6/30/2011	11/26/2024	CalPERS/CERBT	Unfunded actuarial accrued liability as of June 30, 2013 as per Bartel Associates, LLC.	Merged		N	\$ -						\$ -						\$ -
93	Land Sale Emerald Cove	City/County Loan (Prior 06/28/11), Property	5/18/2009	10/1/2030	COHB Park A&D Fund	Legally Binding Operative Agreement Principal Amount - \$1,740.834.	Merged		N	\$ -						\$ -						\$ -
		transaction				Interest Rates 3%, Debt Incurred on May 18, 2009																
94	Emerald Cove 2010 Series A Lease Revenue Refunding Bonds	06/28/11), Property transaction	5/13/2010	9/1/2021	Huntington Beach Public Financing Authority	Emerald Cove 2010 Series A Lease Revenue Refunding Bonds Debt Service Payments	Merged		N	\$ -						\$ -						\$ -
	Huntington Center Redevelopment Plan development	City/County Loan (Prior 06/28/11), Property	6/9/2005	10/1/2030	City of Huntington Beach	Land and Right-of-way acquisition costs connected with the Gothard-	Merged		N	\$ -						\$ -						\$ -
		transaction				Hoover Extension project and development of a public storage facility																
	Main-Pier Redevelopment Project Phase II	City/County Loan (Prior 06/28/11), Property transaction	9/10/2005	10/1/2030	City of Huntington Beach	Costs incurred to acquire land within the Main-Pier project area for Phase II development projects			N	\$ -						\$ -						\$ -
97	Development of Downtown Main- Pier project area	City/County Loan (Prior 06/28/11), Property	6/4/1990	10/1/2030	City of Huntington Beach	Costs incurred to acquire land within the Main-Pier project area to	Merged		N	\$ -						\$ -						\$ -
	nor project area	transaction				implement the construction of parking facilities within the Downtown Main- Pier area																
98	Third Block West commercial/residential project	City/County Loan (Prior 06/28/11), Property	6/18/2005	10/1/2030	City of Huntington Beach	Relocation, property acquisition, and other project costs associated with	Merged		N	\$ -						\$ -						\$ -
	commercialnesidential project	transaction				the Third Block West Condominium/Retail/Office project in the Main-Pier Redevelopment project																
99	Second Block Alley and Street Improvement Project	City/County Loan (Prior 06/28/11), Property transaction	6/10/2005	10/1/2030	City of Huntington Beach	Property acquisition cost associated with the Second Block alley and street improvement project	Merged t		N	\$ -						\$ -						\$
100	Strand Project	City/County Loan (Prior 06/28/11), Property	6/18/2005	10/1/2030	City of Huntington Beach	Relocation costs paid to Wind and Sea Surf Shop	Merged		N	\$ -						\$ -						\$
101	Pierside Hotel/Retail/Parking Structure Project	transaction  City/County Loan (Prior 06/28/11), Property transaction	5/15/1992	10/1/2030	City of Huntington Beach	Relocation costs paid to Terry's Coffee Shop and First Interstate Bank	Merged		N	\$ -						\$ -						\$
102	Waterfront Commercial Master Site Plan	City/County Loan (Prior 06/28/11), Property transaction	3/1/1989	10/1/2030	City of Huntington Beach	buyout, and demolition of Driftwood and Pacific Mobile Home Parks related to the Waterfront Commercial	Merged		N	\$ -						\$ -						\$
103	Strand Project	City/County Loan (Prior 06/28/11), Property	10/19/1992	10/1/2030	City of Huntington Beach	Master Site Plan Property acquisition costs associated with the Strand Project	Merged		N	\$ -						\$ -						\$
104	Operative Agreement for the Huntington Beach Redevelopment	transaction City/County Loan (Prior 06/28/11), Other	6/17/2002	10/1/2030	City of Huntington Beach	Loan repayment for advance made on capital projects in FY 2004/05	Southeast Coastal		N	\$ -						\$ -						\$
105	Project Unfunded CalPERS Pension Liabilities	Unfunded Liabilities	6/30/2011	11/26/2026	CalPERS	Unfunded CalPERS pension obligation as per CalPERS actuarial	Merged	3,438,056	N	\$ 276,108			138,054			\$ 138,054				138,054		\$ 138,05
106	Unfunded Supplemental Retirement Liabilities	Unfunded Liabilities	9/30/2011	11/26/2026	US Bank	valuation as of June 30, 2016 Unfunded actuarial accrued liability as of September 30, 2013 as per	Merged	217,239	N	\$ 95,658				47,829		\$ 47,829				47,829		\$ 47,82
407	Land Cala Emerald Com	City/County Lagra / Pail	E/48/2000	10/1/2020	COHB Park A&D Fund	actuarial valuation by Bartel Associates, LLC.	Marrad	5.070.400	<b>K</b> 1	\$ 606,608				000.004		h 000 00 1				000.004		ф 000.00
107	Land Sale Emerald Cove	City/County Loan (Prior 06/28/11), Property transaction	5/18/2009	10/1/2030	COND PAIK A&U FUND	Legally Binding Operative Agreement Principal Amount - \$1,740,834, Interest Rates 3%, Debt Incurred on May 18, 2009	ivierged	5,676,433	N	φ 000,008				303,304		\$ 303,304				303,304		\$ 303,304
	Emerald Cove 2010 Series A Lease Revenue Refunding Bonds	City/County Loan (Prior 06/28/11), Property transaction	5/13/2010	9/1/2021	Huntington Beach Public Financing Authority	Emerald Cove 2010 Series A Lease Revenue Refunding Bonds Debt Service Payments	Merged	3,649,834	N	\$ 390,038				195,019	1	\$ 195,019				195,019		\$ 195,019
	Huntington Center Redevelopment Plan development	City/County Loan (Prior 06/28/11), Property transaction	6/9/2005	10/1/2030	City of Huntington Beach	Land and Right-of-way acquisition costs connected with the Gothard-Hoover Extension project and development of a public storage	Merged	1,880,405	N	\$ 200,948				100,474		\$ 100,474				100,474		\$ 100,474
	Main-Pier Redevelopment Project Phase II	06/28/11), Property	9/10/2005	10/1/2030	City of Huntington Beach	facility  Costs incurred to acquire land within the Main-Pier project area for Phase II		2,255,955	N	\$ 241,080				120,540	1	\$ 120,540				120,540		\$ 120,54
	Development of Downtown Main- Pier project area	transaction City/County Loan (Prior 06/28/11), Property transaction	6/4/1990	10/1/2030	City of Huntington Beach	development projects  Costs incurred to acquire land within the Main-Pier project area to implement the construction of parking facilities within the Downtown Main-		1,679,000	N	\$ 179,426				89,713		\$ 89,713				89,713		\$ 89,71
	Third Block West commercial/residential project	City/County Loan (Prior 06/28/11), Property transaction	6/18/2005	10/1/2030	City of Huntington Beach	Pier area Relocation, property acquisition, and other project costs associated with the Third Block West Condominium/Retail/Office project in the Main-Pier Redevelopment project area		9,599,412	N	\$ 1,025,834				512,917		\$ 512,917				512,917		\$ 512,917

#### July 1, 2019 through June 30, 2020

U	V	w
ne)		
RPTTF Admi	Admin RPTTF	19-20B Total
8,466		\$ 8,4
3,134		\$ 3,1
13,660		\$ 13,6
2,041,101		\$ 2,041,1
419,948		\$ 419,9
15,132		\$ 15,1
		\$
		\$
		\$
		\$
		\$
		\$
		\$
		\$
		\$
	15,132	15,132

# Huntington Beach Recognized Obligation Payment Schedule (ROPS 19-20) - Report of Cash Balances July 1, 2016 through June 30, 2017 (Report Amounts in Whole Dollars)

Pursuant to Health and Safety Code section 34177 (I), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation. For tips on how to complete the Report of Cash Balances Form, see Cash Balance Tips Sheet. D G Н **Fund Sources Bond Proceeds** RPTTF **Reserve Balance** Other Funds Prior ROPS RPTTF and Reserve Non-Admin Rent, **ROPS 16-17 Cash Balances** Bonds issued on or Bonds issued on or Balances retained Grants, and before 12/31/10 after 01/01/11 for future period(s) Interest, etc. Admin Comments (07/01/16 - 06/30/17)1 Beginning Available Cash Balance (Actual 07/01/16) RPTTF amount should exclude "A" period distribution amount 17,006 701,766 36.705 2 Revenue/Income (Actual 06/30/17) RPTTF amount should tie to the ROPS 16-17 total distribution from the County Auditor-Controller 133,286 7.264.959 3 Expenditures for ROPS 16-17 Enforceable Obligations (Actual 06/30/17) 234,628 7,240,950 4 Retention of Available Cash Balance (Actual 06/30/17) RPTTF amount retained should only include the amounts distributed as reserve for future period(s) 5 ROPS 16-17 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 16-17 PPA form No entry required submitted to the CAC 24,009 6 Ending Actual Available Cash Balance (06/30/17) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)

0 |\$

17.006 \$

600.424 \$

36.705

0 |\$

## **Successor Agency**

Administrative Budget
Department Budget Summary
Other Funds by Object Account

#### **OTHER FUNDS**

Expenditure Object Account	ROPS 19-20 Budget
RORF Administration (350)	
PERSONAL SERVICES	
Salaries/Benefits - Permanent	225,000
PERSONAL SERVICES	225,000
OPERATING EXPENSES	
Legal Services	
Other Professional Services/Operating	25,000
OPERATING EXPENSES	25,000
Total	250,000
	,
Revenue Summary	ROPS 19-20 Budget
Administrative Allowance	250,000
Other Funds	-
Total	250,000

#### **Significant Changes**

Pursuant to AB x126 and AB 1484, the Successor Agency receives RPTTF funding from the County Auditor-Controller to pay Enforceable Obligations. The Successor Agency also receives a 3% of actual distributed RPTTF in the preceding fiscal year, or a minimum of \$250,000 for administration of the winding down of the former Redevelopment Agency per fiscal year. Administrative costs associated with the "wind down" and dissolution of the Redevelopment Agency that exceed the administrative cost allowance will be funded by Other Funds, pursuant to State rules. Administrative expenses include: personnel costs, legal, and other professional services expenses associated with the dissolution and administration of the Successor Agency.

#### **Orange Countywide Oversight Board**

Placeholder for Pending Resolution

Date: 1/29/2019

From: Successor Agency to the Huntington Beach Redevelopment Agency

Subject: Resolution of the Huntington Beach City Council Approving the ROPS 19-20 and

Fiscal Year 2019-20 Administrative Budget

The resolutions of the Huntington Beach City Council approving the ROPS 19-20 A-B and Fiscal Year 2019-20 Administrative Budget will be voted upon at their 1/22/2019 meeting. As such, the resolution is not yet available for submission but will be provided before the Countywide Oversight Board votes upon its resolution regarding the ROPS 19-20 A-B and Fiscal Year 2019-20 Administrative Budget.

Attachments – Resolutions

#### RESOLUTION NO. 2019-02

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF HUNTINGTON BEACH APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD JULY 1, 2019 – JUNE 30, 2020 ("ROPS 19-20")

WHEREAS, pursuant to AB x1 26 (as amended by AB 1484, the "Dissolution Act"), the separate legal entity known as Successor Agency to the Redevelopment Agency of the City of Huntington Beach ("Successor Agency") must prepare "Recognized Obligation Payment Schedules" ("ROPS") that enumerate the enforceable obligations and expenses of the Successor Agency for each successive annual fiscal period until the wind down and disposition of assets of the former Redevelopment Agency of the City of Huntington Beach; and

The Successor Agency staff has prepared a ROPS for the annual fiscal period commencing on July 1, 2019 and continuing through June 30, 2020 ("ROPS 19-20") which is attached hereto as Exhibit A; and

After reviewing ROPS 19-20, presented to and recommended for approval by Successor Agency staff, and after reviewing any written and oral comments from the public relating thereto, the Successor Agency Board desires to approve the ROPS 19-20; and

All of the prerequisites with respect to the approval of this Resolution have been met.

NOW, THEREFORE, the Successor Agency to the Redevelopment Agency of the City of Huntington Beach does hereby resolve as follows:

- 1. The Successor Agency hereby finds and determines that the foregoing recitals are true and correct.
- 2. The Successor Agency hereby approves ROPS 19-20 in the form presented to the Successor Agency and attached hereto as <u>Exhibit A</u>, and hereby determines that such agreements and obligations constitute "enforceable obligations" and "recognized obligations" for all purposes under the Dissolution Act.
- 3. The Successor Agency authorizes and directs the Successor Agency staff to: (i) take all actions necessary under the Dissolution Act to post ROPS 19-20 on the Successor Agency website once approved by the Oversight Board to the Successor Agency; (ii) transmit ROPS 19-20 to the Auditor-Controller and the County Administrator of the County of Orange and to the State Controller and the State Department of Finance ("DOF"); and (iii) to do any and all things and to execute and deliver any and all documents which may be necessary or advisable in order to effectuate the purposes of this Resolution. In addition, the Successor Agency authorizes and directs the Successor Agency staff to make such non-substantive revisions to ROPS 19-20 as may be necessary to submit ROPS 19-20 in any modified form required by DOF, and ROPS 19-20 as so modified shall thereupon constitute ROPS 19-20 as approved by the Successor Agency pursuant to this Resolution.

- The Successor Agency authorizes the Executive Director, or designee, to make 4. such non-substantive changes and amendments to ROPS 19-20 as may be approved by the Executive Director of the Successor Agency and its legal counsel, and ResolROPS 19-20 as so modified shall thereupon constitute ROPS 19-20 as approved by the Successor Agency pursuant to this Resolution.
- The Successor Agency does not intend, by adoption of this Resolution, to waive 5. any constitutional, legal and/or equitable rights of the Successor Agency or the City of Huntington Beach under law and/or in equity by virtue of the adoption of this Resolution and actions approved and taken pursuant to this Resolution and, therefore, reserves all such rights of the Successor Agency and the City of Huntington Beach under law and/or in equity.

