

# Orange Countywide Oversight Board

Agenda Item No. 15f

Date: 9/22/2020

From: Successor Agency to the Placentia Redevelopment Agency

Subject: Straw Vote of the Countywide Oversight Board Regarding Administrative Budget

Recommended Action:

Hold a straw vote regarding FY 2021-22 Administrative Budget for the Placentia Successor Agency

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The Placentia Successor Agency requests a straw vote of the Administrative Budget for Fiscal Year 2021-22. The Successor Agency shall return in January with a request for final approval of the Administrative Budget with the Recognized Obligation Payment Schedule (“ROPS”). ROPS 21-22, covering the period of July 1, 2021 through June 30, 2022, must be approved by the Countywide Oversight Board of the County of Orange (“Countywide Oversight Board”) and submitted to the State Department of Finance (“DOF”) no later than February 1, 2021. Pursuant to Health & Safety Code (“HSC”) Section 34177(m), the DOF has 45 days from submission after Countywide Oversight Board approval to review the ROPS and object to any enforceable obligations. If the ROPS is not submitted by the deadline to the DOF, the City is subject to a \$10,000 fine for every day the ROPS is late and the administrative cost allowance for the Successor Agency is reduced by 25% after 10 days.

Pursuant to HSC Section 34177(l), successor agencies are required to prepare and submit a ROPS detailing each enforceable obligation that requires property tax revenue to satisfy debt of the former Redevelopment Agency for a twelve-month reporting period. This action respectfully requests the Countywide Oversight Board review of the Administrative Budget for the Fiscal Year 2021-22 for the Placentia Successor Agency, which covers the twelve-month reporting period of July 1, 2021 through June 30, 2022 (Attachment No. 1). The administrative overhead for the twelve-month reporting period totals \$239,956. The administrative overhead request of \$239,956 is within the allocation the Placentia Successor Agency is authorized to receive pursuant to HSC Section 34171, which is to be split evenly between the two six-month periods.

HSC Section 34177(j) requires each successor agency to prepare a proposed administrative budget setting forth the successor agency’s estimated administrative costs of carrying out the wind-down activities of the former redevelopment agency, proposing sources of payment for such estimated administrative costs, and proposing for arrangements for administrative and operations services

The administrative costs will be funded entirely by Redevelopment Property Tax Trust Fund (“RPTTF”) revenues. The Administrative Budget estimates below include staff time required to carry out Placentia Successor Agency activities:

Placentia Successor Agency Administrative Budget Request	
Personnel	\$ 179,346
Legal	\$ 14,000
Consulting	\$ 20,000
Indirect Costs	\$ 26,610
Total	<u>\$239,956</u>
Total Admin Request	<u>\$239,956</u>

The two major cost components are personnel costs and professional contract services. Personnel and indirect costs are related to City staff time required to manage Placentia Successor Agency affairs. The contract services costs are legal counsel and consulting services. The detailed administrative budget and personnel description for this time period is included as Attachment No. 2.

#### Staff Contact(s)

Brian Moncrief, Senior Vice President, Kosmont Companies, (805) 463-7364, [bmoncrief@kosmont.com](mailto:bmoncrief@kosmont.com)  
Jeannette Ortega, Assistant to the City Administrator, City of Placentia, (714) 993-8264, [jortega@placentia.org](mailto:jortega@placentia.org)

#### Attachments

- Attachment No. 1: Administrative Budget for 21-22
- Attachment No. 2: Description of Administrative Budget for 21-22
- Attachment No. 3: Department of Finance's Letters for 20-21
- Attachment No. 4: Administrative Budgets for 20-21
- Attachment No. 5: Department of Finance's Letters for 19-20
- Attachment No. 6: Administrative Budgets for 19-20

**Successor Agency to the Redevelopment Agency of the City of Placentia**

**Administrative Budget**

**July 1, 2021 – June 30, 2022**

**Administrative Allowance**

<b>Staff Costs</b>	<b>Annual % of Staff Time</b>	<b>July 1 – Dec 31 2021</b>	<b>Jan 1 – Jun 30 2022</b>	<b>Annual SA Staff Costs</b>
City Administrator	5.0%	\$10,560	\$10,560	\$21,120
Director of Finance	5.0%	\$7,195	\$7,195	\$14,390
Director of Development Services	5.0%	\$9,756	\$9,756	\$19,512
Director of Administrative Services	5.0%	\$16,154	\$16,154	\$32,308
Assistant to the CA/Econ. Dev. Mgr.	20.0%	\$21,789	\$21,789	\$43,578
Accounting Manager	15.0%	\$9,432	\$9,432	\$18,864
Senior Financial Analyst	5.0%	\$3,215	\$3,215	\$6,430
Accounting Technician – Payroll	5.0%	\$1,865	\$1,865	\$3,730
Accounting Technician – A/P	5.0%	\$3,054	\$3,054	\$6,108
Accountant	5.0%	\$2,616	\$2,616	\$5,232
Deputy City Clerk	3.0%	\$1,724	\$1,724	\$3,448
Executive Assistant	3.0%	\$2,313	\$2,313	\$4,626
<b>Sub-Total</b>		<b>\$89,673</b>	<b>\$89,673</b>	<b>\$179,346</b>

