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 (I), 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: <u>Recitals</u>. The Recitals set forth above are true and correct and incorporated herein by reference.

Section 2: <u>Approval and Adoption of ROPS</u>. 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: <u>Future Action</u>. The Oversight Board hereby 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: <u>Severability</u>. 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: <u>Certification</u>. The Board Secretary shall certify to the adoption of this Resolution.

Section 6: <u>Effective Date</u>. 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

Cheri A. Haggerty, Board Secretary

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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 o	of Successor Agency:	Big Bear Lake			
Name o	of County:	San Bernardino			
Curren	t Period Requested Fu	nding for Outstanding Debt or Obligat	tion	Six-Month 1	Total
A			Property Tax Trust Fund (RPTTF) Funding	\$	18,515
В	Bond Proceeds Fur	nding (ROPS Detail)			-
C	Reserve Balance F	funding (ROPS Detail)			_
D	Other Funding (RO	PS Detail)			18,515
E	Enforceable Obligation	ons Funded with RPTTF Funding (F+G	s):	\$	1,069,264
F	Non-Administrative	Costs (ROPS Detail)			944,264
G	Administrative Cos				125,000
н	Current Period Enfor	ceable Obligations (A+E):		\$	1,087,779
Surana	and Agency Solf Pone	etad Prior Pariod Adjustment to Curre	nt Period RPTTF Requested Funding		
Succe			HE OHOU HE FEE HOQUOTOUT ANALYS		1,069,264
J.		is funded with RPTTF (E):	nto Column SI		(13,483)
J		stment (Report of Prior Period Adjustme	nts Column 3)		1,055,781
K	Adjusted Current Per	iod RPTTF Requested Funding (I-J)		Ψ	1,000,701
Count	y Auditor Controller Re	ported Prior Period Adjustment to Cu	rrent Period RPTTF Requested Funding		
L	Enforceable Obligation	ns funded with RPTTF (E):			1,069,264
M		stment (Report of Prior Period Adjustme	nts Column AA)	10	-
N	Adjusted Current Per	riod RPTTF Requested Funding (L-M)			1,069,264
	ation of Oversight Board	l Chairman: of the Health and Safety code, I			
		a true and accurate Recognized	Name		Title
Obliga	tion Payment Schedule f	or the above named agency.	lsl.		
			Signature	·	Date

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

				Ti-		(Report Amounts in	vvnole:Dollars):									
A	B	c	D)	E:	F	G	н	u	Ji	к	E.	Mi	N!	0		P'
												Funding/Source				
							10			Non-Redev	elopment:Property/T (Non-RPTITE):	Fax:Tirust Fundi	RPT	TF		
ltem#	Project Name // Debt Obligation	Obligation:Tiype:	Contract/Agreementi Execution Date:	Contract/Agreement	Payee	Description/Project Scope	Project Area	Total Outstanding Debttor Obligation \$ 13,425,199	Retired		Reserve Balance		Non-Admin S 944,264	Admin: \$ 125,000		onth Total 1.087.779
				0///00/0	II I D I	Bond issue to fund non-housing	RR09 RD01	860,890	N	5 -	-	18,515	3 344,204	120,000		
1	1998 Refunding COP			2/1/2016	Union Bank Union: Bank	Defease:1995-Bonds	RR09/RD01	6,788;115		-		10,010	466,860		s	18,515 466,860
2	2 2005; Revenue: Bonds-	Issuedi Omor Before: 12/31/10	11/1/2005	8/1/2025		The Annual Control of		5								
3	3 2005 Revenue Bonds	Revenue-Bonds Issued Onior Before 12/31/10	11/1/2005	8/1/2025	Union Bank	Defease: 1995-Bonds	RR10/RD01	925,652	NI				63,663		\$	63,663
4	1999 Housing Set Aside Bonds		6/1/1999	8/1/2029	Union Bank	Revenue bonds to fund housing projects	All-RD01	4,518,288	N				206;488		\$	206,488
10	N/A		5/16/2011	6/30/2014	N/A.	N/A:	RR09/RG01:	-	Y			11000			\$	
13	Debt administration		6/1/1998	8/1/2029)	Union Bank	Debt service:administration/fees	RR09/RG01	100					100		S	100
	Debt administration		1.171/2005	8/1/2029	Union:Bank	Debt service administration fees	RR10 RG01	100		I.	1		100		S	100
	Administrative Costs		7/1/2014	12/31/2014	Successor Agency	AB1x26 Implementation/Agency/ Dissolution	RR09:RG01	100,000			į			100,000	Ľ.,	100,000
16	Administrative Costs:	AdminiCosts.	7/1/2014	12/31/2014	Successor Agency	AB1x26 Implementation/Agency/ Dissolution	RR10/RG01	25,000						25,000	1785.2	25,000
17	Litigation Costs	Fees:	May-13	6/30/2014	City of Big Bear Lake	OFA DDR Litigation	RR09/RG01	60;000					60,000		S	60,000 30,000
18	B Litigation: Costs		7/1/2014:	12/31/2014	Best Best & Krieger	OFA DDR Litigation:	RR09/RG01	30,000	N				30,000		S	117,05
19	OFA DDR	Dissolution: Audits	7/1/2014	12/31/2014	Successor Agency:	Non-cash-items swept:	All RG01	117,054	, Ni	i			117,054		\$	117,05
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Recognized Obligation Payment Schedule (ROPS) 14-15A - Report of Cash Balances (Report Amounts in Whole Dollars)