PASSED AND ADOPTED by the Succe the City of Huntington Beach at a regular meetin, 2019.	essor Agency to the Redevelopment Agency of ag thereof held on the day of
	Chairperson
	REVIEWED AND APPROVED:
	Executive Director
	APPROVED AS TO FORM:
•	General Legal Counsel W
	,

### EXHIBIT A

## RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD JULY 1, 2019 THROUGH JUNE 30, 2020 ("ROPS 19-20S")

[behind this page]

#### RESOLUTION NO. 2019-01

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF HUNTINGTON BEACH APPROVING THE SUCCESSOR AGENCY ADMINISTRATIVE BUDGET FOR THE PERIOD JULY 1, 2019 THROUGH JUNE 30, 2020

WHEREAS, California Health and Safety Code section 34177(j) requires that the Successor Agency to the Redevelopment Agency of the City of Huntington Beach ("Successor Agency") prepare an administrative budget for each annual fiscal period; and

A draft administrative budget for the fiscal period of July 1, 2019 through June 30, 2020 ("Administrative Budget") is attached hereto as Exhibit A; and

California Health and Safety Code section 34177(k) requires the Successor Agency to provide to the County Auditor-Controller administrative cost estimates for expenses from the administrative budget that are to be paid from property tax revenues deposited in the Redevelopment Property Tax Trust Fund for each annual fiscal period; and

All of the prerequisites with respect to the approval of this Resolution have been met.

NOW, THEREFORE, the Successor Agency to the Redevelopment Agency of the City of Huntington Beach does hereby resolve as follows:

- 1. The Successor Agency hereby finds and determines that the foregoing recitals are true and correct.
  - 2. The Administrative Budget attached hereto as Exhibit A is hereby approved.
- 3. The Successor Agency staff is directed to: (i) provide the required cost estimates for expenses to the County Auditor-Controller; and (ii) to do any and all things and to execute and deliver any and all documents which may be necessary or advisable in order to effectuate the purposes of this Resolution.
- 4. The Successor Agency does not intend, by adoption of this Resolution, to waive any constitutional, legal and/or equitable rights of the Successor Agency or the City of Huntington Beach under law and/or in equity by virtue of the adoption of this Resolution and actions approved and taken pursuant to this Resolution and, therefore, reserves all such rights of the Successor Agency and the City of Huntington Beach under law and/or in equity.

Chairperson
REVIEWED AND APPROVED:
Executive Director
APPROVED AS TO FORM:
General Legal Counsel

## EXHIBIT A

# ADMINISTRATIVE BUDGET FOR THE PERIOD JULY 1, 2019 THROUGH JUNE 30, 2020

[behind this page]

Month 9/30/2015	Interest Rate		Daily Interes	st	Additional Principal	Payments	Number of Days	Monthly Interest		Cur Tota	mulative al 4,185,275.07
10/31/15		6.3185%	\$	724.51			31	\$	22,459.85	\$	4,207,734.92
11/30/15		6.3185%	\$	728.40			30	\$	21,851.98	\$	4,229,586.90
12/31/15		6.3185%		732.18			31	\$	22,697.64	\$	4,252,284.54
01/31/16		6.3185%	\$	736.11			31	\$	22,819.45	\$	4,275,103.99
02/29/16		6.3185%	\$	740.06			29	\$	21,461.78	\$	4,296,565.77
03/30/16		6.3185%	\$	743.78			30	\$	22,313.30	\$	4,318,879.07
03/31/16		6.3185%	\$	684.42		365,183.77	1	\$	684.42	\$	3,954,379.72
04/30/16		6.3185%	\$	684.54			30	\$	20,536.23	\$	3,974,915.95
05/31/16		6.3185%	\$	688.10			31	\$	21,330.98	\$	3,996,246.93
06/30/16		6.3185%		691.79			30	\$	20,753.66	\$	4,017,000.59
07/31/16		6.3185%	\$	695.38			31	\$	21,556.82	\$	4,038,557.41
08/31/16		6.3185%	\$	699.11			31	\$	21,672.50	\$	4,060,229.91
09/29/16		6.3185%	\$	702.86			29	\$	20,383.08	\$	4,080,612.99
09/30/16		6.3185%		643.40		363,876.25	1	\$	643.40	\$	3,717,380.14
10/31/16		6.3185%	\$	643.51			31	\$	19,948.94	\$	3,737,329.08
11/30/16		6.3185%		646.97			30	\$	19,409.03	\$	3,756,738.11
12/31/16		6.3185%		650.33			31	\$	20,160.15	\$	3,776,898.26
01/31/17		6.3185%	\$	653.82			31	\$	20,268.34	\$	3,797,166.60
02/28/17		6.3185%	\$	657.33			28	\$	18,405.13	\$	3,815,571.73
03/30/17		6.3185%	\$	660.51			30	\$	19,815.36	\$	3,835,387.09
03/31/17		6.3185%	\$	600.95		363,876.25	1	\$	600.95	\$	3,472,111.79
04/30/17		6.3185%	\$	601.06			30	\$	18,031.68	\$	3,490,143.47
05/31/17		6.3185%	\$	604.18			31	\$	18,729.50	\$	3,508,872.97
06/30/17		6.3185%	\$	607.42			30	\$	18,222.59	\$	3,527,095.56
07/31/17		6.3185%	\$	610.57			31	\$	18,927.80	\$	3,546,023.36
08/31/17		6.3185%	\$	613.85			31	\$	19,029.37	\$	3,565,052.73
09/29/17		6.3185%	\$	617.14			29	\$	17,897.20	\$	3,582,949.93

Month	Interest Rate		Daily Intere		Additional Principal	Payments	Number of Days	Monthly Interest		Cu To	mulative
09/30/17	Nate	6.3185%		550.80	гіныраі	401,132.60	UI Days	\$	550.80	\$	3,182,368.14
10/31/17		6.3185%		550.90		101,102.00	31	\$	17,077.85	\$	3,199,445.99
11/30/17		6.3185%		553.85			30	\$	16,615.64	\$	3,216,061.63
12/31/17		6.3185%	\$	556.73			31	\$	17,258.66	\$	3,233,320.29
01/31/18		6.3185%	\$	559.72			31	\$	17,351.28	\$	3,250,671.57
02/28/18		6.3185%	\$	562.72			28	\$	15,756.23	\$	3,266,427.80
03/30/18		6.3185%	\$	565.45			30	\$	16,963.50	\$	3,283,391.30
03/31/18		6.3185%	\$	498.95		401,132.60	1	\$	498.95	\$	2,882,757.65
04/30/18		6.3185%	\$	499.03			30	\$	14,970.99	\$	2,897,728.64
05/31/18		6.3185%	\$	501.62			31	\$	15,550.36	\$	2,913,279.00
06/30/18		6.3185%	\$	504.32			30	\$	15,129.50	\$	2,928,408.50
07/31/18		6.3185%	\$	506.94			31	\$	15,715.00	\$	2,944,123.50
08/31/18		6.3185%	\$	509.66			31	\$	15,799.34	\$	2,959,922.84
09/29/18		6.3185%	\$	512.39			29	\$	14,859.34	\$	2,974,782.18
09/30/18		6.3185%	\$	437.25		448,907.79	1	\$	437.25	\$	2,526,311.64
10/31/18		6.3185%	\$	437.33			31	\$	13,557.19	\$	2,539,868.83
11/30/18		6.3185%	\$	439.68			30	\$	13,190.27	\$	2,553,059.10
12/31/18		6.3185%	\$	441.96			31	\$	13,700.73	\$	2,566,759.83
01/31/19		6.3185%	\$	444.33			31	\$	13,774.25	\$	2,580,534.08
02/28/19		6.3185%	\$	446.72			28	\$	12,508.03	\$	2,593,042.11
03/30/19		6.3185%	\$	448.88			30	\$	13,466.41	\$	2,606,508.52
03/31/19		6.3185%	\$	373.50		448,907.79	1	\$	373.50	\$	2,157,974.22
04/30/19		6.3185%	\$	373.57			30	\$	11,206.98	\$	2,169,181.20
05/31/19		6.3185%	\$	375.51			31	\$	11,640.69	\$	2,180,821.89
06/30/19		6.3185%	\$	377.52			30	\$	11,325.64	\$	2,192,147.53
07/31/19		6.3185%	\$	379.48			31	\$	11,763.93	\$	2,203,911.46
08/31/19		6.3185%	\$	381.52			31	\$	11,827.06	\$	2,215,738.52
09/29/19		6.3185%	\$	383.57			29	\$	11,123.40	\$	2,226,861.92
09/30/19		6.3185%		296.57		513,662.39	1	\$	296.57	\$	1,713,496.11
10/31/19		6.3185%	\$	296.62			31	\$	9,195.30	\$	1,722,691.41

	Interest		Daily		Additional		Number	Monthly		Cui	mulative	
Month	Rate		Intere	est	Principal	Payments	of Days	Interest		Tot	al	
11/30/19		6.3185%	\$	298.21			30	\$	8,946.43	\$	1,731,637.84	
12/31/19		6.3185%	\$	299.76			31	\$	9,292.66	\$	1,740,930.50	
01/31/20		6.3185%	\$	301.37			31	\$	9,342.52	\$	1,750,273.02	
02/29/20		6.3185%	\$	302.99			29	\$	8,786.68	\$	1,759,059.70	
03/30/20		6.3185%	\$	304.51			30	\$	9,135.30	\$	1,768,195.00	
03/31/20		6.3185%	\$	217.17		513,662.39	1	\$	217.17	\$	1,254,749.78	To ROPS 19-20
04/30/20		6.3185%	\$	217.21			30	\$	6,516.28	\$	1,261,266.06	
05/31/20		6.3185%	\$	218.34			31	\$	6,768.45	\$	1,268,034.51	
06/30/20		6.3185%	\$	219.51			30	\$	6,585.27	\$	1,274,619.78	
07/31/20		6.3185%	\$	220.65			31	\$	6,840.12	\$	1,281,459.90	
08/31/20		6.3185%	\$	221.83			31	\$	6,876.82	\$	1,288,336.72	
09/29/20		6.3185%	\$	223.02			29	\$	6,467.68	\$	1,294,804.40	
09/30/20		6.3185%	\$	118.64		609,463.24	1	\$	118.64	\$	685,459.80	
10/31/20		6.3185%	\$	118.66			31	\$	3,678.45	\$	689,138.25	
11/30/20		6.3185%	\$	119.30			30	\$	3,578.89	\$	692,717.14	
12/31/20		6.3185%	\$	119.92			31	\$	3,717.40	\$	696,434.54	
01/31/21		6.3185%	\$	120.56			31	\$	3,737.34	\$	700,171.88	
02/28/21		6.3185%	\$	121.21			28	\$	3,393.78	\$	703,565.66	
03/30/21		6.3185%	\$	121.79			30	\$	3,653.82	\$	707,219.48	
03/31/21		6.3185%	\$	16.92		609,463.24	1	\$	16.92	\$	97,773.16	
04/30/21		6.3185%	\$	16.93			30	\$	507.76	\$	98,280.92	
05/31/21		6.3185%	\$	17.01			31	\$	527.41	\$	98,808.33	
06/30/21		6.3185%	\$	17.10			30	\$	513.14	\$	99,321.47	
07/31/21		6.3185%	\$	17.19			31	\$	533.00	\$	99,854.47	
08/31/21		6.3185%	\$	17.29			31	\$	535.86	\$	100,390.33	
09/29/21		6.3185%	\$	17.38			29	\$	503.98	\$	100,894.31	
09/30/21		6.3185%	\$	(116.57)		774,301.07	1	\$	(116.57)	\$	(673,523.33)	
10/31/21		6.3185%	\$	(116.59)			31	\$	(3,614.39)	\$	(677,137.72)	
11/30/21		6.3185%	\$	(117.22)			30	\$	(3,516.57)	\$	(680,654.29)	

	Interest		Daily		Additional		Number	Monthly		Cu	mulative
Month	Rate		Intere	est	Principal	Payments	of Days	Interest		Tot	tal
12/31/21		6.3185%	\$	(117.83)			31	\$	(3,652.66)	\$	(684,306.95)
01/31/22		6.3185%	\$	(118.46)			31	\$	(3,672.26)	\$	(687,979.21)
02/28/22		6.3185%	\$	(119.10)			28	\$	(3,334.68)	\$	(691,313.89)
03/30/22		6.3185%	\$	(119.67)			30	\$	(3,590.19)	\$	(694,904.08)
03/31/22		6.3185%	\$	(254.33)		774,301.07	1	\$	(254.33)	\$	(1,469,459.48)
04/30/22		6.3185%	\$	(254.38)			30	\$	(7,631.33)	\$	(1,477,090.81)
05/31/22		6.3185%	\$	(255.70)			31	\$	(7,926.66)	\$	(1,485,017.47)
06/30/22		6.3185%	\$	(257.07)			30	\$	(7,712.12)	\$	(1,492,729.59)
07/31/22		6.3185%	\$	(258.41)			31	\$	(8,010.58)	\$	(1,500,740.17)
08/31/22		6.3185%	\$	(259.79)			31	\$	(8,053.57)	\$	(1,508,793.74)
09/29/22		6.3185%	\$	(261.19)			29	\$	(7,574.41)	\$	(1,516,368.15)
09/29/22		6.3185%	\$	-		646,423.62		\$	-	\$	(2,162,791.77)

(See "CONCLUDING INFORMATION - Ratings on the Bonds" herein)

In the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, subject, however to certain qualifications described herein, under existing law, the interest on the Bonds is excluded from gross income for federal income tax purposes, such interest is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, although for the purpose of computing the alternative minimum tax imposed on certain corporations, such interest is taken into account in determining certain income and earnings. In the further opinion of Bond Counsel, such interest is exempt from California personal income taxes. See "LEGAL MATTERS – Tax Matters" herein.