<b>Legal Costs</b>	<b>July 1 – Dec 31 2021</b>	<b>Jan 1 – Jun 30 2022</b>	<b>Annual SA Costs</b>
Jones & Mayer	\$7,000	\$7,000	\$14,000
<b>Sub-Total</b>	<b>\$7,000</b>	<b>\$7,000</b>	<b>\$14,000</b>

<b>Consulting Costs</b>	<b>July 1 – Dec 31 2021</b>	<b>Jan 1 – Jun 30 2022</b>	<b>Annual SA Costs</b>
Kosmont & Companies	\$10,000	\$10,000	\$20,000
<b>Sub-Total</b>	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$20,000</b>

<b>Indirect Costs</b>	<b>FY 2020/21 Costs</b>	<b>July 1 – Dec 31 2021</b>	<b>Jan 1 – Jun 30 2022</b>	<b>Annual SA Costs</b>
Auditors and CAFR Preparation	\$80,000	\$1,200	\$1,200	\$2,400
Property Insurance	\$55,300	\$829.50	\$829.50	\$1,659
Facility Maintenance	\$100,000	\$1,500	\$1,500	\$3,000
Taping/Broadcasting of SA meetings	\$55,800	\$837	\$837	\$1,674
Maintenance of LaserFische (document management system)	\$10,260	\$154	\$154	\$308
Maintenance of Granicus (online streaming of SA meetings)	\$22,760	\$344.50	\$344.50	\$689
Maintenance of BiTech (accounting system)	\$43,000	\$645	\$645	\$1,290

CivicPlus (City's website)	\$10,100	\$151.50	\$151.50	\$303
Maintenance of Misc Systems (Microsoft, Adobe and Apple License)	\$39,700	\$595.50	\$595.50	\$1,191
General Office and Maintenance Supplies	\$12,000	\$180	\$180	\$360
Postage	\$23,800	\$238	\$238	\$476
Telephone Services and Data Lines	\$180,000	\$2,700	\$2,700	\$5,400
Electricity	\$546,000	\$2,730	\$2,730	\$5,460
Copiers & Computer Equipment Maintenance	\$80,000	\$1,200	\$1,200	\$2,400
<b>Sub-Total</b>		<b>\$13,305</b>	<b>\$13,305</b>	<b>\$26,610</b>

<b>Total Budget</b>	<b>\$119,978</b>	<b>\$119,978</b>	<b>\$239,956</b>
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<b>SUCCESSOR AGENCY BUDGET REQUEST</b>	<b>\$119,978</b>	<b>\$119,978</b>	<b>\$239,956</b>
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**Successor Agency to the Redevelopment Agency of the City of Placentia**

**Administrative Description**

**July 1, 2021 – June 30, 2022**

<b>STAFF</b>	<b>DESCRIPTION</b>
<b>City Administrator</b>	<p>Participates in staff and consultants’ meetings on Successor Agency matters Provides policy direction to staff and consultants Reviews City Council staff reports and resolutions Executes necessary changes to the Administrative budget as may be appropriate and/or required by law Reviews Countywide Oversight Board staff reports and resolutions Provides information to the Mayor and City Council on Successor Agency matters Attends Successor Agency Meetings Reviews all contracts associated with Successor Agency items including legal and consulting services.</p>
<b>Director of Finance</b>	<p>Reviews payment of enforceable obligations Monitors cash flow to ensure sufficient revenues available for obligations Reviews Recognized Obligation Payment Schedule (ROPS) and Prior Period Adjustment (PPA) forms and amended ROPS (as necessary) Reviews annual financial statements Creates the Comprehensive Annual Financial Report (CAFR) reporting of Successor Agency Monitors Successor Agency funds and continuing disclosure requirements for bonds Manages cash and investments pursuant to investment policy Manages debt portfolio, including bond payments, continuing disclosure, and other compliance requirements Answers financial inquires and provide documentation requested by Successor Agency, Countywide Oversight Board, County Auditor-Controller and/or City’s Independent Auditor Works with City’s independent Auditors to review Successor Agency items and prepare financial statements as required by ABx1 26 Responds to Department of Finance assigned analyst via various emails or phone calls. This process may take several hours to complete, depending on how descriptive the DOF analyst is and if they are familiar with Placentia Successor Agency matters. Periodically, a new DOF analyst is assigned to review the ROPS and other actions of the Successor Agency</p>
<b>Director of Development Services</b>	<p>Reviews all staff reports and resolutions for Successor Agency and Countywide Oversight Board meetings Provides assistance in the preparation of staff reports and resolutions for Successor Agency and Countywide Oversight Board Attends Successor Agency Meetings</p>
<b>Director of Administrative Services</b>	<p>Reviews all staff reports and resolutions for Successor Agency and Countywide Oversight Board meetings Provides direct oversight of City Clerk’s Office functions and noticing requirements Attends Successor Agency meetings Reviews and approves all legal invoices submitted by our City Attorney’s Office</p>

