

San Mateo County Countywide Oversight Board

Date: January 18, 2019 Agenda Item No. 7

To: San Mateo County Countywide Oversight Board

From: Shirley Tourel, Assistant Controller

Subject: San Bruno Successor Agency (SA) Recognized Obligation Payment Schedule (ROPS)
19-20

Background

California Health and Safety Section Code (HSC) 34180(g) requires all ROPS to be approved by the Oversight Board (the "Board").

Discussion

The Annual ROPS 19-20 contains all the obligations of the former Redevelopment Agency (RDA) for fiscal year 2019-20.

The San Bruno SA presented their ROPS and Administrative Budget for fiscal year 2019-20 to the Board on January 14, 2019 for approval. The Board requested the SA to remove the costs associated with the City Clerk and the Community Development Director. The overhead was adjusted too accordingly.

Enclosed is the San Bruno SA's revised ROPS and Administrative Budget for fiscal year 2019-20 on which they are requesting approval by the Board to spend \$1,369,498 on outstanding obligations and administrative expenses.

CAC Exhibits

A. San Bruno SA's Annual ROPS 19-20

Date: December 7, 2018

To: San Mateo County Countywide Oversight Board

From: **Keith DeMartini, Finance Director, City of San Bruno**

Subject: San Bruno Successor Agency (SA) Recognized Obligation Payment Schedule (ROPS)
19-20 Revised

Former RDA: **San Bruno**

Recommendation

Adopt resolutions approving the San Bruno SA's ROPS 19-20 and FY 2019-20 Administrative Cost Allowance Budget.

Background

The City of San Bruno Successor Agency recently submitted a request on November 28th, 2018 to the Department of Finance (DOF) for approval of an action taken by the San Mateo County Oversight Board and the Successor Agency approving the Issuance of Lease Revenue Bonds, Series 2019 in order to Refund the Certificates of Participation (COP), Series 2000. The DOF has accepted receipt of our documentation which is currently under review. Therefore San Bruno currently does not qualify to submit our Last and Final ROPS. Instead, The San Bruno Successor Agency submits their 2019-20 ROPS listing the SA's enforceable obligations and expenses to the DOF pursuant to Health & Safety Section Codes (H&S) 34177(m) and (o). The ROPS include an amount for the SA's Administrative Cost Allowance as authorized under the Dissolution Act which is subject to a cap as set forth under H&S 34171. The ROPS and the Budget for the SA's Administrative Cost Allowance are subject to approval by the Oversight Board.

Discussion

Submitted for the Oversight Board's approval is the ROPS 19-20 (Exhibit A). While the DOF's ROPS template requires all enforceable obligations to be listed, the Oversight Board approval is for the funding of those items to be paid in fiscal year 2019-20. Exhibit C summarizes those items and provides supporting documentation.

Financial Impact

No funds are involved with the approval of the ROPS.

Attachments:

1. Resolution Approving the San Bruno SA's ROPS 19-20 and FY 2019-20 Administrative Budget
2. Exhibit A - San Bruno SA's ROPS 19-20
3. Exhibit B - San Bruno SA's Administrative Cost Allowance Budget
4. Exhibit C - Summary of Obligations Due Under ROPS 19-20 and Supporting Documents

RESOLUTION NO. 2019-05

**RESOLUTION OF THE SAN MATEO COUNTY COUNTYWIDE OVERSIGHT BOARD APPROVING THE
RECOGNIZED OBLIGATION PAYMENT SCHEDULE 19-20 (“ROPS 19-20”) AND FISCAL YEAR 2019-20
ADMINISTRATIVE BUDGET OF THE SUCCESSOR AGENCY TO THE FORMER SAN BRUNO
REDEVELOPMENT AGENCY (RDA)**

WHEREAS, California Health and Safety Section Code (HSC) 34177 requires the Successor Agencies to prepare a Recognized Obligation Payment Schedule (“ROPS”) for each 12-month fiscal period, which lists the outstanding obligations of the former RDA and states the sources of funds for required payments; and

WHEREAS, the Successor Agency to the Former San Bruno Redevelopment Agency has prepared a draft ROPS for the period July 1, 2019 to June 30, 2020, referred to as “ROPS 19-20”, claiming a total enforceable obligation amount of \$1,369,498, as set forth in the attached Exhibit A; and

WHEREAS, pursuant to HSC 34180(g) the Oversight Board must approve the establishment of each ROPS; and

WHEREAS, California Health and Safety Section Code (HSC) 34177 requires the Successor Agencies to prepare an administrative budget for Oversight Board approval; and

WHEREAS, the Successor Agency to the Former San Bruno Redevelopment Agency has prepared an administrative budget for the period July 1, 2019 to June 30, 2020, for \$38,848, as set forth in the attached Exhibit B; and

WHEREAS, California Health and Safety Code Section (HSC) 34179(e) requires all action items of Countywide Oversight Boards, including the San Mateo County Countywide Oversight Board, be accomplished by resolution.

NOW, THEREFORE, BE IT RESOLVED, the San Mateo County Countywide Oversight Board hereby approves the San Bruno Successor Agency’s ROPS 19-20 and Fiscal Year 19-20 Administrative Budget, attached hereto as Exhibits A and B and incorporated herein by this reference;

BE IT FURTHER RESOLVED, that the Oversight Board directs the Successor Agency to submit the ROPS 19-20 to the State Department of Finance upon approval by the Oversight Board.