#### ORANGE COUNTY

STATE OF CALIFORNIA



# \$20,900,000 REDEVELOPMENT AGENCY OF THE CITY OF HUNTINGTON BEACH 2002 TAX ALLOCATION REFUNDING BONDS (HUNTINGTON BEACH REDEVELOPMENT PROJECT)

Dated: Date of Delivery

Due: August 1, As Shown Below.

4

The cover page contains certain information for quick reference only. It is not a summary of the issue. Potential investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision. See "BONDHOLDERS' RISKS" herein for a discussion of special risk factors that should be considered in evaluating the investment quality of the Bonds.

Interest on the Bonds is payable commencing on February 1, 2003, and semiannually thereafter on August 1 and February 1 of each year until maturity or earlier optional redemption. See "THE BONDS - General Provisions" and "THE BONDS - Redemption" herein.

Payment of the principal of and interest on the Bonds when due will be insured by a financial guaranty insurance policy to be issued by Ambac Assurance Corporation simultaneously with the delivery of the Bonds.

## **Ambac**

# MATURITY SCHEDULE \$19,200,000 Serial Bonds

Maturity August 1	Principal <u>Amount</u>	Interest <u>Rate</u>	Reoffering Yield/Price	Maturity August 1	Principal Amount	Interest Rate	Reoffering <u>Yield/Price</u>
2003	\$685,000	2.50%	NRO	2013	\$1,040,000	4.125%	4.20%
2004	750,000	2.50	2.00	2014	1,080,000	4.25	4.35
2005	765,000	2.50	2.35	2015	1,115,000	4.25	4.45
2006	790,000	3.00	2.70	2016	1,180,000	5.00	4.55 *
2007	815,000	3.25	3.00	2017	1,235,000	5.00	4.65 *
2008	845,000	3.50	3.25	2018	1,295,000	5.00	4.75 *
2009	870,000	3.50	3.45	2019	1,370,000	5.00	4.85 *
2010	910,000	3.75	3.70	2020	800,000	5.00	4.95 *
2011	945,000	3.90	100	2021	840,000	5.00	100
2012	995,000	4.00	4.03	2022	875,000	5.00	5.05

\$1,700,000 5.00% Term Bonds due August 1, 2024, Yield 5.09%

\* Priced to the August 1, 2014 Optional Call at Par

The Bonds are payable solely from certain tax revenues of the Redevelopment Agency of the City of Huntington Beach (the "Agency") as described herein and certain other funds held under the Indenture (see "SOURCES OF PAYMENT FOR THE BONDS," "BONDHOLDERS' RISKS" and "DEBT STRUCTURE" herein. It is anticipated that the Bonds will be available for delivery in New York, New York, on or about July 10, 2002 for deposit with The Depository Trust Company (see "THE BONDS - General Provisions - Book-Entry Only System" herein). The Bonds are being offered when, as and if issued, subject to the approval as to their legality by Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel. Certain legal matters will be passed on for the Agency by Jones Hall, A Professional Law Corporation, San Francisco, California, as Disclosure Counsel.

The date of the Official Statement is June 19, 2002.



#### BOND DEBT SERVICE

# Huntington Beach Redevelopment Agency 2002 Tax Allocation Refunding Bonds

Dated Date Delivery Date 07/10/2002 07/10/2002

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
07/10/2002					
07/10/2002			400 (10 05	400 610 25	
02/01/2003	(05.000	0.5000/	489,619.25	489,619.25	
08/01/2003	685,000	2.500%	438,465.00	1,123,465.00	1,613,084.25
02/01/2004	<b>550.000</b>		429,902.50	429,902.50	
08/01/2004	750,000	2.500%	429,902.50	1,179,902.50	1,609,805.00
02/01/2005			420,527.50	420,527.50	
08/01/2005	765,000	2.500%	420,527.50	1,185,527.50	1,606,055.00
02/01/2006			410,965.00	410,965.00	
08/01/2006	790,000	3.000%	410,965.00	1,200,965.00	1,611,930.00
02/01/2007			399,115.00	399,115.00	
08/01/2007	815,000	3.250%	399,115.00	1,214,115.00	1,613,230.00
02/01/2008			385,871.25	385,871.25	
08/01/2008	845,000	3.500%	385,871.25	1,230,871.25	1,616,742.50
02/01/2009			371,083.75	371,083.75	
08/01/2009	870,000	3.500%	371,083.75	1,241,083.75	1,612,167.50
02/01/2010			355,858.75	355,858.75	
08/01/2010	910,000	3.750%	355,858.75	1,265,858.75	1,621,717.50
02/01/2011			338,796.25	338,796.25	
08/01/2011	945,000	3.900%	338,796.25	1,283,796.25	1,622,592.50
02/01/2012			320,368.75	320,368.75	
08/01/2012	995,000	4.000%	320,368.75	1,315,368.75	1,635,737.50
02/01/2013			300,468.75	300,468.75	
08/01/2013	1,040,000	4.125%	300,468.75	1,340,468.75	1,640,937.50
02/01/2014			279,018.75	279,018.75	
08/01/2014	1,080,000	4.250%	279,018.75	1,359,018.75	1,638,037.50
02/01/2015			256,068.75	256,068.75	
08/01/2015	1,115,000	4.250%	256,068.75	1,371,068.75	1,627,137.50
02/01/2016	,		232,375.00	232,375.00	, , , , , , , ,
08/01/2016	1,180,000	5.000%	232,375.00	1,412,375.00	1,644,750.00
02/01/2017	. ,		202,875.00	202,875.00	.,,
08/01/2017	1,235,000	5.000%	202,875.00	1,437,875.00	1,640,750.00
02/01/2018	,,		172,000.00	172,000.00	2,010,100.00
08/01/2018	1,295,000	5.000%	172,000.00	1,467,000.00	1,639,000.00
02/01/2019	-,,	2.00070	139,625.00	139,625.00	1,057,000.00
08/01/2019	1,370,000	5.000%	139,625.00	1,509,625.00	1,649,250.00
02/01/2020	-,- / 0,000	5.00070	105,375.00	105,375.00	1,017,230.00
08/01/2020	800,000	5.000%	105,375.00	905,375.00	1,010,750.00
02/01/2021		5.00070	85,375.00	85,375.00	1,010,750.00
08/01/2021	840,000	5.000%	85,375.00	925,375.00	1,010,750.00
02/01/2022	0.0,000	5.00070	64,375.00	64,375.00	1,010,720.00
08/01/2022	875,000	5.000%	64,375.00	939,375.00	1,003,750.00
	075,000	5.00070	07,373.00	757,515.00	1,000,1000

#### BOND DEBT SERVICE

# Huntington Beach Redevelopment Agency 2002 Tax Allocation Refunding Bonds

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
02/01/2023			42,500.00	42,500.00	
08/01/2023	920,000	5.000%	42,500.00	962,500.00	1,005,000.00
02/01/2024			19,500.00	19,500.00	
08/01/2024	780,000	5.000%	19,500.00	799,500.00	819,000.00
	20,900,000		11,592,174.25	32,492,174.25	32,492,174.25

Standard & Poor's: AAA Moody's: Aaa

(See "Municipal Bond Insurance" and "Ratings on the Bonds" herein)

In the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, subject, however, to certain qualifications described herein, under existing law, the interest on the Bonds is excluded from gross income for federal income tax purposes, and such interest is not an item of tax preference for purposes of federal alternative minimum taxes imposed on individuals and corporations, although for the purpose of computing the alternative minimum tax imposed on certain corporations, such interest is taken into account in determining certain income and earnings. In the further opinion of Bond Counsel, under existing law, the interest on the Bonds is exempt from personal income taxes of the State of California. See "LEGAL MATTERS - Tax Matters" herein.

#### ORANGE COUNTY

STATE OF CALIFORNIA



## \$10,835,000 REDEVELOPMENT AGENCY OF THE CITY OF HUNTINGTON BEACH 1999 TAX ALLOCATION REFUNDING BONDS (HUNTINGTON BEACH REDEVELOPMENT PROJECT)

Dated: January 15, 1999

Due: August 1 as Shown Below.

The cover page contains certain information for quick reference only. It is not a summary of the issue. Potential investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision. See "BONDOWNERS' RISKS" herein for a discussion of certain special risk factors which should be considered in evaluating the investment quality of the Bonds.

Interest on the Bonds is payable on August 1, 1999, and semiannually thereafter on August 1 and February 1 of each year until maturity or earlier redemption (see "THE BONDS - General Provisions" and "THE BONDS - Redemption" herein).

The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under an insurance policy to be issued concurrently with the delivery of the Bonds by FINANCIAL SECURITY ASSURANCE INC. See "SOURCES OF DAYMENT FOR THE BONDS. Municipal Bond Insurance Policy to the Bonds of the Bonds by FINANCIAL SECURITY ASSURANCE INC. See "SOURCES OF PAYMENT FOR THE BONDS - Municipal Bond Insurance" herein.

The information contained within this Official Statement was prepared under the direction of the Agency by the following firm serving as Financing Consultant to the Agency.



# Rod Gunn Associates, Inc.

## MATURITY SCHEDULE

\$8,900,000 Serial Bonds

Maturity Date <u>August 1</u> 1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009	Principal <u>Amount</u> \$495,000 280,000 290,000 300,000 310,000 320,000 335,000 350,000 365,000 380,000 390,000	Interest Rate 3.00% 3.20 3.40 3.50 3.60 3.70 3.80 3.90 4.00 4.00 4.10	Reoffering Yield/Price 100% 100 100 100 100 100 100 100 4.10 4.20	Maturity Date <u>August 1</u> 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019	Principal <u>Amount</u> \$410,000 430,000 450,000 465,000 515,000 540,000 565,000 595,000 625,000	Rate 4.20% 4.30 4.40 4.50 4.60 4.70 4.80 4.875 4.90 5.00	Yield/Price 4.30% 4.40 4.50 4.60 4.70 4.80 4.90 4.95 5.00 5.05
2007	•					D. 777.	

\$1,935,000 5.00% Term Bonds due August 1, 2024, Price 99%

(Plus Accrued Interest from January 15, 1999)

The Bonds are payable solely from certain Tax Revenues, as defined herein, of the Redevelopment Agency of the City of Huntington Beach (the "Agency") as described herein and certain other funds held under the Indenture (see "SOURCES OF PAYMENT FOR THE BONDS" and "BONDOWNERS' RISKS" herein). It is anticipated that the Bonds, in book-entry form, will be available for delivery to The Depository Trust Company in New York, New York on or about January 28, 1999 (see "THE BONDS - General Provisions - Book-Entry Only System" herein).

The date of the Official Statement is January 12, 1999.

# Scheduled Debt Service on the Bonds

Scheduled Debt Service on the Bonds is as follows:

	~ <b>.</b>	<b>.</b>	A 1 m . 1
Interest Payment Date	Principal	Interest	Annual Total
August 1, 1999	\$495,000.00	\$257,597.76	\$752,597.76
February 1, 2000		229,144.38	500 000 5C
August 1, 2000	280,000.00	229,144.38	738,288.76
February 1, 2001		224,664.38	
August 1, 2001	290,000.00	224,664.38	739,328.76
February 1, 2002		219,734.38	
August 1, 2002	300,000.00	219,734.38	739,468.76
February 1, 2003		214,484.38	
August 1, 2003	310,000.00	214,484.38	738,968.76
February 1, 2004		208,904.38	
August 1, 2004	320,000.00	208,904.38	737,808.76
February 1, 2005		202,984.38	•
August 1, 2005	335,000.00	202,984.38	740,968.76
February 1, 2006		196,619.38	
August 1, 2006	350,000.00	196,619.38	743,238.76
February 1, 2007		189,794.38	
August 1, 2007	365,000.00	189,794.38	744,588.76
February 1, 2008	,	182,494.38	•
August 1, 2008	380,000.00	182,494.38	744,988.76
February 1, 2009	250,500.00	174,894.38	
August 1, 2009	390,000.00	174,894 <i>.</i> 38	739,788.76
February 1, 2010	370,000.00	166,899.38	707,100.70
August 1, 2010	410,000.00	166,899.38	743,798.76
February 1, 2011	410,000.00	158,289.38	745,770.70
August 1, 2011	430,000.00	158,289.38	746,578.76
February 1, 2012	430,000.00	149,044.38	740,376.76
August 1, 2012	450,000,00	149,044.38	748,088.76
	450,000.00	139,144.38	740,000.70
February 1, 2013	465 000 00		742 200 76
August 1, 2013	465,000.00	139,144.38	743,288.76
February 1, 2014	100 000 00	128,681.88	747 262 76
August 1, 2014	490,000.00	128,681.88	747,363.76
February 1, 2015		117,411.88	540 500 5C
August 1, 2015	515,000.00	117,411.88	749,823.76
February 1, 2016		105,309.38	
August 1, 2016	540,000.00	105,309.38	750,618.76
February 1, 2017		92,349.38	
August 1, 2017	565,000.00	92,349.38	749,698.76
February 1, 2018		78,577.50	
August 1, 2018	595,000.00	78,577 <i>.</i> 50	752,155.00
February 1, 2019		64,000.00	
August 1, 2019	625,000.00	64,000.00	753,000.00
February 1, 2020	•	48,375.00	
August 1, 2020	365,000.00	48,375.00	461,750.00
February 1, 2021	,	39,250.00	
August 1, 2021	380,000.00	39,250.00	458,500.00
February 1, 2022		29,750.00	12 232 2 2 3 0 0
August 1, 2022	405,000.00	29,750.00	464,500.00
February 1, 2023	+0J,000.00	19,625.00	101,500.00
August 1, 2023	425,000.00	19,625.00	464,250.00
February 1, 2024	423,000.00	9,000.00	404,230.00
August 1, 2024	260,000,00	9,000.00	270 000 00
August 1, 2024	360,000.00	9,000.00	378,000.00

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## Scheduled Debt Service on the Bonds

Scheduled Debt Service on the Bonds is as follows:

Interest Payment Date	Principal	Interest	Annual Total
August 1, 1999	\$495,000.00	\$257,597. <b>7</b> 6	\$752,597.76
February 1, 2000	<b>\$193,000.00</b>	229,144.38	Ψ132,371.10
August 1, 2000	280,000.00	229,144.38	738,288.76
February 1, 2001	280,000.00	224,664.38	730,200.70
August 1, 2001	290,000.00	224,664.38	720 220 76
February 1, 2002	290,000.00		739,328.76
August 1, 2002	300,000.00	219,734.38	720 460 76
February 1, 2003	300,000.00	219,734.38	739,468.76
August 1, 2003	210 000 00	214,484.38	720 060 76
February 1, 2004	310,000.00	214,484.38	738,968.76
August 1, 2004	220,000,00	208,904.38	707 000 <b>7</b> 7
February 1, 2005	320,000.00	208,904.38	737,808.76
August 1, 2005	225 000 00	202,984.38	
	335,000.00	202,984.38	740,968.76
February 1, 2006	250 000 00	196,619.38	
August 1, 2006	350,000.00	196,619.38	743,238.76
February 1, 2007	044.000.00	189,794.38	
August 1, 2007	365,000.00	189,794.38	744,588.76
February 1, 2008		182,494.38	
August 1, 2008	380,000.00	182,494.38	744,988.76
February 1, 2009		174,894.38	
August 1, 2009	390,000.00	174,894.38	739,788.76
February 1, 2010		166,899.38	
August 1, 2010	410,000.00	166,899.38	<b>743,798.76</b>
February 1, 2011		158,289.38	
August 1, 2011	430,000.00	158,289.38	746,578.76
February 1, 2012		149,044.38	
August 1, 2012	450,000.00	149,044.38	748,088.76
February 1, 2013		139,144.38	
August 1, 2013	465,000.00	139,144.38	743,288.76
February 1, 2014		128,681.88	
August 1, 2014	490,000.00	128,681.88	747,363.76
February 1, 2015		117,411.88	
August 1, 2015	515,000.00	117,411.88	749,823.76
February 1, 2016		105,309.38	
August 1, 2016	540,000.00	105,309.38	750,618.76
February 1, 2017		92,349.38	
August 1, 2017	565,000.00	92,349.38	749,698.76
February 1, 2018		<i>7</i> 8, <i>5</i> 77.50	
August 1, 2018	595,000.00	78,577.50	752,155.00
February 1, 2019		64,000.00	,
August 1, 2019	625,000.00	64,000.00	753,000.00
February 1, 2020		48,375.00	,
August 1, 2020	365,000.00	48,375.00	461,750.00
February 1, 2021		39,250.00	,
August 1, 2021	380,000.00	39,250.00	458,500.00
February 1, 2022	*	29,750.00	,
August 1, 2022	405,000.00	29,750.00	464,500.00
February 1, 2023	,	19,625.00	
August 1, 2023	425,000.00	19,625.00	464,250.00
February 1, 2024	,	9,000.00	.01,200.00
August 1, 2024	360,000.00	9,000.00	378,000.00
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Arbitrage Compliance Specialists, Inc.

5975 South Quebec Street #205

Centennial, CO 80111

Phone: (303) 756-5100 or (800) 672-9993 (303) 756-0901 or (800) 756-6505 Fax: General Email: arbitrage@rebatebyacs.com

Web:

www.rebatebyacs.com

**Invoice** 

Mr. Dahle Bulosan, CPA, Accounting Manager

City of Huntington Beach, California

2000 Main Street

Huntington Beach, CA 92648-2702

Invoice#: **G6016** 

PO#:

Date: 08/16/18

PAYMENT DUE UPON RECEIPT (may be paid from proceeds of the bonds)

Make checks payable to: Arbitrage Compliance Specialists, Inc.

Please remit a copy of this invoice with your payment.

Grand Total	\$1,500.00
	\$0.00
	\$0.00
Balance Due	\$1,500.00

Redevelopment Agency, 2002 Tax Allocation Refunding Bonds (Huntington Beach Redevelopment Project) Bond:

\$20,900,000.00 PAR:

To:

Control#: 13.00

Report#: 1021822

Description		Amount
Arbitrage Rebate Calculation Interim	08/01/17 - 08/01/18	\$500.00
		\$0.00
		\$0.00
		\$0.00
		\$0.00
		\$0.00
	Total	\$500.00
		\$0.00
		\$0.00
	Subtotal	\$500.00

Improvement Area A Community Facilities District No. 2002-1 (McDonnell Centre Business Park) Special Tax Bonds, 2002-A Bond:

35080203.88150

PAR:

\$4,900,000.00

Control#: 14.00

Report#: 1021823

Description		Amoun
Arbitrage Rebate Calculation Interim	07/17/17 - 07/17/18	\$500.00
		\$0.00
		\$0.00
		\$0.00
		\$0.00
		\$0.00
	Total	\$500.00
		\$0.00
		\$0.00
61937 ON	Subtotal	\$500.00

40840101.88150

OP/OC/OD/OJ/OW # Supplier # 6185 2-way or 3-way Account # GEE HIGHLIGHTED Approved 1

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Page 1 of 2

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FEB 27 2018

Arbitrage Compliance Specialists, Inc. 5975 South Quebec Street #205

Centennial, CO 80111

Phone: (303) 756-5100 or (800) 672-9993 Fax: (303) 756-0901 or (800) 756-6505 General Email: arbitrage@rebatebyacs.com

Web:

www.rebatebyacs.com

Invoice

Mr. Dahle Bulosan, CPA, Accounting Manager

City of Huntington Beach, California

2000 Main Street

Huntington Beach, CA 92648-2702

Invoice#: 1020588

PO#:

Date: 02

02/12/18

Control#: 7.00

PAR:

Bond:

\$10,835,000.00

Redevelopment Agency 1999 Tax

Allocation Refunding Bonds (Huntington Beach Redevelopment

Project)

Description		Amount
Arbitrage Rebate Calculation Interim	01/28/17 - 01/28/18	\$500.00
		\$0.00
هوازن سبون درون درون		\$0.00
		\$0.00
		\$0.00
A MARINE		\$0.00
	Total	\$500.00
		\$0.00
	Less Pre-payment	\$0.00
	Balance Due	\$500.00

PAYMENT DUE UPON RECEIPT (may be paid from proceeds of the bonds)

Make checks payable to: Arbitrage Compliance Specialists, Inc.

Please remit a copy of this invoice with your payment.

A PROCEEDING CONTRACTOR OF THE	
OP/OC/OD/OJ/OW# 17788 OC L	ING# 1
Supplier # 61857	strant resurrence
Order Co # To-Q	
2-way or 3-way	
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65035	-





The Bank of New York Mellon Trust Company, N.A.

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CITY OF HUNTINGTON BEACH

ATTN: SUNNY HAN, FINANCE DEPARTMENT

PO BOX 784

**HUNTINGTON BEACH, CA 92648** 

Invoice Number:

252-2120004

Account Number:

**HUNTINGTON24** 

Invoice Date:

03-Jul-18

Cycle Date:

01-Jul-18

Administrator: Phone Number: Phong Truong

Currency:

213-630-6465

currency.

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**USD** 

REDEVELOPMENT AGENCY CITY OF HUNTINGTON BEACH TAX ALLOCATION REFUNDING BONDS OF 2002 HUNTINGTON BEACH REDEVELOPMENT PROJECT

Qua	ntity		Rate	<u>Proration</u>	Subtotal	<u>Total</u>
Flat						
Administration Fee For the period: July 01, 2018 to June 30, 2019						1,250.00
Variables						
Audit Confirmation Fee For the period: July 01, 2017 to June 30, 2018 Fee	1.00	@	100.00		100.00	100.00
<b>Expenses</b>						
Out of Pocket Expense**						75.00
				Invoice Total:		1,425.00
			Sa	tisfied To Date:		0.00
				Balance Due:		1,425.00

\*\*Miscellaneous out-of-pocket expenses include postage, stationery, supplies, telephone, express mail, IRS forms, etc. (if applicable).

Terms: Payable upon receipt. Please reference the invoice and account number with your remittance.

Our Tax ID Number is 95-3571558. Please fax Taxpayer Certification requests to (732) 667-9576.

The Bank of New York Mellon Trust Company, N.A is located at 400 South Hope Street - Suite 400,

Los Angeles, CA 90071

Check Payment Instructions: The Bank of New York Mellon Corporate Trust Department P.O. Box 392013 Pittsburgh, PA 15251-9013 Please enclose billing stub. Wire and ACH Payment Instructions: The Bank of New York Mellon ABA Number 021000018 Account Number 8901245259

Please reference Invoice Number: 252-2120004

OP/ OC/ OD/ OJ/ OW # 6/659 OD	
Supplier # 19932	
Order Co# 350	المستخفينين
2-way or 3-way	
Account # 350 80203.88160	
Approved App	
PV#101076105 Batch # 500190	

In M





#### INVOICE

RECET'

The Bank of New York Mellon Trust Company, N.A.

FEB 1 3 2018

#### 000129 XBFRSDD1

CITY OF HUNTINGTON BEACH

ATTN: SUNNY HAN, FINANCE DEPARTMENT

PO BOX 784

**HUNTINGTON BEACH, CA 92648** 

Invoice Number:

252-2084663

**Account Number:** 

**HUNTBEACH99** 

Invoice Date:

07-Feb-18

Cycle Date: Administrator:

01-Feb-18

Phone Number:

Sabbir Hossain 213-630-6279

Currency:

USD

REDEVELOPMENT AGENCY CITY OF HUNTINGTON BEACH TAX ALLOCATION REFUNDING BONDS SERIES 1999 HUNTINGTON BEACH REDEVELOPMENT PROJECT

Quantity	L	<u>Rate</u>	<u>Proration</u>	<u>Subtotal</u>	<u>Total</u>
<u>Flat</u>				and a second second	
Administration Fee For the period: February 01, 2017 to January 31, 20	18				1,250.00
Variables					
Audit Confirmation Fee  For the period: February 01, 2017 to January 31, 20  Fee 1	18 .00	@ 100.00		100.00	100.00
Expenses					
Out of Pocket Expense**					75.00
			Invoice Total:		1,425.00
		Sat	isfied To Date:		0.00
			Balance Due:		1,425.00

\*\*Miscellaneous out-of-pocket expenses include postage, stationery, supplies, telephone, express mail, IRS forms, etc. (if applicable).

Terms: Payable upon receipt. Please reference the invoice and account number with your remittance.

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Los Angeles, CA 90071

Check Payment Instructions: The Bank of New York Mellon Corporate Trust Department P.O. Box 392013 Pittsburgh, PA 15251-9013 Please enclose billing stub. Wire and ACH Payment Instructions: The Bank of New York Mellon ABA Number 021000018 Account Number 8901245259

Please reference Invoice Number: 252-2084663

OP/ OC/ OD/ OJ/ OW #	60420	OD
Supplier # 19932	:	_
Order Co# 350		
2-way or 3-way		
Account # 35080202. 8	8160	
Approved ADOS	- na	
PV# (d/G) R) Batch #	5001910	Q
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Run Date: 10/29/2013 Run Time: 5:08:53 pm

## THE BANK OF NEW YORK MELLON

# **HUD 108 Amortization Summary**

Series: 2010-A

**Borrower:** HUNTINGTON BEACH, CA

Note #: B-97-MC-06-0506 CITY LOAN Note Date: 07/21/2010

Payment Date	Duo Duo		Total P&I	Unpaid Principal
02/01/2011	18,400.71	0.00	18,400.71	1,560,000.00
08/01/2011	17,432.25	135,000.00	152,432.25	1,425,000.00
02/01/2012	17,054.25	0.00	17,054.25	1,425,000.00
08/01/2012	17,054.25	140,000.00	157,054.25	1,285,000.00
02/01/2013	16,452.25	0.00	16,452.25	1,285,000.00
08/01/2013	16,452.25	150,000.00	166,452.25	1,135,000.00
02/01/2014	15,447.25	0.00	15,447.25	1,135,000.00
08/01/2014	2014 15,447.25 160,000.00		175,447.25	975,000.00
02/01/2015	14,007.25	0.00	14,007.25	975,000.00
08/01/2015	14,007.25	170,000.00	184,007.25	805,000.00
02/01/2016	12,137.25	0.00	12,137.25	805,000.00
08/01/2016	12,137.25	180,000.00	192,137.25	625,000.00
02/01/2017	9,743.25	9,743.25	625,000.00	
08/01/2017	9,743.25	195,000.00	204,743.25	430,000.00
02/01/2018	6,906.00	0.00	6,906.00	430,000.00
08/01/2018	·		216,906.00	220,000.00
02/01/2019	3,630.00	0.00	3,630.00	220,000.00
08/01/2019	3,630.00	220,000.00	223,630.00	0.00
TOTAL: 18	226,587.96	1,560,000.00	1,786,587.96	

Borrower: HUNTINGTON BEACH, CA

Note #: B-97-MC-06-0506-A AGENCY LOAN Note Date: 07/21/2010

Payment Date	Interest Due	Principal Due	Total P&I	Unpaid Principal
02/01/2011	43,323.16	0.00	43,323.16	3,665,000.00
08/01/2011	41,043.00	310,000.00	351,043.00	3,355,000.00
02/01/2012	40,175.00	0.00	40,175.00	3,355,000.00
08/01/2012	40,175.00	330,000.00	370,175.00	3,025,000.00
02/01/2013	38,756.00	0.00	38,756.00	3,025,000.00
08/01/2013	38,756.00	350,000.00	388,756.00	2,675,000.00
02/01/2014	36,411.00	0.00	36,411.00	2,675,000.00
08/01/2014	36,411.00	375,000.00	411,411.00	2,300,000.00
02/01/2015	33,036.00	0.00	33,036.00	2,300,000.00
08/01/2015	33,036.00	400,000.00	433,036.00	1,900,000.00
02/01/2016	28,636.00	0.00	28,636.00	1,900,000.00
08/01/2016	28,636.00	430,000.00	458,636.00	1,470,000.00
02/01/2017	22,917.00	0.00	22,917.00	1,470,000.00
08/01/2017	22,917.00	460,000.00	482,917.00	1,010,000.00