<b>Assistant to the City Administrator/Economic Development Manager</b>	<p>Administration and implementation of Successor Agency wind-down</p> <p>Prepares staff reports and resolutions for Successor Agency and Countywide Oversight Board Meetings</p> <p>Schedules meetings with Finance staff and consultants on Successor Agency matters and coordinate schedules to meet Department of Finance deadlines</p> <p>Maintains records and notes of staff meetings</p> <p>Attends Successor Agency and Countywide Oversight Board Meetings</p> <p>Attends Orange County Successor Agencies Representative Meetings</p> <p>Answer inquires and provide documentation requested by Successor Agency, Countywide Oversight Board, County Auditor-Controller and/or City's Independent Auditor</p> <p>Responds to Department of Finance assigned analyst via various emails or phone calls. This process may take several hours to complete, depending on how descriptive the DOF analyst is and if they are familiar with Placentia Successor Agency matters. Periodically, a new DOF analyst is assigned to review the ROPS and other actions of the Successor Agency</p>
<b>Accounting Manager</b>	<p>Process payment of enforceable obligations</p> <p>Accounting for all transactions of the Successor Agency in the general ledger and annual operating budget</p> <p>Collect and record loan payments via a contract with a third-party loan administrator</p> <p>Monitor and project cash flow to ensure sufficient revenues for obligations and to inform staff/consultant of expected revenues</p> <p>Prepares annual Recognized Obligation Payment Schedule (ROPS) and Prior Period Adjustment (PPA) forms and amended ROPS (as necessary)</p> <p>Prepares Administrative Budget</p> <p>Prepares annual financial statements, including accounting for assets, liabilities, revenue and expenditures for Successor Agency</p> <p>Direct oversight of all bond covenants and requirements</p> <p>Preparation and submittal of annual continuing disclosure documents for all bond issues</p> <p>Communicates with rating agencies and bond insurers as needed</p> <p>Maintains documentation of Agency Records</p> <p>Answer financial inquires and provide documentation requested by Successor Agency, Countywide Oversight Board, County Auditor-Controller, Department of Finance and/or City's Independent Auditor</p> <p>Works with City's independent Auditors to review Successor Agency items and prepare financial statements as required by ABx1 26</p> <p>Responds to Department of Finance assigned analyst via various emails or phone calls. This process may take several hours to complete, depending on how descriptive the DOF analyst is and if they are familiar with Placentia Successor Agency matters. Periodically, a new DOF analyst is assigned to review the ROPS and other actions of the Successor Agency</p>
<b>Senior Financial Analyst</b>	<p>Employee payroll management, annual budget review and allocation of Successor Agency line items, and manages legal and consultants' contracts and payments</p>
<b>Accounting Technician</b>	<p>Process legal and consultant's contracts and payments on a monthly basis. Routes purchase orders and check warrants for proper staff approval. Inputs payment into accounting system</p>

<b>Accountant - Payroll</b>	Overhead costs for employee payroll for all Successor Agency and Oversight Board matters
<b>Accountant – Accounts Payable</b>	Overhead costs for consultants’ monthly invoices for all Successor Agency and Oversight Board matters. Ensures contracts are within budget
<b>Deputy City Clerk</b>	Maintains comprehensive records management, ensures proper agenda noticing and posting requirements and legal advertising. Creates meeting minutes and certification of adopted resolutions. Uploads agendas and minutes onto Granicus software and LaserFische
<b>Executive Assistant</b>	Coordinates meetings with City Staff, Legal Counsel and Consultant as it pertains to Successor Agency and Oversight Board matters. Books conference rooms and works with Assistant to the City Administrator to prepare agenda for the meetings

<b>LEGAL</b>	<b>DESCRIPTION</b>
<b>Jones &amp; Mayer</b>	<p>Provides legal representation for the Successor Agency</p> <p>Ensures legal implementation of AB 1x 26, AB1484 and SB 107 requirements</p> <p>Provides general legal services, including brown act, negotiations, etc.</p> <p>Reviews City Council staff reports and resolutions</p> <p>Reviews Oversight staff reports and resolutions</p> <p>Manage litigation (as necessary) pertaining to Successor Agency matters</p> <p>Legal analysis of new legislation pertaining to Successor Agency matters</p>

