

RESOLUTION NO. OB2014-02

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE BIG BEAR LAKE IMPROVEMENT AGENCY, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, APPROVING AND ADOPTING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE 34177 FOR THE PERIOD FROM JULY 1 THROUGH DECEMBER 31, 2014 (ROPS 14-15A)

WHEREAS, pursuant to the Community Redevelopment Law (Health and Safety Code Sections 33000 *et seq.*) ("CRL"), the City Council of the City of Big Bear Lake ("City") created the Big Bear Lake Improvement Agency ("Agency"); and

WHEREAS, pursuant to Health and Safety Code section 34172, the Agency was dissolved on February 1, 2012, and the City became the successor agency to the dissolved Agency ("Successor Agency"); and

WHEREAS, Health and Safety Code Section 34177 (l), enacted by AB 1484, requires successor agencies to prepare a Recognized Obligation Payment Schedule for the period from July 1 through December 31, 2014 ("ROPS 14-15A") to be submitted to the Oversight Board for approval; and

WHEREAS, the Successor Agency adopted a draft ROPS 14-15A on February 10, 2014 and authorized the submittal of ROPS 14-15A to the County Administrative Officer, the County Auditor-Controller, and the Department of Finance at the same time that the Successor Agency submitted the ROPS 14-15A to the Oversight Board for its approval; and

WHEREAS, Health and Safety Code Section 34177(m) requires that, upon approval by the Oversight Board, the Successor Agency submit the approved ROPS 14-15A to the Department of Finance, the State Controller, and the county auditor-controller no later than March 3, 2014.

NOW, THEREFORE, BE IT RESOLVED, that the Oversight Board of the Successor Agency to the Big Bear Lake Improvement Agency hereby resolves as follows:

Section 1: Recitals. The Recitals set forth above are true and correct and incorporated herein by reference.

Section 2: Approval and Adoption of ROPS. The Oversight Board hereby approves and adopts the Recognized Obligation Payment Schedule for the period from July 1 through December 31, 2014 attached hereto, as required by Health and Safety Code Section 34177 (m).

Section 3: Future Action. The Oversight Board hereby directs the Successor Agency to submit copies of the approved ROPS 14-15A to the County Auditor-Controller, the State of California Controller and the State of California Department of Finance prior to March 3, 2014, and to post the ROPS on the Successor Agency's website.

Section 4: Severability. If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Oversight Board declares that it would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

Section 5: Certification. The Board Secretary shall certify to the adoption of this Resolution.

Section 6: Effective Date. Pursuant to Health and Safety Code Section 34179(h), all actions taken by the Oversight Board may be reviewed by the State of California Department of Finance, and, therefore, this Resolution shall not be effective for five (5) business days, pending a request for review by the State of California Department of Finance.

PASSED, APPROVED AND ADOPTED this 20th day of February, 2014:

AYES: Heule, Jahn, Obernolte, Walsh

NOES: None

ABSENT: Madden

ABSTAIN: None


Jay Obernolte, Chairman

ATTEST:


Cheri A. Haggerty, Board Secretary

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO) ss
CITY OF BIG BEAR LAKE)

I, Cheri A. Haggerty, Board Secretary of the Oversight Board of the Successor Agency to the Big Bear Lake Improvement Agency, do hereby certify that the whole number of the Board is seven; that the foregoing Resolution, being Resolution No. OB2014-02 was duly passed and adopted by the said Board and attested by the Board Secretary, all at a regular meeting of the said Board held on the 20th day of February, 2014 and that the same was so passed and adopted by the following vote:

AYES: Heule, Jahn, Obernolte, Walsh
NOES: None
ABSENT: Madden
ABSTAIN: None

Note: Two seats currently vacant



Cheri A. Haggerty, Board Secretary

Recognized Obligation Payment Schedule (ROPS 14-15A) - Summary

Filed for the July 1, 2014 through December 31, 2014 Period

Name of Successor Agency: Big Bear Lake
 Name of County: San Bernardino

Current Period Requested Funding for Outstanding Debt or Obligation		Six-Month Total
Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF) Funding		
A Sources (B+C+D):		\$ 18,515
B Bond Proceeds Funding (ROPS Detail)		-
C Reserve Balance Funding (ROPS Detail)		-
D Other Funding (ROPS Detail)		18,515
E Enforceable Obligations Funded with RPTTF Funding (F+G):		\$ 1,069,264
F Non-Administrative Costs (ROPS Detail)		944,264
G Administrative Costs (ROPS Detail)		125,000
H Current Period Enforceable Obligations (A+E):		\$ 1,087,779

Successor Agency Self-Reported Prior Period Adjustment to Current Period RPTTF Requested Funding		
I Enforceable Obligations funded with RPTTF (E):		1,069,264
J Less Prior Period Adjustment (Report of Prior Period Adjustments Column S)		(13,483)
K Adjusted Current Period RPTTF Requested Funding (I-J)		\$ 1,055,781

County Auditor Controller Reported Prior Period Adjustment to Current Period RPTTF Requested Funding		
L Enforceable Obligations funded with RPTTF (E):		1,069,264
M Less Prior Period Adjustment (Report of Prior Period Adjustments Column AA)		-
N Adjusted Current Period RPTTF Requested Funding (L-M)		1,069,264

Certification of Oversight Board Chairman:
 Pursuant to Section 34177(m) 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 agency.

_____ Name	_____ Title
/s/ _____ Signature	_____ Date

Recognized Obligation Payment Schedule (ROPS) 14-15A - ROPS Detail
July 1, 2014 through December 31, 2014
(Report Amounts in Whole Dollars)

[illegible]

Recognized Obligation Payment Schedule (ROPS) 14-15A - Report of Cash Balances
(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.