Run Date: 10/29/2013 Run Time: 5:08:53 pm

# THE BANK OF NEW YORK MELLON

# **HUD 108 Amortization Summary**

Series: 2010-A

**Borrower:** HUNTINGTON BEACH, CA

**Note #:** B-97-MC-06-0506-A **Note Date:** 07/21/2010

Payment Date	Duo		Total P&I	Unpaid Principal
02/01/2018	16,224.00	0.00	16,224.00	1,010,000.00
08/01/2018	16,224.00	490,000.00	506,224.00	520,000.00
02/01/2019	8,580.00	0.00	8,580.00	520,000.00
08/01/2019	8,580.00	520,000.00	528,580.00	0.00
<b>ΓΟΤΑL:</b> 18	533,836.16	3,665,000.00	4,198,836.16	

Strand Additional Parking
Loan Date: 5/1/2009
Original Loan: 7,900,000.00
Interest Rate: 7%

Loan Period 25 Years

Annual Pmt \$677,903.09

#	Date	Payment	Act/Proj	F	Principal Pmt		Interest		Balance
·	5/1/2009							\$	7,900,000.00
1	9/30/2009 \$	362,083.33	Actual	\$	131,666.66	\$	230,416.67	\$	7,768,333.34
2	9/30/2010 \$	867,463.89	Actual	\$	323,680.56	\$	543,783.33	\$	7,444,652.78
3	9/30/2011 \$	677,903.09	Actual	\$	156,777.39	\$	521,125.69	\$	7,287,875.39
4	9/30/2012 \$	677,903.09	Actual	\$	167,751.81	\$	510,151.28	\$	7,120,123.58
5	9/30/2013 \$	677,903.09	Actual	\$	179,494.44	\$	498,408.65	\$	6,940,629.14
6	9/30/2014 \$	677,903.09	Actual	\$	192,059.05	\$	485,844.04	\$	6,748,570.10
7	9/30/2015 \$	677,903.09	Actual	\$	205,503.18	\$	472,399.91	\$	6,543,066.92
8	9/30/2016 \$	677,903.09	Actual	\$	219,888.40	\$	458,014.68	\$	6,323,178.52
9	9/30/2017 \$	677,903.09	Actual	\$	235,280.59	\$	442,622.50	\$	6,087,897.93
	6/30/2018					\$	318,738.98	\$	6,406,636.91
10	9/30/2018 \$	677,903.09	Projected	\$	251,750.23	\$	107,413.87	\$	5,836,147.70
	6/30/2019					\$	305,558.31	\$	6,141,706.01
11	9/30/2019 \$	677,903.09	Projected	\$	269,372.75	\$	102,972.03	\$	5,566,774.95
	6/30/2020					\$	291,723.34	\$	5,858,498.29
12	9/30/2020 \$	677,903.09	Projected	\$	288,228.84	\$	97,950.90	\$	5,278,546.11
	6/30/2021	,	,	•		\$	276,364.43	\$	5,554,910.54
13	9/30/2021 \$	677,903.09	Proiected	\$	308,404.86	\$	93,133.80	\$	4,970,141.25
	6/30/2022	,	,		·	\$	260,217.53	\$	5,230,358.78
14	9/30/2022 \$	677,903.09	Projected	\$	329,993.20	\$	87,692.36	\$	4,640,148.05
	6/30/2023		,			\$	242,940.35	\$	4,883,088.41
15	9/30/2023 \$	677,903.09	Projected	\$	353,092.72	\$	81,870.01	\$	4,287,055.33
	6/30/2024		-			\$	224,660.44	\$	4,511,715.77
16	9/30/2024 \$	677,903.09	Projected	\$	377,809.21	\$	75,433.43	\$	3,909,246.12
	6/30/2025					\$	204,673.13	\$	4,113,919.25
17	9/30/2025 \$	677,903.09	Projected	\$	404,255.86	\$	68,974.10	\$	3,504,990.26
	6/30/2026					\$	183,507.85	\$	3,688,498.11
18	9/30/2026 \$	677,903.09	Projected	\$	432,553.77	\$	61,841.47	\$	3,072,436.49
	6/30/2027					\$	160,860.99	\$	3,233,297.48
19	9/30/2027 \$	677,903.09	Projected	\$	462,832.53	\$	54,209.56	\$	2,609,603.96
	6/30/2028					\$	136,754.66	\$	2,746,358.62
20	9/30/2028 \$	677,903.09	Projected	\$	495,230.81	\$	45,917.62	\$	2,114,373.15
	6/30/2029					\$	110,700.47	\$	2,225,073.62
21	9/30/2029 \$	677,903.09	Projected	\$	529,896.97	\$	37,305.65	\$	1,584,476.19
	6/30/2030			_		\$	82,957.10	\$	1,667,433.28
22	9/30/2030 \$	677,903.09	Projected	\$	566,989.75	\$	27,956.24	\$	1,017,486.43
	6/30/2031			_		\$	53,271.69	\$	1,070,758.12
23	9/30/2031 \$	677,903.09	Projected	\$	606,679.04	\$	17,952.36	\$	410,807.40
0.4	6/30/2032	400 500 00	Destruted	•	440.007.40	\$	21,528.10	\$	432,335.50
24	9/30/2032 \$	439,563.92	Projected	\$	410,807.40	\$	7,228.41	\$	(0.00)
0.5	6/30/2033		Dunington	•	0.00	\$	(0.00)		(0.00)
25	9/30/2033 \$		Projected	\$	0.00	\$	(0.00)	Þ	(0.00)
	\$	15,905,075.95		\$	7,900,000.00	Ф	8,005,075.94		

To ROPS 19-20A 677,903.09
To ROPS 19-20B - 677,903.09
677,903.09

Strand Additional Parking Strand Additional Parking

Loan Date: 5/1/2009 Loan Date: 5/1/2009 Original Loan: 450,000.00 18,000.00 Original Loan: 500,000.00 Interest Rate: 10% Interest Rate: 10% 56 Days Loan Period Loan Period 25 Years Annual Pmt \$49,575.63 Prin Paid 6/26/2009

#	Date	Payment	Act/Proj	Р	rincipal Pmt	Interest	Balance
	5/1/2009						\$ 950,000.00
	6/26/2009 \$	500,000.00	Actual	\$	485,424.66	\$ 14,575.34	\$ 464,575.34
1	9/30/2009 \$	55,416.67	Actual	\$	43,197.70	\$ 12,218.97	\$ 421,377.64
2	9/30/2010 \$	23,325.63	Actual	\$	(18,812.13)	\$ 42,137.76	\$ 440,189.77
3	9/30/2011 \$	49,575.63	Actual	\$	5,556.65	\$ 44,018.98	\$ 434,633.12
4	9/30/2012 \$	49,575.63	Actual	\$	6,112.32	\$ 43,463.31	\$ 428,520.80
5	9/30/2013 \$	49,575.63	Actual	\$	6,723.55	\$ 42,852.08	\$ 421,797.25
6	9/30/2014 \$	49,575.63	Actual	\$	7,395.91	\$ 42,179.72	\$ 414,401.34
7	9/30/2015 \$	49,575.63	Actual	\$	8,135.50	\$ 41,440.13	\$ 406,265.84
8	9/30/2016 \$	49,575.63	Actual	\$	8,949.05	\$ 40,626.58	\$ 397,316.80
9	9/30/2017 \$	49,575.63	Actual	\$	9,843.95	\$ 39,731.68	\$ 387,472.84
	6/30/2018					\$ 28,980.85	\$ 416,453.69
10	9/30/2018 \$	49,575.63	Projected	\$	10,828.35	\$ 9,766.44	\$ 376,644.49
	6/30/2019					\$ 28,170.94	\$ 404,815.44
11	9/30/2019 \$	49,575.63	Projected	\$	11,911.18	\$ 9,493.51	\$ 364,733.31
	6/30/2020					\$ 27,305.17	\$ 392,038.48
12	9/30/2020 \$	49,575.63	Projected	\$	13,102.30	\$ 9,168.16	\$ 351,631.01
	6/30/2021	-,-	,	·	.,	\$ 26,300.07	\$ 377,931.08
13	9/30/2021 \$	49,575.63	Projected	\$	14,412.53	\$ 8,863.03	\$ 337,218.48
	6/30/2022	-,-	,	·	,	\$ 25,222.09	\$ 362,440.57
14	9/30/2022 \$	49,575.63	Projected	\$	15,853.78	\$ 8,499.75	\$ 321,364.69
	6/30/2023	-,-	,	·	.,	\$ 24,036.32	\$ 345,401.01
15	9/30/2023 \$	49,575.63	Projected	\$	17,439.16	\$ 8,100.15	\$ 303,925.53
	6/30/2024	-,-	,	·	,	\$ 22,752.89	\$ 326,678.42
16	9/30/2024 \$	49,575.63	Projected	\$	19,183.08	\$ 7,639.66	\$ 284,742.45
	6/30/2025	,	,		,	\$ 21,297.18	\$ 306,039.63
17	9/30/2025 \$	49,575.63	Projected	\$	21,101.39	\$ 7,177.07	\$ 263,641.06
	6/30/2026		,			\$ 19,718.91	\$ 283,359.97
18	9/30/2026 \$	49,575.63	Projected	\$	23,211.53	\$ 6,645.20	\$ 240,429.54
	6/30/2027		,			\$ 17,982.81	\$ 258,412.35
19	9/30/2027 \$	49,575.63	Projected	\$	25,532.68	\$ 6,060.14	\$ 214,896.86
	6/30/2028		•			\$ 16,087.91	\$ 230,984.77
20	9/30/2028 \$	49,575.63	Projected	\$	28,085.95	\$ 5,401.78	\$ 186,810.91
	6/30/2029		•			\$ 13,972.43	\$ 200,783.34
21	9/30/2029 \$	49,575.63	Projected	\$	30,894.54	\$ 4,708.66	\$ 155,916.37
	6/30/2030					\$ 11,661.69	\$ 167,578.06
22	9/30/2030 \$	49,575.63	Projected	\$	33,984.00	\$ 3,929.95	\$ 121,932.37
	6/30/2031		•			\$ 9,119.87	\$ 131,052.25
23	9/30/2031 \$	49,575.63	Projected	\$	37,382.40	\$ 3,073.36	\$ 84,549.98
	6/30/2032		•			\$ 6,329.70	\$ 90,879.68
24	9/30/2032 \$	49,575.63	Projected	\$	41,120.63	\$ 2,125.30	\$ 43,429.35
	6/30/2033		•			\$ 3,248.28	\$ 46,677.62
25	9/30/2033	\$47,772.28	Projected	\$	43,429.35	\$ 1,094.66	\$ (0.00)
	\$	1,717,178.49	-	\$	950,000.00	\$ 767,178.49	

Total Due as of 6/30/18 (Principal + Interest) 416,453.69

To ROPS 19-20A 49,575.63

To ROPS 19-20A To ROPS 19-20B

49,575.63

#### **BELLA TERRA I - AMORTIZATION SCHEDULE HUNTINGTON BEACH, CALIFORNIA**

Loan Amount \$15,000,000

6.9357000% 5.87131% TIC Formula Interest Rate 8.00% Reference Rate

7.05596% Semi-Annual Compounding **Discount Rate** 7.00%

TABLE 1 **DEVELOPER ADVANCE REPAYMENT BELLA TERRA I - AMORTIZATION SCHEDULE** 

**HUNTINGTON BEACH, CALIFORNIA** 

Period				Actual Debt			Months/Days in	
#	Date	Beginning Balance	Interest <sup>1</sup>	Service Payment	Ending Balance	Principal	the Period	
0		\$15,000,000.00		\$0.00	\$15,000,000.00			
1	9/30/2006	15,000,000.00	970,194.48	629,447.00	15,340,747.48		11	11/1/2005
2	9/30/2007	15,340,747.48	1,082,436.98	1,578,007.38	14,845,177.08	495,570		
3	9/30/2008	14,845,177.08	1,047,469.73	1,352,857.73	14,539,789.08	305,388		
4	9/30/2009	14,539,789.08	1,025,921.68	1,312,471.41	14,253,239.34	this amount represents a modification to	2008 included in the 2009 repo	ort
5	9/30/2010	14,253,239.34	1,005,702.84	1,137,865.37	14,121,076.82	132,163		
6	9/30/2011	14,121,076.82	996,377.51	1,130,369.25	13,987,085.08	133,992		
7	9/30/2012	13,987,085.08	986,923.11	1,277,600.00	13,696,408.18	290,677		
7	7/11/2013	13,696,408.18	751,948.79	183,940.61	14,264,416.36		284.00 0	days
8	9/30/2013	14,264,416.36	223,358.39	1,339,049.44	13,148,725.31	547,683	81.00 c	lays
8	6/30/2014	13,148,725.31	693,920.21	1,157,333.75	12,685,311.77		273.00 d	days
9	9/30/2014	12,685,311.77	225,606.81	0.00	12,910,918.58	237,807	92.00 0	lays
10	6/30/2015	12,910,918.58	681,370.03	1,233,395.58	12,358,893.02		273.00 d	days
11	9/30/2015	12,358,893.02	219,801.49	0.00	12,578,694.52	332,224	92.00 0	lays
12	6/30/2016	12,578,694.52	666,268.63	1,273,770.20	11,971,192.95		274.00 d	lays
13	9/30/2016	11,971,192.95	212,906.29		12,184,099.24	394,595	92.00 0	days
14	6/30/2017	12,184,099.24	643,012.34	1,320,337.00	11,506,774.58		273.00 d	days
15	9/30/2017	11,506,774.58	204,646.66		11,711,421.25		92.00 0	days
16	1/19/2018	11,711,421.25	251,301.93	1,462,288.65	10,500,434.52	1,210,987	111.00 0	days
17	6/29/2018	10,500,434.52	326,810.79	1,939,946.29	8,887,299.02	1,613,136	161.00 c	days
18	6/30/2018	8,887,299.02	1,718.04		8,889,017.06		1.00 0	days
19							(43,281.00) c	days