<b>CONSULTING</b>	<b>DESCRIPTION</b>
<b>Kosmont &amp; Companies</b>	<p>Assists with the administration and implementation of Successor Agency wind-down</p> <p>Review staff reports and resolutions for Successor Agency and Countywide Oversight Board</p> <p>Participates in meetings with Finance staff and consultants on Successor Agency matters and coordinate schedules to meet Department of Finance deadlines</p> <p>Attend Successor Agency and Countywide Oversight Board Meetings</p> <p>Attend Orange County Successor Agencies Representative Meetings</p> <p>Answer inquires and provide documentation requested by Successor Agency, Countywide Oversight Board, County Auditor-Controller, Department of Finance and/or City’s Independent Auditor</p> <p>Assists with preparation and submission of Recognized Obligation Payment Schedule (ROPS) and Prior Period Adjustment (PPA) forms and amended ROPS (as necessary) to the Department of Finance</p>

**Additional Costs Not Included in Administrative Budget**

**Elected Officials**

Mayor and City Council serving as the Successor Agency Board  
City Clerk oversight  
City Treasurer oversight



Transmitted via e-mail

April 10, 2020

Jeannette Ortega, Economic Development Manager  
City of Placentia  
401 East Chapman Avenue  
Placentia, CA 92870

### **2020-21 Annual Recognized Obligation Payment Schedule**

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Placentia Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period of July 1, 2020 through June 30, 2021 (ROPS 20-21) to the California Department of Finance (Finance) on January 31, 2020. Finance has completed its review of the ROPS 20-21.

Based on a sample of line items reviewed and application of the law, Finance is approving all of the items listed on the ROPS 20-21 at this time. However, Finance notes the following:

The administrative costs claimed are within the fiscal year administrative cap pursuant to HSC section 34171 (b) (3). However, Finance notes the Oversight Board (OB) has approved an amount that appears excessive, given the number and nature of the obligations listed on the ROPS. HSC section 34179 (i) requires the OB to exercise a fiduciary duty to the taxing entities. Therefore, Finance encourages the OB to apply adequate oversight when evaluating the administrative resources necessary to successfully wind-down the Agency.

Pursuant to HSC section 34186, successor agencies are required to report differences between actual payments and past estimated obligations (prior period adjustments) for the July 1, 2017 through June 30, 2018 (ROPS 17-18) period. Reported differences in Redevelopment Property Tax Trust Fund (RPTTF) are used to offset current RPTTF distributions. The County Auditor-Controller's review of the prior period adjustment form submitted by the Agency resulted in no prior period adjustment.

The Agency's maximum approved RPTTF distribution for the reporting period is \$1,954,111, as summarized in the Approved RPTTF Distribution table (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1, 2020 through December 31, 2020 period (ROPS A period), and one distribution for the January 1, 2021 through June 30, 2021 period (ROPS B period), based on Finance's approved amounts. Since this determination is for the entire ROPS 20-21 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.



If the Agency disagrees with our determination with respect to any items on the ROPS 20-21, except items which are the subject of litigation disputing our previous or related determinations, the Agency may request a Meet and Confer within five business days of the date of this letter. The Meet and Confer process and guidelines are available on our website:

[http://dof.ca.gov/Programs/Redevelopment/Meet\\_And\\_Confer/](http://dof.ca.gov/Programs/Redevelopment/Meet_And_Confer/)

The Agency must use the RAD App to complete and submit its Meet and Confer request form.

Absent a Meet and Confer, this is our final determination regarding the obligations listed on the ROPS 20-21. This determination only applies to items when funding was requested for the 12-month period. If a denial by Finance in a previous ROPS is currently the subject of litigation, the item will continue to be deemed denied until the matter is resolved.

The ROPS 20-21 form submitted by the Agency and this determination letter will be posted on our website:

<http://dof.ca.gov/Programs/Redevelopment/ROPS/>

This determination is effective for the ROPS 20-21 period only and should not be conclusively relied upon for future ROPS periods. All items listed on a future ROPS are subject to review and may be denied even if not denied on this ROPS or a preceding ROPS. The only exception is for items that have received a Final and Conclusive determination from Finance pursuant to HSC section 34177.5 (i). Finance's review of Final and Conclusive items is limited to confirming the scheduled payments as required by the obligation.

The amount available from the RPTTF is the same as the amount of property tax increment available prior to the enactment of the redevelopment dissolution law. Therefore, as a practical matter, the ability to fund the items on the ROPS with property tax increment is limited to the amount of funding available to the Agency in the RPTTF.

Please direct inquiries to Anna Kyumba, Supervisor, or Thong Thao, Staff, at (916) 322-2985.