Property tax revenues are required by an enforceable obligation								
A	B	C	D	E	F	G	H	I
	Cash Balance Information by ROPS Period	Fund Sources						Comments
		Bond Proceeds		Reserve Balance		Other	RPTTF	
		Bonds Issued on or before 12/31/10	Bonds Issued on or after 01/01/11	Prior ROPS period balances and DDR balances retained	Prior ROPS RPTTF distributed as reserve for next bond payment	Rent, Grants, Interest, Etc.	Non-Admin and Admin	
ROPS 13-14A Actuals (07/01/13 - 12/31/13)								
1	Beginning Available Cash Balance (Actual 07/01/13) Note that for the RPTTF, 1 + 2 should tie to columns J and O in the Report of Prior Period Adjustments (PPAs).	947,308	-	(129,408)	-	11,420	798,972	Column H includes ROPS 13-14A Admin RPTTF received 5/31/2013 of \$759,419
2	Revenue/Income (Actual 12/31/13) Note that the RPTTF amounts should tie to the ROPS 13-14A distribution from the County Auditor-Controller during June 2013	-	-	-	-	-	-	See Line 1 comment
3	Expenditures for ROPS 13-14A Enforceable Obligations (Actual 12/31/13) Note that for the RPTTF, 3 + 4 should tie to columns L and Q in the Report of Prior Period Adjustments (PPAs)	-	-	-	-	-	745,936	Excludes ROPS 13-14A Admin RPTTF; Admin. Cost Allow. remitted to SA 5/31/2013
4	Retention of Available Cash Balance (Actual 12/31/13) Note that the RPTTF amount should only include the retention of reserves for debt service approved in ROPS 13-14A	947,308						
5	ROPS 13-14A RPTTF Prior Period Adjustment Note that the RPTTF amount should tie to column S in the Report of PPAs.			No entry required			13,483	See Prior Period Adjustments form for detail
6	Ending Actual Available Cash Balance C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	\$ -	\$ -	\$ (129,408)	\$ -	\$ 11,420	\$ 39,553	Equals ROPS III PPA applied to ROPS 13-14B
ROPS 13-14B Estimate (01/01/14 - 06/30/14)								
7	Beginning Available Cash Balance (Actual 01/01/14) (C, D, E, G = 4 + 6, F = H4 + F4 + F6, and H = 5 + 6)	\$ 947,308	\$ -	\$ (129,408)	\$ -	\$ 11,420	\$ 53,036	
8	Revenue/Income (Estimate 06/30/14) Note that the RPTTF amounts should tie to the ROPS 13-14B distribution from the County Auditor-Controller during January 2014					407,255	173,251	RPTTF request reduced for rental income & CAC ROPS 13-14B adjustment
9	Expenditures for 13-14B Enforceable Obligations (Estimate 06/30/14)					416,921	215,687	Equals ROPS 13-14B approved obligations
10	Retention of Available Cash Balance (Estimate 06/30/14) Note that the RPTTF amounts may include the retention of reserves for debt service approved in ROPS 13-14B	947,308						
11	Ending Estimated Available Cash Balance (7 + 8 - 9 - 10)	\$ -	\$ -	\$ (129,408)	\$ -	\$ 1,754	\$ 10,600	Ending Cash -\$117,054 = ROPS Detail Item 18

Recognized Obligation Payment Schedule 14-15A - Notes

July 1, 2014 through December 31, 2014

Item #	Notes/Comments
16	Prior to the submittal of previous ROPS to DOF for approval, the prospect of incurring litigation costs was not under consideration. Since then, the City of Big Bear Lake filed a petition for writ of mandate pertaining to the OFA DDR and payments made under the EOPS. Because litigation costs were not included in the previous ROPS, due to the timing of ROPS submittals and date litigation was entered into, the City of Big Bear Lake as the Successor Agency to the former redevelopment agency has been paying litigation costs. It is estimated that through the end of the current ROPS period (ROPS 13-14B for the period from January 1 through June 30, 2013) approximately \$60,000 will be incurred.
17	In anticipation of continued litigation efforts, it is estimated that an additional \$30,000 in litigation costs will be incurred in the ROPS 14-15A period (period from July 1 through December 31, 2014). This obligation would be paid directly to our attorney, Best Best & Krieger.
18	The demand for payment related to the OFA DDR included non-cash items (GASB entries). These non-cash items include the GASB Fair Market Value Adjustment of investments in LAIF of \$15,061.13 and the GASB accrual for compensated absences incurred prior to dissolution of the redevelopment agency of \$101,992.42. These items are reported in the "Cash and Investments" line of the agency's statement of net assets at June 30, 2012. When DOF reviewed the OFA DDR, the balances reported in the OFA DDR, LMIHF DDR, and the financial statements were compared. Because the DDRs were required to be submitted before the close of Fiscal Year 2011-12, the preliminary general ledger used to generate the DDRs changed with yearend closing entries to produce the final audited numbers. The difference between the preliminary general ledger and the final numbers reported in the statement of net assets was \$140,000. As a result, DOF added \$140,000 to the OFA DDR demand to match the reported "Cash and Investments" on the June 30, 2012 statement of net assets. The \$140,000 includes the two GASB entries totaling \$117,054 (\$15,061.13 + \$101,992.42) + \$27,880 RPTTF for an EO (Item 11) - \$4,934.51 debt service fees. Reimbursement of the \$27,880 RPTTF swept in error is not being requested as this item has been subsequently disallowed for RPTTF funding on ROPS 13-14B. The sweep of non-cash GASB entries which resulted in a cash deficit is the only amount related to the OFA DDR sweep for which reimbursement is requested.