Total Due as of 6/30/18 (Principal + Interest)

8,889,017.06

To ROPS 19-20A To ROPS 19-20B

2,056,344.00 FY 17/18 Payment + 6% Estimated Increase 2,056,344.00

## BELLA TERRA II - AMORTIZATION SCHEDULE HUNTINGTON BEACH, CALIFORNIA

Loan Amount	\$17,000,000
Annual Interest Rate	4.0%
Days in a Year	360
Loan Terminates	13,423

TABLE 1

DEVELOPER ADVANCE REPAYMENT

BELLA TERRA II - AMORTIZATION SCHEDULE

HUNTINGTON BEACH, CALIFORNIA

Period #	Date	Beginning Balance	Interest - 4.0% Compounded Annually	Actual Debt Service Payment	Ending Balance	Days in the Period
0	4/1/2013	\$17,000,000.00			\$17,000,000.00	
1	6/30/2014	17,000,000.00	859,444.44	1,069,904.44	16,789,540.00	455
2	9/30/2014	16,789,540.00	171,626.41	-	16,961,166.41	92
3	6/30/2015	16,961,166.41	514,488.71	600,000.00	16,875,655.13	273
4	9/30/2015	16,875,655.13	172,506.70	427,209.00	16,620,952.82	92
5	6/30/2016	16,620,952.82	506,015.67	936,270.95	16,190,697.55	274
6	9/30/2016	16,190,697.55	165,504.91		16,356,202.46	92
7	6/30/2017	16,356,202.46	496,138.14	1,103,009.00	15,749,331.60	273
8	9/29/2017	15,749,331.60	159,243.24	369,102.50	15,539,472.34	91
9	9/30/2017	15,539,472.34	1,726.61		15,541,198.95	1
10	6/29/2018	15,541,198.95	469,689.57	998,308.50	15,012,580.02	272
11	6/30/2018	15,012,580.02	1,668.06	203,698.90	14,810,549.18	1
12	7/16/2018					16
13	8/30/2018					45
		То	otal Due as of 6/30/18 (	(Principal + Interest)	14,810,550.00	
				To ROPS 19-20A	-	
				To ROPS 19-20B	1,274,128.00 1,274,128.00	FY 17/18 Payment + 6% Estimated Increase

PROFESSIONAL SERVICES CONTRACT BETWEEN THE CITY OF HUNTINGTON BEACH AND

DAVIS FARR LLP

FOR

FINANCIAL AUDIT SERVICES

THIS AGREEMENT ("Agreement") is made and entered into by and between the City of

Huntington Beach, a municipal corporation of the State of California, hereinafter referred to as

"CITY," and Davis Farr LLP, a California Limited Liability Partnership, hereinafter referred to as

"CONSULTANT."

WHEREAS, CITY desires to engage the services of a consultant to provide financial audit

services; and

Pursuant to documentation on file in the office of the City Clerk, the provisions of the

Huntington Beach Municipal Code, Chapter 3.03, relating to procurement of professional service

contracts have been complied with; and

CONSULTANT has been selected to perform these services,

NOW, THEREFORE, it is agreed by CITY and CONSULTANT as follows:

1. SCOPE OF SERVICES

CONSULTANT shall provide all services as described in Exhibit "A," which is

attached hereto and incorporated into this Agreement by this reference. These services shall

sometimes hereinafter be referred to as the "PROJECT."

CONSULTANT hereby designates Jennifer Farr who shall represent it and be its

sole contact and agent in all consultations with CITY during the performance of this Agreement.

2. CITY STAFF ASSISTANCE

CITY shall assign a staff coordinator to work directly with CONSULTANT in the

performance of this Agreement.

## 3. TERM; TIME OF PERFORMANCE

Time is of the essence of this Agreement. The services of CONSULTANT are to commence on November 7, 20 16 (the "Commencement Date"). This Agreement shall automatically terminate three (3) years from the Commencement Date, unless extended or sooner terminated as provided herein. All tasks specified in **Exhibit "A"** shall be completed no later than three (3) years from the Commencement Date. The time for performance of the tasks identified in **Exhibit "A"** are generally to be shown in **Exhibit "A."** This schedule may be amended to benefit the PROJECT if mutually agreed to in writing by CITY and CONSULTANT.

In the event the Commencement Date precedes the Effective Date, CONSULTANT shall be bound by all terms and conditions as provided herein.

## 4. <u>COMPENSATION</u>

In consideration of the performance of the services described herein, CITY agrees to pay CONSULTANT on a time and materials basis at the rates specified in **Exhibit "B,"** which is attached hereto and incorporated by reference into this Agreement, a fee, including all costs and expenses, not to exceed One Hundred Forty Four Thousand Nine Hundred Dollars (\$144,900).

## 5. EXTRA WORK

In the event CITY requires additional services not included in **Exhibit "A"** or changes in the scope of services described in **Exhibit "A,"** CONSULTANT will undertake such work only after receiving written authorization from CITY. Additional compensation for such extra work shall be allowed only if the prior written approval of CITY is obtained.

## 6. METHOD OF PAYMENT

CONSULTANT shall be paid pursuant to the terms of Exhibit "B."

## 7. DISPOSITION OF PLANS, ESTIMATES AND OTHER DOCUMENTS

CONSULTANT agrees that title to all materials prepared hereunder, including, without limitation, all original drawings, designs, reports, both field and office notices, calculations, computer code, language, data or programs, maps, memoranda, letters and other documents, shall belong to CITY, and CONSULTANT shall turn these materials over to CITY upon expiration or termination of this Agreement or upon PROJECT completion, whichever shall occur first. These materials may be used by CITY as it sees fit.

## 8. HOLD HARMLESS

CONSULTANT hereby agrees to protect, defend, indemnify and hold harmless CITY, its officers, elected or appointed officials, employees, agents and volunteers from and against any and all claims, damages, losses, expenses, judgments, demands and defense costs (including, without limitation, costs and fees of litigation of every nature or liability of any kind or nature) arising out of or in connection with CONSULTANT's (or CONSULTANT's subcontractors, if any) negligent (or alleged negligent) performance of this Agreement or its failure to comply with any of its obligations contained in this Agreement by CONSULTANT, its officers, agents or employees except such loss or damage which was caused by the sole negligence or willful misconduct of CITY. CONSULTANT will conduct all defense at its sole cost and expense and CITY shall approve selection of CONSULTANT's counsel. This indemnity shall apply to all claims and liability regardless of whether any insurance policies are applicable. The policy limits do not act as limitation upon the amount of indemnification to be provided by CONSULTANT.

## 9. PROFESSIONAL LIABILITY INSURANCE

CONSULTANT shall obtain and furnish to CITY a professional liability insurance policy covering the work performed by it hereunder. This policy shall provide coverage for CONSULTANT's professional liability in an amount not less than One Million Dollars

(\$1,000,000.00) per occurrence and in the aggregate. The above-mentioned insurance shall not contain a self-insured retention without the express written consent of CITY; however an insurance policy "deductible" of Ten Thousand Dollars (\$10,000.00) or less is permitted. A claims-made policy shall be acceptable if the policy further provides that:

- A. The policy retroactive date coincides with or precedes the initiation of the scope of work (including subsequent policies purchased as renewals or replacements).
- B. CONSULTANT shall notify CITY of circumstances or incidents that might give rise to future claims.

CONSULTANT will make every effort to maintain similar insurance during the required extended period of coverage following PROJECT completion. If insurance is terminated for any reason, CONSULTANT agrees to purchase an extended reporting provision of at least two (2) years to report claims arising from work performed in connection with this Agreement.

If CONSULTANT fails or refuses to produce or maintain the insurance required by this section or fails or refuses to furnish the CITY with required proof that insurance has been procured and is in force and paid for, the CITY shall have the right, at the CITY's election, to forthwith terminate this Agreement. Such termination shall not effect Consultant's right to be paid for its time and materials expended prior to notification of termination. CONSULTANT waives the right to receive compensation and agrees to indemnify the CITY for any work performed prior to approval of insurance by the CITY.

## 10. CERTIFICATE OF INSURANCE

Prior to commencing performance of the work hereunder, CONSULTANT shall furnish to CITY a certificate of insurance subject to approval of the City Attorney evidencing the foregoing insurance coverage as required by this Agreement; the certificate shall:

- A. provide the name and policy number of each carrier and policy;
- B. state that the policy is currently in force; and
- C. shall promise that such policy shall not be suspended, voided or canceled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice; however, ten (10) days' prior written notice in the event of cancellation for nonpayment of premium.

CONSULTANT shall maintain the foregoing insurance coverage in force until the work under this Agreement is fully completed and accepted by CITY.

The requirement for carrying the foregoing insurance coverage shall not derogate from CONSULTANT's defense, hold harmless and indemnification obligations as set forth in this Agreement. CITY or its representative shall at all times have the right to demand the original or a copy of the policy of insurance. CONSULTANT shall pay, in a prompt and timely manner, the premiums on the insurance hereinabove required.

## 11. <u>INDEPENDENT CONTRACTOR</u>

CONSULTANT is, and shall be, acting at all times in the performance of this Agreement as an independent contractor herein and not as an employee of CITY. CONSULTANT shall secure at its own cost and expense, and be responsible for any and all payment of all taxes, social security, state disability insurance compensation, unemployment compensation and other payroll deductions for CONSULTANT and its officers, agents and employees and all business licenses, if any, in connection with the PROJECT and/or the services to be performed hereunder.

## 12. TERMINATION OF AGREEMENT

All work required hereunder shall be performed in a good and workmanlike manner.

CITY may terminate CONSULTANT's services hereunder at any time with or without cause, and whether or not the PROJECT is fully complete. Any termination of this Agreement by CITY shall

be made in writing, notice of which shall be delivered to CONSULTANT as provided herein. In the event of termination, all finished and unfinished documents, exhibits, report, and evidence shall, at the option of CITY, become its property and shall be promptly delivered to it by CONSULTANT.

## 13. ASSIGNMENT AND DELEGATION

This Agreement is a personal service contract and the work hereunder shall not be assigned, delegated or subcontracted by CONSULTANT to any other person or entity without the prior express written consent of CITY. If an assignment, delegation or subcontract is approved, all approved assignees, delegates and subconsultants must satisfy the insurance requirements as set forth in Sections 9 and 10 hereinabove.

## 14. COPYRIGHTS/PATENTS

CITY shall own all rights to any patent or copyright on any work, item or material produced as a result of this Agreement.

## 15. CITY EMPLOYEES AND OFFICIALS

CONSULTANT shall employ no CITY official nor any regular CITY employee in the work performed pursuant to this Agreement. No officer or employee of CITY shall have any financial interest in this Agreement in violation of the applicable provisions of the California Government Code.

## 16. NOTICES

Any notices, certificates, or other communications hereunder shall be given either by personal delivery to CONSULTANT's agent (as designated in Section 1 hereinabove) or to CITY as the situation shall warrant, or by enclosing the same in a sealed envelope, postage prepaid, and depositing the same in the United States Postal Service, to the addresses specified below. CITY and CONSULTANT may designate different addresses to which subsequent notices, certificates or

other communications will be sent by notifying the other party via personal delivery, a reputable overnight carrier or U. S. certified mail-return receipt requested:

TO CITY:

TO CONSULTANT:

City of Huntington Beach ATTN: Dahle Bulosan 2000 Main Street Huntington Beach, CA 92648 Davis Farr LLP Jennifer Farr 2301 Dupont Drive, Suite 200 Irvine, CA 92612

## 17. CONSENT

When CITY's consent/approval is required under this Agreement, its consent/approval for one transaction or event shall not be deemed to be a consent/approval to any subsequent occurrence of the same or any other transaction or event.

## 18. MODIFICATION

No waiver or modification of any language in this Agreement shall be valid unless in writing and duly executed by both parties.

## 19. SECTION HEADINGS

The titles, captions, section, paragraph and subject headings, and descriptive phrases at the beginning of the various sections in this Agreement are merely descriptive and are included solely for convenience of reference only and are not representative of matters included or excluded from such provisions, and do not interpret, define, limit or describe, or construe the intent of the parties or affect the construction or interpretation of any provision of this Agreement.

## 20. INTERPRETATION OF THIS AGREEMENT

The language of all parts of this Agreement shall in all cases be construed as a whole, according to its fair meaning, and not strictly for or against any of the parties. If any provision of this Agreement is held by an arbitrator or court of competent jurisdiction to be unenforceable, void, illegal or invalid, such holding shall not invalidate or affect the remaining

covenants and provisions of this Agreement. No covenant or provision shall be deemed dependent upon any other unless so expressly provided here. As used in this Agreement, the masculine or neuter gender and singular or plural number shall be deemed to include the other whenever the context so indicates or requires. Nothing contained herein shall be construed so as to require the commission of any act contrary to law, and wherever there is any conflict between any provision contained herein and any present or future statute, law, ordinance or regulation contrary to which the parties have no right to contract, then the latter shall prevail, and the provision of this Agreement which is hereby affected shall be curtailed and limited only to the extent necessary to bring it within the requirements of the law.

## 21. <u>DUPLICATE ORIGINAL</u>

The original of this Agreement and one or more copies hereto have been prepared and signed in counterparts as duplicate originals, each of which so executed shall, irrespective of the date of its execution and delivery, be deemed an original. Each duplicate original shall be deemed an original instrument as against any party who has signed it.

## 22. IMMIGRATION

CONSULTANT shall be responsible for full compliance with the immigration and naturalization laws of the United States and shall, in particular, comply with the provisions of the United States Code regarding employment verification.