Sincerely,



JENNIFER WHITAKER  
Program Budget Manager

cc: Damien Arrula, City Administrator, City of Placentia  
Israel M. Guevara, Administrative Manager, Property Tax Section, Orange County

Attachment

Approved RPTTF Distribution July 2020 through June 2021			
	ROPS A	ROPS B	ROPS 20-21 Total
RPTTF Requested	\$ 568,780	\$ 1,135,331	\$ 1,704,111
Administrative RPTTF Requested	125,000	125,000	250,000
<b>Total RPTTF Requested</b>	<b>693,780</b>	<b>1,260,331</b>	<b>1,954,111</b>
<b>RPTTF Authorized</b>	<b>568,780</b>	<b>1,135,331</b>	<b>1,704,111</b>
<b>Administrative RPTTF Authorized</b>	<b>125,000</b>	<b>125,000</b>	<b>250,000</b>
<b>Total RPTTF Approved for Distribution</b>	<b>\$ 693,780</b>	<b>\$ 1,260,331</b>	<b>\$ 1,954,111</b>

# Placentia

## ROPS 2020-21 Annual

Summary

Cash Balances

Detail

Submission

Requested Funding for Obligations	20-21A Total	20-21B Total	ROPS Total
<b>A Obligations Funded as Follows (B+C+D)</b>	<b>0</b>	<b>0</b>	<b>0</b>
B Bond Proceeds	0	0	0
C Reserve Balance	0	0	0
D Other Funds	0	0	0
<b>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)</b>	<b>693,780</b>	<b>1,260,331</b>	<b>1,954,111</b>
F RPTTF	568,780	1,135,331	1,704,111
G Administrative RPTTF	125,000	125,000	250,000
<b>H Current Period Obligations (A+E)</b>	<b>693,780</b>	<b>1,260,331</b>	<b>1,954,111</b>

Brian Probdsky, Chairman

Endy

1-28-2020

# Placentia

## ROPS 2020-21 Annual

Summary

Detail

Cash Balances

Submission

Filter



Export to Excel

Item #	Obligation Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Total Outstanding Obligation	Total Requested Funding	Notes
4	2003 COPs City Reimbursement	Miscellaneous	11/01/2003	01/01/2028	City of Placentia	Amended & Restated Reimbursement Agreement	3,344,566	418,429	
9	Trustee Fees	Fees	07/01/2014	08/01/2032	US Bank	Trustee Fees for US Bank bond proceed holder	27,000	2,250	
15	Administrative Overhead	Admin Costs	07/01/2016	08/01/2032	City of Placentia	Allocated overhead for SA/OB operations	3,250,000	250,000	
19	Bond Administration	Fees	08/19/2008	12/31/2017	Harrel & Company	Continuing disclosure 2013 Bonds	235,500	1,500	
29	2013 Tax Allocation Refund Bond	Refunding Bonds Issued After 6/27/12	12/03/2013	08/01/2032	US Bank	2013 Tax Allocation Refund Bond	3,121,937	403,976	
32	2013 Tax Allocation Refund Bond	Reserves	12/03/2013	08/01/2032	US Bank	2013 Bond Debt Service Reserve	9,355,000	635,000	
36	Real Property Transaction (312 S. Melrose) between City of Placentia and Redevelopment Agency	City/County Loan (Prior 06/28/11), Property transaction	01/20/2009	06/30/2023	City of Placentia	Real Property Transaction (312 S. Melrose) between City of Placentia and Redevelopment Agency	970,282	121,478	
37	Real Property Transaction (110 S. Bradford Ave) between City of Placentia and Redevelopment Agency	City/County Loan (Prior 06/28/11), Property transaction	01/20/2009	06/30/2022	City of Placentia	Real Property Transaction (110 S. Melrose) between City of Placentia and Redevelopment Agency	651,790	121,478	
38	SERAF	SERAF/ERAF	05/10/2010	05/10/2011	Orange County Auditor Controller/State of California	Balance of SERAF amount for FY 2009-10 and FY 2010-11 pursuant to Health and Safety Code Sections 33690 and 33690.5.	-	-	

July 1, 2017 through June 30, 2018

(Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H
		Bond Proceeds		Fund Sources			
		Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Reserve Balance	Other Funds	RPTTF	
				Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Rent, Grants, Interest, etc.	Non-Admin and Admin	Comments
1	ROPS 17-18 Cash Balances (07/01/17 - 06/30/18)						
	Beginning Available Cash Balance (Actual 07/01/17)		0				
	RPTTF amount should exclude "A" period distribution amount						
2	Revenue/Income (Actual 06/30/18)		2,267				2,700,747
	RPTTF amount should tie to the ROPS 17-18 total distribution from the County Auditor-Controller						
3	Expenditures for ROPS 17-18 Enforceable Obligations (Actual 06/30/18)		0				2,145,747
4	Retention of Available Cash Balance (Actual 06/30/18)		2,267				555,000
	RPTTF amount retained should only include the amounts distributed as reserve for future period(s)						
5	ROPS 17-18 RPTTF Prior Period Adjustment						
	RPTTF amount should tie to the Agency's ROPS 17-18 PPA form submitted to the CAC						
6	Ending Actual Available Cash Balance (06/30/18)	\$	0 \$	0 \$	0 \$	0 \$	0
	C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)						