A.	8	c	D	E	F	G	H	I.
			=	Fund	Sources			*
		Bond P	roceeds	Reserve Balance		Other	RPTTF	
	Cash Balance Information by ROPS Period	Bonds: Issued on or before 12/31/10	Bonds Issued on or after 04/01/41	Prior ROPS periodi balances: and DDR balances: retained	Prior ROPS RPTTF distributed as reserve for next bond payment	Rent, Grants, Interest, Etc.	Non-Admin and Admin	Comments.
	PS 13-14A Actuals (07/01/13 -12/31/13)							
	Beginning Available Cash: Balance (Actual: 07/01/13) Note: that for the: RPTTF, 11 + 2 should be to columns: J and O in the: Report of Prior Period Adjustments: (PPAs)	947,308	_	(129,408)	_	11,420	798,972	Column: Hi includes: ROPS: 1/3-14A; Admin: RPTTF received: 5/31/2013: of \$759,419
	Revenue/Income: (Actuali 12/31//13): Note: that the: RPTTF amounts: should tile to the ROPS: 13-14A: distribution: from the: County: Auditor-Controller: during: June: 2013:	_	-	_	_		_	See Line 1: comment
	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			_	-	-	745,936	Excludes: ROPS 13-14A Admin RPTTF; Admin Cost Allow. remitted to SA 5/31/2013
	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						
	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
	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
ROF	PS 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	
	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 & CAG 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 13-148	947,308						fil
11	Ending Estimated Available Cash Balance (7 + 8 - 9 -10)	s -	s -	\$ (129,408)	s -	\$ 1,754	\$ 10,600	Ending Cash -\$117,054 = ROPS Detail Item 18

Recognized Obligation Payment Schedule (ROPB):14-15A - Report of Prior Parted Adjustments:
Reported for the ROPS 13-14A (Ally11, 2013 through December 31, 2013) Period Pursum to Health and Sately Code (HSC) section 34188 (a):
(https://doi.org/10.1016/10. ROPS 13-14A CAC PPA: To be completed by the CAC upon submitted of the ROPS 14-15A by the SA to Finance and the CAC. Note that CACs will need to entire their own farmulas at the level law level pursuant to the manner in which they calculate the PPA. Also note that the admin amounts do not need to be failed at the fire item level and sury be entered as a lawns sum. Rodewispment Property Tax Trust Fand (RPTTF) approved for the ROPS 13-14A Successor Agency (SA) Self-reported Prior Pariod Adjustments (PPA): Pursuant to HSC Section 34188 (II), SAs are required to report the differences between their actual available funding and their actual operatures for the ROPS 13-14A (July through December 2014) period will be offset by the SA's self-reported ROPS 13-14A properted adjustment. HSC Section 34185 (II) also specifies that the prior partied adjustment self-reported by SA's and subject to earth by the SA's self-reported ROPS 13-14A properted adjustment. HSC Section 34185 (II) also specifies that the prior partied adjustment self-reported by SA's and subject to earth by the SA's self-reported ROPS 13-14A properted adjustment. HSC Section 34185 (II) also specifies that the prior partied adjustment self-reported by SA's and subject to earth by the SA's self-reported ROPS 13-14A properted adjustment. HSC Section 34185 (II) also specifies that the prior partied adjustment self-reported by SA's and subject to earth by the SA's self-reported ROPS 13-14A properted adjustment. HSC Section 34185 (II) also specifies that the prior partied adjustment self-reported by SA's and subject to earth by the SA's self-reported ROPS 13-14A properted adjustment. HSC Section 34185 (II) also specifies that the prior partied adjustment self-reported by SA's and subject to earth by the SA's self-reported ROPS 13-14A properted adjustment. HSC Section 34185 (II) also specifies that the prior partied adjustment self-reported by SA's and subject to earth by the SA's self-reported ROPS 13-14A properted adjustment. HSC Section 34185 (II) also specifies that the prior partied adjustment self-reported by SA's and subject to earth by the SA's self-reported ROPS 13-14A properted adjustment self-reported by SA's self-reported ROPS 13-14A properted adjustment self-reported by SA's self-reported adjustment self-reported by SA's self-reported adjustment self-reported by SA's self-reported adjustment self-reported by S RPTTF Expenditures . RPTTF Expenditures: Non-RPTTF Expenditures. Net CAC Nen-Admin and Admin PPA (Amount Used to Offest ROPS 14-15A Requested RPTTF) Not SA Non-Admin and Admin PPA: (Amount Used to-Offset ROPB.14-15A Requested RPTTF) Available
RPTTF
(ROPS 13-14A
intributed + all othe
gynliable po of
07/1/13) Difference (If K is less than to the difference is sero) Net Leasar of Authorized / Available Nel Leaser of Authorized / Available Net Difference (M+R) 759,419 S 27,255 452,384 01,080 - 5 789,419 S 27,255 - 452,384 61,649 745,038 5 13,483 \$ 125,000 \$ 125,000 \$ 125,000 \$ 138,075 \$ 13,483 1 1008 Revenue 2 2005 Revenue 3 2005 Revenue Breich 4 1999 Housing Set Aside Breide 204;605 2 3,431 Agreement terminated; work not performed:
5,942 Anticipated completion RORE 13-5,431 9 Vrage Specific
Plan
10 N/A
11 Contract for Design
Services
12 Vrage Specific
Plan
Plan 5,942 5,642 5.042 1,010 1,910

	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.						
1/7/	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.						
1:8:	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 Yea 2011-12, the preliminary general fedger used to generate the DDRs changed with yearend closing entries to produce the final audited numbers. The difference between the preliminary general fedger 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 \$1117,054 (\$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.						

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