## 23. LEGAL SERVICES SUBCONTRACTING PROHIBITED

CONSULTANT and CITY agree that CITY is not liable for payment of any subcontractor work involving legal services, and that such legal services are expressly outside the scope of services contemplated hereunder. CONSULTANT understands that pursuant to *Huntington Beach City Charter* Section 309, the City Attorney is the exclusive legal counsel for

CITY; and CITY shall not be liable for payment of any legal services expenses incurred by CONSULTANT.

## 24. <u>ATTORNEY'S FEES</u>

In the event suit is brought by either party to construe, interpret and/or enforce the terms and/or provisions of this Agreement or to secure the performance hereof, each party shall bear its own attorney's fees, such that the prevailing party shall not be entitled to recover its attorney's fees from the nonprevailing party.

#### 25. SURVIVAL

Terms and conditions of this Agreement, which by their sense and context survive the expiration or termination of this Agreement, shall so survive.

## 26. GOVERNING LAW

This Agreement shall be governed and construed in accordance with the laws of the State of California.

## 27. SIGNATORIES

Each undersigned represents and warrants that its signature hereinbelow has the power, authority and right to bind their respective parties to each of the terms of this Agreement, and shall indemnify CITY fully for any injuries or damages to CITY in the event that such authority or power is not, in fact, held by the signatory or is withdrawn.

## 28. ENTIRETY

The parties acknowledge and agree that they are entering into this Agreement freely and voluntarily following extensive arm's length negotiation, and that each has had the opportunity to consult with legal counsel prior to executing this Agreement. The parties also acknowledge and agree that no representations, inducements, promises, agreements or warranties, oral or otherwise, have been made by that party or anyone acting on that party's behalf, which are not embodied in this

Agreement, and that that party has not executed this Agreement in reliance on any representation, inducement, promise, agreement, warranty, fact or circumstance not expressly set forth in this Agreement. This Agreement, and the attached exhibits, contain the entire agreement between the parties respecting the subject matter of this Agreement, and supersede all prior understandings and agreements whether oral or in writing between the parties respecting the subject matter hereof.

## 29. EFFECTIVE DATE

This Agreement shall be effective on the date of its approval by the City Council.

This Agreement shall expire when terminated as provided herein.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by and through their authorized officers.

CONSULTANT,	
Davis Fatt LLP  COMPANY NAME	CITY OF HUNTINGTON BEACH, a municipal corporation of the State of California
By: Sennifer Fan	Mayor
print name	City Clerk
ITS: (circle one) Chairman/President/Vice President  AND	INITIATED AND APPROVED:
By: Ob Rolwes	Chief Financial Officer
print name  ITS: (circle one) Secretary/Chief Financial Officer/Asst.  Secretary - Treasurer  Pacher	REVIEWED AND APPROVED:
	City Manager
COUNTERPART	APPROVED AS TO FORM:
	City Attorney Dipo 10/10/16

CONSULTANT,	
Davis Farr LLP  COMPANY NAME	CITY OF HUNTINGTON BEACH, a municipal corporation of the State of California
By:	Ophin Estanislaw
print name  ITS: (circle one) Chairman/President/Vice President	City Clerk 11/8/16/P)
AND	INITIATED AND APPROVED:
By:	Chief Financial Officer
print name  ITS: (circle one) Secretary/Chief Financial Officer/Asst.  Secretary - Treasurer	REVIEWED AND APPROVED:  City Manager
COUNTERPART	
	APPROVED AS FOLEORM:

#### **EXHIBIT "A"**

## A. <u>STATEMENT OF WORK:</u> (Narrative of work to be performed)

- Consultant will perform an audit examination of the financial statements of the City of Huntington Beach for the fiscal years ending September 30, 2016 through 2018. Our examination will be conducted in accordance with generally accepted auditing standards, the AICPA Audit and Accounting Guide, Audits of State and Local Government Units, and the Government Auditing Standards issued by the Comptroller General of the United States. The City will prepare the Comprehensive Annual Financial Report (CAFR). Consultant will ensure that the report is prepared in conformity with the most recent edition of the GAAFR, the GAAFR Update, and subsequent GASB pronouncements.
- Consultant will perform a compliance audit of federal expenditures in accordance with the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards in any year the City has federal expenditures of more than \$750,000.
- Consultant will perform agreed-upon-procedures over the City's Gann Appropriations Limit.
- Consultant will perform a compliance audit of the Air Quality Improvement Fund. Consultant will prepare an audit opinion on compliance with the requirements of AQMD.
- Consultant will perform a financial statement audit of the West Orange County Water Board. Consultant will prepare the financial statements for the entity.
- Consultant will prepare a letter to the City Council reporting matters dealing with internal control that meet the threshold of being a significant deficiency or material weakness, as defined by SAS No. 115. Consultant will immediately report any irregularities or illegal acts that come to our attention to management and/or those charged with governance.
- Consultant will meet with the City Council to discuss the results of the audit as requested.
- Finally, Consultant perceives the scope of our work as being advisors to the City regarding generally accepted accounting principles. Throughout the year, the management and other finance personnel of the City will have access to Davis Farr LLP to seek advice in the application of generally accepted accounting principles, advice regarding debt issuance, financial statement preparation and content, and any other matters relating to the City.

## B. CONSULTANT'S DUTIES AND RESPONSIBILITIES:

Consultant plans and conducts engagements in the most efficient manner possible, and consultant's audit approach is unique with regard to the following:

- Consultant firm is sensitive to the priorities and work requirements of our clients. Consultant will work around the schedules of clients when scheduling segments of the audit or requesting documentation in order to minimize disruption of City staff and to complete the audit in a timely manner.
- Whenever possible, Consultant will use accounting support already prepared by the City staff in order to avoid duplication or unnecessary requests for audit supporting schedules.
- Consultant firm's expertise is in governmental auditing. Consultant's auditors are GASB experts and skilled at addressing audit issues that are specific to local governments. You will not spend time training our personnel.
- When formulating internal control recommendations, Consultant will obtain a thorough understanding of the specific circumstances at your City in order to provide a tailored, practical recommendation.
- Throughout the year Consultant is a resource to our clients in providing accounting advice, researching technical questions, dealing with tax problems, and helping with other problems as they arise.

**Audit Software -** Consultant utilizes Caseware audit software as the electronic copy of workpapers for the City. Consultant has the ability to accept audit documentation in either hard copy or electronic format. Caseware allows Consultant the ability to import trial balances that can be provided in either excel or a text document.

#### **Transition from Prior Auditors**

Following Consultant's appointment as auditors, key audit personnel from Consultant's firm will meet with City staff for the purpose of planning the audit. Consultant will also perform the following in order to ensure an effortless transition from the prior auditing firm:

- Consultant will input the prior year trial balance into our audit software and regenerate the prior year financial statement schedules to ensure our coding is accurate.
- When reviewing prior auditor workpapers, Consultant will request copies of permanent file documents from the prior auditor so the City doesn't have to spend time copying these documents for the Consultant.
- Consultant will review the confirmations provided to your auditor last year and simply mark up last year's confirmations instead of providing you with templates.
- Consultant will review the prior year CAFR during interim and suggest changes, if necessary, at that time instead of waiting until final to discuss potential changes.

#### **Internal Control Evaluation**

Consultant's approach to evaluating internal controls involves observation and inquiry. Consultant will spend time with the personnel responsible for the accounting cycles to gain an understanding of the processes. Consultant will also carefully evaluate your policies and procedures. After our initial evaluation, Consultant will identify key controls in City processes and design tests to evaluate the effectiveness of those processes. In the initial year of the audit, Consultant will focus on the following accounting cycles:

- Billing and cash receipting
- Capital assets
- Purchase and disbursements
- Payroll
- Investment and cash controls

• Information systems

In future years, Consultant will review the accounting cycles noted above, but also look at other processes such as credit card transactions, petty cash, inventory controls, offsite cash receipting, employee reimbursements, contract compliance, and other areas. Consultant's goal is to modify our audit approach every year to further evaluate the City's internal controls.

## Planning and Inquiry

During the planning phase of the audit, Consultant plans to perform the following procedures:

- Meet with finance personnel to obtain an understanding of significant transactions during the year.
- Communicate with the City Council in regards to fraud, compliance with laws, and any concerns they have regarding the finances of the City.
- Perform internal control evaluations as noted on the previous page.
- Determine materiality levels that will be used in selecting audit transactions.
- Perform a risk assessment to develop the audit plan for the year.
- Review minutes of City Council meetings.
- Review important new contracts, bond documents, and agreements.
- Evaluate compliance with investments.
- Test purchase orders and contract management.
- Test a sample of cash disbursements to determine adherence to policies and internal controls.
- Perform a review of the organizations' information systems and controls.
- Perform compliance testing of federal grants, as necessary.
- Update the prior audited financial statements and provide feedback to City staff regarding best practices for financial reporting.

#### Year-End Testing

After the books are closed and ready for audit, Consultant will perform year-end procedures which include the following:

- Confirm 100% of all cash and investment balances and test market values provided by your investment custodians.
- Test for proper cutoffs of accounts receivable and grants receivable.
- Confirm and test material notes and loans receivable.
- Test additions and deletions to capital assets. We will review depreciation expense for reasonableness.
- Test inter-fund transactions including due to/due from other funds, advances, and transfers. We will review legal documents supporting loans and test the allowability of transfers out of restricted funds.
- Test current liabilities and perform a search for unrecorded liabilities.
- Review deferred revenue balances for proper cutoffs.
- Test the balances of accrued payroll and employee related liabilities.
- Confirm long-term debt with independent parties.
- External verification of bond compliance through the Electronic Municipal Market Access (EMMA) database.
- Testing of actuarial valuations and calculations related to OPEB obligations.

- Testing of actuarial valuations and calculations related to pension obligations and new disclosures under GASB 68.
- Evaluation of claims and judgments payable.
- Testing of restrictions and classifications of net position.
- Analyze grant revenues and expenses to ensure proper matching within the fiscal year.
- Test the reasonableness of interest income, realized, and unrealized gains/losses on investments.
- Analytically and substantively test revenues and expenses reported in the financial statements.
- Incorporate an element of unpredictability every year that will focus on an audit area that is not typically considered a high or significant risk area such as petty cash, credit card purchases, new vendors, travel expenses, etc.

The aforementioned tests are only a few of the tests performed during the examination and by no means is it meant to be all inclusive. During the final stage of the audit Consultant will meet with Finance staff to review any audit findings and adjusting journal entries.

## Single Audit Approach

As part of the Consultant's Single Audit for the years in which the City expends granter than \$750,000, Consultant will perform the following procedures in accordance with the Uniform Guidance:

- Perform an evaluation of the major programs required to be tested.
- Review OMB guidance and the OMB Compliance Supplement for the grant program audited.
- Review internal controls for each of the applicable 14 compliance areas for each program audited.
- Using AICPA sampling guidance, Consultant will select a sample for each of the applicable 14 compliance areas for each program audited. Consultant will test the sample for compliance with those 14 areas.
- Test the indirect cost rate, if applicable.
- Review monitoring reports for noncompliance and follow up on the resolution of past noncompliance, if applicable.
- Issue a single audit report of federal expenditures.
- File the data collection form within the specified deadline.

### Completion of the Audit and Preparation of Financial Statements

The nature and extent of the work required is dependent on Consultant's assessment of the likelihood of misstatements in the financial statements together with our conclusions from the planning and testing stages of the audit. All of the audit information is then used to reach a conclusion on whether the financial statements taken as a whole conform with generally accepted accounting principles.

- Consultant will review significant events after year end.
- Consultant will review attorney letters for significant legal matters.
- Consultant will prepare the financial statements and other reports.
- Consultant will ensure accurate and complete disclosures in the notes to the financial statements.

- Consultant reports will undergo five levels of review before a draft is given to the City.
- Consultant will provide a draft of the reports to the City within two weeks of leaving the field.
- Unless prepared by the City, Consultant will print and bind all reports for the City as well as providing Color PDF's of the final reports.
- Consultant will meet with the City Council to present the results of the audit.

## C. <u>CITY'S DUTIES AND RESPONSIBILITIES:</u>

Communicate with Consultant on an as-needed basis and provide requested documentation to consultant in a timely manner.

## D. WORK PROGRAM/PROJECT SCHEDULE:

To be determined.

Amount requested represents a pro-rata share of the total financial statement audit fee.

#### **EXHIBIT "B"**

## Payment Schedule (Fixed Fee Payment)

		<b>Audit Period</b>		
Service	FY 2015/16	FY 2016/17	FY 2017-18	Total
City Audit and Related Reports	31,000	31,600	32,200	94,800
Single Audit (first 2 major programs)*	6,000	6,100	6,200	18,300
Single Audit (additional 2 major				
programs if necessary)*	4,000	4,000	4,000	12,000
Appropriations Limit Review	500	500	500	1,500
AQMD Audit	1,000	1,000	1,000	3,000
West Orange County Water Board	5,000	5,100	5,200	15,300
Total	47,500	48,300	49,100	144,900

- \* The single audit fee includes up to two major programs. Additional major programs, if necessary, can be audited for \$2,000 each.
- 1. CONSULTANT shall be entitled to monthly progress payments toward the fixed fee set forth herein in accordance with the following progress and payment schedules.
- 2. Delivery of work product: A copy of every memorandum, letter, report, calculation and other documentation prepared by CONSULTANT shall be submitted to CITY to demonstrate progress toward completion of tasks. In the event CITY rejects or has comments on any such product, CITY shall identify specific requirements for satisfactory completion.
- 3. CONSULTANT shall submit to CITY an invoice for each monthly progress payment due. Such invoice shall:
  - A) Reference this Agreement;
  - B) Describe the services performed;
  - C) Show the total amount of the payment due;
  - D) Include a certification by a principal member of CONSULTANT's firm that the work has been performed in accordance with the provisions of this Agreement; and
  - E) For all payments include an estimate of the percentage of work completed.