No entry required



April 11, 2019

Ms. Jeannette Ortega, Economic Development Manager  
City of Placentia  
401 East Chapman Avenue  
Placentia, CA 92870

Dear Ms. Ortega:

Subject: 2019-20 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Placentia Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period of July 1, 2019 through June 30, 2020 (ROPS 19-20) to the California Department of Finance (Finance) on January 30, 2019. Finance has completed its review of the ROPS 19-20.

Based on a sample of line items reviewed and application of the law, Finance is approving all of the items listed on the ROPS 19-20 at this time. However, Finance notes the following:

The administrative costs claimed are within the fiscal year administrative cap pursuant to HSC section 34171 (b) (3). However, Finance notes the Oversight Board (OB) has approved an amount that appears excessive, given the number and nature of the obligations listed on the ROPS. HSC section 34179 (i) requires the OB to exercise a fiduciary duty to the taxing entities. Therefore, Finance encourages the OB to apply adequate oversight when evaluating the administrative resources necessary to successfully wind-down the Agency.

Pursuant to HSC section 34186, successor agencies are required to report differences between actual payments and past estimated obligations. Reported differences in Redevelopment Property Tax Trust Fund (RPTTF) are used to offset current RPTTF distributions. The County Auditor-Controller's review of the prior period adjustment form submitted by the Agency resulted in no prior period adjustment.

If the Agency disagrees with our determination with respect to any items on the ROPS 19-20, except items that are the subject of litigation disputing our previous or related determinations, the Agency may request a Meet and Confer within five business days of the date of this letter. The Meet and Confer process and guidelines are available on our website:

[http://dof.ca.gov/Programs/Redevelopment/Meet And Confer/](http://dof.ca.gov/Programs/Redevelopment/Meet_And_Confer/)

The Agency's maximum approved RPTTF distribution for the reporting period is \$2,195,253 as summarized in the Approved RPTTF Distribution table on Page 3 (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1 through December 31 period (ROPS A period), and one distribution for the January 1 through June 30 period (ROPS B period) based on Finance approved amounts. Since this determination is for the entire ROPS 19-20 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

Absent a Meet and Confer, this is our final determination regarding the obligations listed on the ROPS 19-20. This determination only applies to items when funding was requested for the 12-month period. If a denial by Finance in a previous ROPS is currently the subject of litigation, the item will continue to be denied until the matter is resolved.

The ROPS 19-20 form submitted by the Agency and this determination letter will be posted on our website:

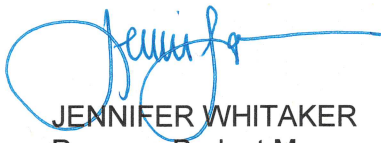
<http://dof.ca.gov/Programs/Redevelopment/ROPS/>

This determination is effective for the ROPS 19-20 period only and should not be conclusively relied upon for future ROPS periods. All items listed on a future ROPS are subject to review and may be denied even if not denied on this ROPS or a preceding ROPS. The only exception is for items that have received a Final and Conclusive determination from Finance pursuant to HSC section 34177.5 (i). Finance's review of Final and Conclusive items is limited to confirming the scheduled payments as required by the obligation.

The amount available from the RPTTF is the same as the amount of property tax increment available prior to the enactment of redevelopment dissolution law. Therefore, as a practical matter, the ability to fund the items on the ROPS with property tax increment is limited to the amount of funding available to the Agency in the RPTTF.

Please direct inquiries to Nichelle Jackson, Supervisor, or Michael Painter, Analyst, at (916) 322-2985.

Sincerely,



JENNIFER WHITAKER  
Program Budget Manager

cc: Mr. Damien Arrula, City Administrator, City of Placentia  
Mr. Israel M. Guevara, Administrative Manager, Property Tax Section, Orange County

**Attachment**

Approved RPTTF Distribution For the period of July 1, 2019 through June 30, 2020			
	ROPS A Period	ROPS B Period	ROPS 19-20 Total
RPTTF Requested	\$ 573,413	\$ 1,371,840	\$ 1,945,253
Administrative RPTTF Requested	125,000	125,000	250,000
<b>Total RPTTF Requested</b>	<b>698,413</b>	<b>1,496,840</b>	<b>2,195,253</b>
RPTTF Authorized	573,413	1,371,840	1,945,253
Administrative RPTTF Authorized	125,000	125,000	250,000
<b>Total RPTTF Authorized for Obligations</b>	<b>698,413</b>	<b>1,496,840</b>	<b>2,195,253</b>
Prior Period Adjustment	0	0	0
<b>Total RPTTF Approved for Distribution</b>	<b>\$ 698,413</b>	<b>\$ 1,496,840</b>	<b>\$ 2,195,253</b>