* * *

Exhibit A – San Bruno Successor Agency’s Recognized Obligation Payment Schedule 19-20
Exhibit B – San Bruno Successor Agency’s FY 2019-20 Administrative Budget

Regularly passed and adopted this 28th day of January, 2019

AYES and in favor of said resolution:

Members:

MARK ADDIEGO

CHUCK BERNSTEIN

TOM CASEY

BARBARA CHRISTENSEN

MARK LEACH

JIM SACO

NOES and against said resolution:

Members:

NONE

ABSENT:

Members:

DENISE PORTERFIELD



Chair, San Mateo County
Countywide Oversight Board

Certificate of Delivery

I certify that a copy of the original resolution filed in the Office of the Clerk of the Board of Supervisors of San Mateo County has been delivered to the Chair of San Mateo County Countywide Oversight Board.



Deputy Clerk of the Board of Supervisors

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

Successor Agency: San Bruno
County: San Mateo

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	19-20A Total (July - December)	19-20B Total (January - June)	ROPS 19-20 Total
A Enforceable Obligations Funded as Follows (B+C+D):	\$ -	\$ -	\$ -
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	-	-	-
E Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$ 170,499	\$ 1,198,999	\$ 1,369,498
F RPTTF	151,075	1,179,575	1,330,650
G Administrative RPTTF	19,424	19,424	38,848
H Current Period Enforceable Obligations (A+E):	\$ 170,499	\$ 1,198,999	\$ 1,369,498

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.

Tom Casey Board Chair
Name  Title 4/28/19
/s/  Date 4/28/2019
Signature Date

San Bruno 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	
		Fund Sources						
		Bond Proceeds		Reserve Balance	Other Funds	RPTTF		
	ROPS 16-17 Cash Balances (07/01/16 - 06/30/17)	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	Comments	
1	Beginning Available Cash Balance (Actual 07/01/16) RPTTF amount should exclude "A" period distribution amount					353,244	Cash balance at 7/1/16 less \$766,800 (16-17A Distribution recvd 6/7/16), less \$336,485 and \$84,121 (16-17 A City Advances recorded 6/30/16 Principal and 20% to Low Mod), less (15-16 Subsidy) \$176,997 paid 8.15.16.	
2	Revenue/Income (Actual 06/30/17) RPTTF amount should tie to the ROPS 16-17 total distribution from the County Auditor-Controller					2,361,246	\$766,800 from 6/7/16 plus \$1,594,446 from 1/3/2017 debit entries on GL Trial Balance Detail Reports FY16 and FY17	
3	Expenditures for ROPS 16-17 Enforceable Obligations (Actual 06/30/17)					1,861,929	interest, legal services, 16-17A & B admin allowance, COP interest and principal due , fiscal agent fees, 16-17 A advance repaid to City & 20% of loan transferred to Low Mod Housing Asset Fund on 06/30/16, 16-17 B and subsidy \$183K paid 12.27.17 and cash	
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)						Includes RPTTF authorized/distributed for future debt service payment(Excluded from G3, above)	
5	ROPS 16-17 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 16-17 PPA form submitted to the CAC	No entry required					499,317	Unexpended RPTTF reported as the PPA for the current reporting period
6	Ending Actual Available Cash Balance (06/30/17) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 353,244		

**Successor Agency of the San Bruno Redevelopment Agency
Administrative Budget
July 1, 2019 - June 30, 2020**

Personnel Costs				
Department	Cost for FY19-20	Position	Percent Allocation	Budget
Management Services	356,352	City Manager	1.00%	3,564
<i>Continuing review of City Recognized Obligation Payment Schedules, Administrative Budgets, and other related reports that go to the City Council and Oversight Board.</i>				
Legal Services	345,667	City Attorney	1.00%	3,457
<i>Ongoing legal support for matters concerning the dissolution of redevelopment, including working with outside legal counsel.</i>				
Finance	306,873	Finance Director	4.00%	12,275
<i>Preparation of Recognized Obligation Payment Schedules, Administrative Budgets, oversight of financial obligations of former RDA, preparation of Oversight Board Agenda Packets, serve as liaison to Department of Finance and follow-up on related information requests, and attend Oversight Board meetings as needed.</i>				
Finance	216,452	Finance Manager	4.00%	8,658
<i>Maintain the financial records of the Successor Agency, which includes working on the annual audit of the Redevelopment Obligation Retirement Fund and related disclosures, ensure accurate accounting of all former RDA transactions, and reconciliation of bank account and ledger for the Successor Agency.</i>				
Community Development	193,926	Long Range Planning Manager	2.50%	4,848
<i>Attend Oversight Board Meetings as needed. Continue to oversee the City's low and moderate income housing program and ensure continuing compliance with Archstone Owner Participation Agreements. Complete required compliance reports and review annual subsidy requests. Update and maintain website of the Successor Agency and Oversight Board.</i>				
Total Personnel Costs				32,802
Overhead Costs of 15% (Payroll, IT, Accounts Payable, etc)				4,921
Supplies and Materials				
Office supplies, utilities, communications, printing and copying				125
Outside legal costs for Successor Agency and Oversight Board				1,000
Total Administrative Budget for July 1, 2019 - June 30, 2020				\$38,848