Upon submission of any such invoice, if CITY is satisfied that CONSULTANT is making satisfactory progress toward completion of tasks in accordance with this Agreement, CITY shall approve the invoice, in which event payment shall be made within thirty (30) days of receipt of the invoice by CITY. Such approval shall not be unreasonably withheld. If CITY does not approve an invoice, CITY shall notify CONSULTANT in writing of the reasons for non-approval and the schedule of performance set forth in **Exhibit "A"** may at the option of CITY be suspended until the parties agree that past performance by CONSULTANT is in, or has been brought into compliance, or until this Agreement has expired or is terminated as provided herein.

4. Any billings for extra work or additional services authorized in advance and in writing by CITY shall be invoiced separately to CITY. Such invoice shall contain all of the information

### ROPS 19-20 (covering the period July 2019-June 2020)

# Outstanding Obligation Based on Most Recent Actuarials

105 CalPERS Pension \$ 3,438,056 106 Supplemental Retirement 217,239

## CalPERS Miscellaneous Plan for the City of Huntington Beach Based on the Annual Valuation Report as of June 30, 2016 (ROPS Line Item #105)

Annual valuation Rpt as of: ROPS 18-19 6/30/2017

Unfunded Accrued Liability 153,484,628 Page 5 of CalPERS Rpt
Annual Pension Cost 12,326,251 Page 4 of CalPERS Rpt

Econ Dev % of Citywide 2.24% Economic Dev Share of Liab \$ 3,438,056

Estimated Total - 6 Months 138,054
Estimated Total - Annual - Requested on ROPS 18/19 276,108

## Supplemental Retirement Plan

(ROPS Line Item #106) 9/30/2017

Unfunded AAL 7,128,000 Slide 18 of Actuarial Report
Annual Pension Cost 1,689,000 Slide 17 of Actuarial Report

Econ Dev % of Citywide

Economic Dev Share of Liab

2.24%

2.24% of total UAAL
+ FY 17/18 pay-go

Economic Dev Share of Annual Pension Cost 37,755

Estimated FY 19/20 Obligation (unfunded liability):

By Fiscal Year 37,755 A
By 6 Months 18,877

obligation of \$57,904

Estimated FY 19/20 Obligation (pay-go portion):

By Fiscal Year 57,904 A
By 6 Months 28,952

Total Requested on Annual ROPS 19/20 (Sum of A) 95,658
Total Requested on ROPS 19/20 By 6 Months 47,829

### **Required Contributions**

	Fiscal Year
Required Employer Contribution	2019-20
Employer Normal Cost Rate Plus, Either	10.018%
Monthly Employer Dollar UAL Payment     Or	\$ 1,063,772
2) Annual UAL Prepayment Option	\$ 12,326,251

#### Required PEPRA Member Contribution Rate

6.25%

The total minimum required employer contribution is the sum of the Plan's Employer Normal Cost Rate (expressed as a percentage of payroll) plus the Employer Unfunded Accrued Liability (UAL) Contribution Amount (billed monthly in dollars).

Only the UAL portion of the employer contribution can be prepaid (which must be received in full no later than July 31). Plan Normal Cost contributions will be made as part of the payroll reporting process. If there is contractual cost sharing or other change, this amount will change.

In accordance with Sections 20537 and 20572 of the Public Employees' Retirement Law, if a contracting agency fails to remit the required contributions when due, interest and penalties may apply.

For additional detail regarding the determination of the required contribution for PEPRA members, see Appendix D. Required member contributions for Classic members can be found in Appendix B.

Fiscal Year		Fiscal Year
2018-19		2019-20
16.988%		17.729%
7.777%		7.711%
9.211%		10.018%
\$ 48,079,022	\$	49,316,637
\$ 8,167,664	\$	8,743,347
3,739,106		3,802,806
 4,428,558		4,940,541
11,042,676		12,765,260
22.968%		25.884%
\$ 15,471,234	\$	17,705,801
32.179%		35.902%
\$	\$ 8,167,664 3,739,106 4,428,558 11,042,676 22,968% \$ 15,471,234	\$ 8,167,664 \$ 3,739,106 4,428,558 11,042,676 22.968% \$ 15,471,234 \$

<sup>&</sup>lt;sup>1</sup> For classic members, this is the percentage specified in the Public Employees Retirement Law, net of any reduction from the use of a modified formula or other factors. For PEPRA members, the member contribution rate is based on 50 percent of the normal cost. A development of PEPRA member contribution rates can be found in Appendix D. Employee cost sharing is not shown in this report.

CalPERS Actuarial Valuation - June 30, 2017
Miscellaneous Plan of the City of Huntington Beach
CalPERS ID: 4840650877

#### Plan's Funded Status

	June 30, 2016	June 30, 2017
1. Present Value of Projected Benefits	\$ 573,378,830	\$ 602,537,959
2. Entry Age Normal Accrued Liability	522,361,992	546,430,784
3. Market Value of Assets (MVA)	\$ 362,307,771	\$ 392,946,156
4. Unfunded Accrued Liability (UAL) [(2) - (3)]	\$ 160,054,221	\$ 153,484,628
5. Funded Ratio [(3) / (2)]	69.4%	/1.9%

This measure of funded status is an assessment of the need for future employer contributions based on the selected actuarial cost method used to fund the plan. The UAL is the present value of future employer contributions for service that has already been earned and is in addition to future normal cost contributions for active members. For a measure of funded status that is appropriate for assessing the sufficiency of plan assets to cover estimated termination liabilities, please see "Hypothetical Termination Liability" in the "Risk Analysis" section.

#### **Projected Employer Contributions**

The table below shows the required and projected employer contributions (before cost sharing) for the next six fiscal years. Projected results reflect the adopted changes to the discount rate described in Appendix A, "Actuarial Methods and Assumptions." The projections also assume that all actuarial assumptions will be realized and that no further changes to assumptions, contributions, benefits, or funding will occur during the projection period. The projected normal cost percentages in the projections below do not reflect that the normal cost will decline over time as new employees are hired into PEPRA or other lower cost benefit tiers.

Required Projected Future Employer Contributions Contribution (Assumes 7.25% Return for Fiscal Year 2017-18)						
Fiscal Year	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Normal Cost %	10.018%	10.8%	10.8%	10.8%	10.8%	10.8%
UAL Payment	12,765,260	13,897,000	15,350,000	16,508,000	17,212,000	18,057,000
Total as a % of Payroll*	35.9%	38.2%	40.3%	41.7%	42.1%	42.8%
Projected Payroll	49,316,637	50,549,777	51,939,896	53,368,243	54,835,870	56,343,856

<sup>\*</sup>Illustrative only and based on the projected payroll shown.

Changes in the UAL due to actuarial gains or losses as well as changes in actuarial assumptions or methods are amortized using a 5-year ramp up. For more information, please see "Amortization of the Unfunded Actuarial Accrued Liability" under "Actuarial Methods" in Appendix A. This method phases in the impact of changes in UAL over a 5-year period and attempts to minimize employer cost volatility from year to year. As a result of this methodology, dramatic changes in the required employer contributions in any one year are less likely. However, required contributions can change gradually and significantly over the next five years. In years where there is a large increase in UAL the relatively small amortization payments during the ramp up period could result in a funded ratio that is projected to decrease initially while the contribution impact of the increase in the UAL is phased in.

Due to the adopted change in the discount rate for the next valuation in combination with the 5-year phasein ramp, the increases in the required contributions are expected to continue for six years from Fiscal Year 2019-20 through Fiscal Year 2024-25.

For projected contributions under alternate investment return scenarios, please see the "Analysis of Future Investment Return Scenarios" in the "Risk Analysis" section.

<sup>&</sup>lt;sup>2</sup> The Employer Normal Cost is a blended rate for all benefit groups in the plan. A breakout of normal cost by benefit group is shown in Appendix D.

#### FUNDING RESULTS

#### Amortization Bases (Amounts in 000's)

	9/30/15 V	Valuation	9/30/17 V	aluation	
	9/30/16	9/30/17	6/30/18	6/30/19	
■ Outstanding Balance					
<ul> <li>Initial UAAL</li> </ul>	\$ 20,300	\$ 17,918	N/A	N/A	
<ul> <li>Contribution (Gain)/Loss Prior to 9/30/15</li> </ul>	(186)	(164)	N/A	N/A	
<ul> <li>2013 (Gain)/Losses</li> </ul>	(5,827)	(5,529)	N/A	N/A	
<ul> <li>2015 (Gain)/Losses</li> </ul>	2,218	2,075	N/A	N/A	
<ul> <li>2017 UAAL Fresh Start<sup>5</sup></li> </ul>	N/A	N/A	\$ <u>7,128</u>	\$ <u>4,128</u>	

14,300

7,128

Reflects projected 17/18 and 18/19 contribution gains.

(B4) March 6, 2018

Total

19

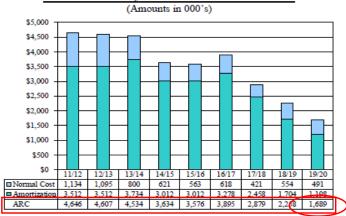


4,128

#### FUNDING RESULTS

16,505

## ARC/Actuarially Determined Contributions



18

## B4 March 6, 2018



#### Note Disclosures

#### Changes in Net Pension Liability/(Assets)

(Amounts in 000's)

	Total Fiduciary		Net
	Pension	Net	Pension
	Liability	Position	Liability
■ Balance at 9/30/17 (FYE 9/30/17)	\$ 64,586	\$ 57,957	\$ 6,629
■ Changes for the year			
<ul> <li>Section 115 Trust segregation</li> </ul>		(3,788)	3,788
<ul> <li>Service cost</li> </ul>	344	- 1	344
Interest	2,964		2,964
Difference between expected and	(794	-	(794)
actual experience	2 1 1 5		2115
Changes of assumptions	2,115	-	2,115
<ul> <li>Changes of benefit terms</li> </ul>	-	-	-
<ul> <li>Contributions - employer</li> </ul>	-	3,507	(3,507)
<ul> <li>Contributions - employee</li> </ul>	-	-	-
<ul> <li>Net investment income</li> </ul>	-	2,128	(2,128)
<ul> <li>Benefit payments including refunds</li> </ul>	(3,388	(3,388)	-
<ul> <li>Administrative expense</li> </ul>	_	(145)	145
■ Net changes	1,241	(1,686)	2,927
■ Balance at 6/30/18 (FYE 6/30/18)	\$ 65,827	\$ 56,271	\$ 9,556

B4) October 3, 2018

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City of Huntington Beach

## City-Agency Loans

Oversight Board					ROPS 19-20	ROPS 19-20
Resolution #	Project Name	Description	Project Area	Total Obligation	Line #	Amount Requested
		Legally Binding Operative Agreement Principal				
		Amount - \$1,740,834, Interest Rates 3%, Debt				
2017-25	Land Sale Emerald Cove	Incurred on May 18, 2009	Merged	5,676,433	107	606,608
	Emerald Cove 2010 Series A Lease Revenue Refunding	Emerald Cove 2010 Series A Lease Revenue				
2017-26	Bonds	Refunding Bonds Debt Service Payments	Merged	3,649,834	108	390,038
		Land and Right-of-way acquisition costs				
		connected with the Gothard-Hoover Extension				
		project and development of a public storage				
2017-23	Huntington Center Redevelopment Plan development	facility	Merged	1,880,405	109	200,948
		Costs incurred to acquire land within the Main-				
		Pier project area for Phase II development				
2017-22	Main-Pier Redevelopment Project Phase II	projects	Merged	2,255,955	110	241,080
		Costs incurred to acquire land within the Main-				
		Pier project area to implement the construction				
		of parking facilities within the Downtown Main-				
2017-21	Development of Downtown Main-Pier project area	Pier area	Merged	1,679,000	111	179,426
		Relocation, property acquisition, and other				
		project costs associated with the Third Block				
		West Condominium/Retail/Office project in the				
2017-20	Third Block West commercial/residential project	Main-Pier Redevelopment project area	Merged	9,599,412	112	1,025,834
		Property acquisition cost associated with the				
		Second Block alley and street improvement				
2017-19	Second Block Alley and Street Improvement Project	project	Merged	158,450	113	16,932
2017-18	Strand Project	Relocation costs paid to Wind and Sea Surf Shop	Merged	58,650	114	6,268
		Relocation costs paid to Terry's Coffee Shop and				
2017-17	Pierside Hotel/Retail/Parking Structure Project	First Interstate Bank	Merged	255,660	115	27,320
		Costs related to the relocation, buyout, and				
		demolition of Driftwood and Pacific Mobile Home				
		Parks related to the Waterfront Commercial				
		Master Site Plan and Waterfront Property				
2017-16	Waterfront Commercial Master Site Plan	Transfer from City	Merged	38,199,846	116	4,082,201
		Property acquisition costs associated with the				
2017-15	Strand Project	Strand Project	Merged	7,859,434	117	839,896
	Operative Agreement for the Huntington Beach	Loan repayment for advance made on capital	Southeast			
2017-24	Redevelopment Project	projects in FY 2004/05	Coastal	283,211	118	30,264

Totals	97,316,290	•	7,646,815

Amount Authorized by Sponsoring Entity Loan Calculator

7,646,815

Difference

## **Sponsoring Entity Loan Repayment Calculator**

Base Year:	ROPS II July thru December 2012	ROPS III January thru June 2013	Total For Base Year
Total Residual Balance	740,249	863,341	1,603,590

Comparison Year:	ROPS 18-19A July thru December 2018	ROPS 18-19B January thru June 2019		Total For Comparison Year
Total Residual Balance	5,217,368	11,679,852		16,897,220
	16,897,220 1,603,590			
A-B Difference of Residual Balance Divide Difference by two				15,293,630 ÷2
Maximum Repayment Amount Authorized Per Fiscal Year				7,646,815

Note: This is a tool provided by Finance to assist successor agencies in determining the maximum repayment amount per authorized fiscal year. Placing this amount on the ROPS does not automatically guarantee approval of the repayment amount.