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

Successor Agency: Placentia  
 County: Orange

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	19-20A Total (July - December)	19-20B Total (January - June)	ROPS 19-20 Total
<b>A Enforceable Obligations Funded as Follows (B+C+D):</b>	\$ -	\$ -	\$ -
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	-	-	-
<b>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G):</b>	\$ 698,413	\$ 1,496,840	\$ 2,195,253
F RPTTF	573,413	1,371,840	1,945,253
G Administrative RPTTF	125,000	125,000	250,000
<b>H Current Period Enforceable Obligations (A+E):</b>	\$ 698,413	\$ 1,496,840	\$ 2,195,253

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.

*Brian Probofsky, Chairman*

Name Brian Probofsky Title  
 Signature *[Signature]* Date 1/29/2019

Placentia Recognized Obligation Payment Schedule (ROPS 19-20) - ROPS Detail

July 1, 2019 through June 30, 2020

(Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K	19-20A (July - December)					19-20B (January - June)					W	
											Fund Sources					Fund Sources						
											L	M	N	O	P	Q	R	S	T	U		V
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	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	19-20A Total	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	19-20B Total
								\$ 23,150,328		\$ 2,195,253	\$ 0	\$ 0	\$ 0	\$ 573,413	\$ 125,000	\$ 698,413	\$ 0	\$ 0	\$ 0	\$ 1,371,840	\$ 125,000	\$ 1,496,840
4	2003 COPs City Reimbursement	Miscellaneous	11/1/2003	1/1/2028	City of Placentia	Amended & Restated Reimbursement	Merged	3,762,991	N	\$ 418,425				352,325	125,000	\$ 352,325				66,100		\$ 66,100
9	Trustee Fees	Fees	7/1/2014	8/1/2032	US Bank	Trustee Fees for US Bank bond proceed holder	Merged	28,000	N	\$ 2,000						\$ -				2,000		\$ 2,000
15	Administrative Overhead	Admin Costs	7/1/2016	8/1/2032	City of Placentia	Allocated overhead for SA/OB operations	Merged	3,500,000	N	\$ 250,000					125,000	\$ 125,000					125,000	\$ 125,000
19	Bond Administration	Fees	8/19/2008	12/31/2017	Harrel & Company	Continuing disclosure 2013 Bonds	Merged	237,000	N	\$ 1,500						\$ -				1,500		\$ 1,500
29	2013 Tax Allocation Refund Bond	Refunding Bonds Issued After 6/27/12	12/3/2013	8/1/2032	US Bank	2013 Tax Allocation Refund Bond	Merged	3,552,513	N	\$ 430,576				221,088		\$ 221,088				209,488		\$ 209,488
30	Loan Agreement between City of Placentia and Successor Agency (Reso #OB-2014-05)	City/County Loans After 6/27/11	1/8/2014	1/8/2018	City of Placentia	Cashflow Loan from City to Successor Agency due to RPTTF shortfall	Merged	0	N	\$ -						\$ -						\$ -
32	2013 Tax Allocation Refund Bond	Reserves	12/3/2013	8/1/2032	US Bank	2013 Bond Debt Service Reserve	Merged	9,955,000	N	\$ 600,000						\$ -				600,000		\$ 600,000
35	Real Property Transaction (312 S. Melrose) between City of Placentia and Redevelopment Agency	City/County Loan (Prior 06/28/11), Property transaction	1/20/2009	6/30/2023	City of Placentia	Real Property Transaction (312 S. Melrose) between City of Placentia and Redevelopment Agency	Merged	1,216,658	N	\$ 246,376						\$ -				246,376		\$ 246,376
37	Real Property Transaction (110 S. Bradford Ave) between City of Placentia and Redevelopment Agency	City/County Loan (Prior 06/28/11), Property transaction	1/20/2009	6/30/2022	City of Placentia	Real Property Transaction (110 S. Bradford Ave) between City of Placentia and Redevelopment Agency	Merged	898,166	N	\$ 246,376						\$ -				246,376		\$ 246,376
38	SERAF	SERAF/ERAF	5/10/2010	5/10/2011	Orange County Auditor Controller/State of California	Balance of SERAF amount for FY 2009-10 and FY 2010-11 pursuant to Health and Safety Code Sections 33690 and 33690.5.	Merged		N	\$ -						\$ -						\$ -
39	132 Crowther Settlement Agreement and Release	Litigation	1/16/2018	1/16/2050	DMWP, LLC	Litigation Settlement Agreement and Release between Successor Agency and DMWP, LLC (Plaintiff) regarding 132 Crowther Avenue Property.	Merged	0	Y	\$ -						\$ -						\$ -
40	132 Crowther Settlement Agreement and Release	Legal	9/9/2015	9/9/2025	Lawfirm of Jones & Mayer	Legal expenses incurred as part of Litigation Settlement Agreement and Release between Successor Agency and DMWP, LLC (Plaintiff) regarding 132 Crowther Avenue Property.	Merged	0	Y	\$ -						\$ -						\$ -
41									N	\$ -						\$ -						\$ -
42									N	\$ -						\$ -						\$ -
43									N	\$ -						\$ -						\$ -
44									N	\$ -						\$ -						\$ -
45									N	\$ -						\$ -						\$ -
46									N	\$ -						\$ -						\$ -
47									N	\$ -						\$ -						\$ -
48									N	\$ -						\$ -						\$ -
49									N	\$ -						\$ -						\$ -
50									N	\$ -						\$ -						\$ -
51									N	\$ -						\$ -						\$ -
52									N	\$ -						\$ -						\$ -
53									N	\$ -						\$ -						\$ -
54									N	\$ -						\$ -						\$ -
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56									N	\$ -						\$ -						\$ -
57									N	\$ -						\$ -						\$ -
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60									N	\$ -						\$ -						\$ -
61									N	\$ -						\$ -						\$ -
62									N	\$ -						\$ -						\$ -
63									N	\$ -						\$ -						\$ -
64									N	\$ -						\$ -						\$ -
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67									N	\$ -						\$ -						\$ -
68									N	\$ -						\$ -						\$ -
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71									N	\$ -						\$ -						\$ -
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74									N	\$ -						\$ -						\$ -
75									N	\$ -						\$ -						\$ -
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77									N	\$ -						\$ -						\$ -
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81									N	\$ -						\$ -						\$ -
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83									N	\$ -						\$ -						\$ -
84									N	\$ -						\$ -						\$ -
85									N	\$ -						\$ -						\$ -
86									N	\$ -						\$ -						\$ -
87									N	\$ -						\$ -						\$ -
88									N	\$ -						\$ -						\$ -
89									N	\$ -						\$ -						\$ -
90									N	\$ -						\$ -						\$ -

Placentia Recognized Obligation Payment Schedule (ROPS 19-20) - ROPS Detail

July 1, 2019 through June 30, 2020

(Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W
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	19-20A (July - December)					19-20A Total	19-20B (January - June)					19-20B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
91									N	\$ -						\$ -						\$ -
92									N	\$ -						\$ -						\$ -
93									N	\$ -						\$ -						\$ -
94									N	\$ -						\$ -						\$ -
95									N	\$ -						\$ -						\$ -
96									N	\$ -						\$ -						\$ -
97									N	\$ -						\$ -						\$ -
98									N	\$ -						\$ -						\$ -
99									N	\$ -						\$ -						\$ -
100									N	\$ -						\$ -						\$ -
101									N	\$ -						\$ -						\$ -
102									N	\$ -						\$ -						\$ -
103									N	\$ -						\$ -						\$ -
104									N	\$ -						\$ -						\$ -
105									N	\$ -						\$ -						\$ -
106									N	\$ -						\$ -						\$ -
107									N	\$ -						\$ -						\$ -
108									N	\$ -						\$ -						\$ -
109									N	\$ -						\$ -						\$ -

**Placentia 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 (l), 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](#).

A	B	C	D	E	F	G	H
		<b>Fund Sources</b>					
		<b>Bond Proceeds</b>		<b>Reserve Balance</b>	<b>Other Funds</b>	<b>RPTTF</b>	
	<b>ROPS 16-17 Cash Balances</b> <b>(07/01/16 - 06/30/17)</b>	Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Rent, Grants, Interest, etc.	Non-Admin and Admin	<b>Comments</b>
<b>1</b>	<b>Beginning Available Cash Balance (Actual 07/01/16)</b> RPTTF amount should exclude "A" period distribution amount		0			0	
<b>2</b>	<b>Revenue/Income (Actual 06/30/17)</b> RPTTF amount should tie to the ROPS 16-17 total distribution from the County Auditor-Controller		274			1,899,537	
<b>3</b>	<b>Expenditures for ROPS 16-17 Enforceable Obligations (Actual 06/30/17)</b>					1,364,537	
<b>4</b>	<b>Retention of Available Cash Balance (Actual 06/30/17)</b> RPTTF amount retained should only include the amounts distributed as reserve for future period(s)		274			535,000	
<b>5</b>	<b>ROPS 16-17 RPTTF Prior Period Adjustment</b> RPTTF amount should tie to the Agency's ROPS 16-17 PPA form submitted to the CAC	<b>No entry required</b>					
<b>6</b>	<b>Ending Actual Available Cash Balance (06/30/17)</b> <b>C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)</b>						
		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	

