

REPORT/RECOMMENDATION TO THE SAN BERNARDINO COUNTYWIDE OVERSIGHT BOARD AND RECORD OF ACTION

January 12, 2023

FROM

CASEY BROOKSHER, Director of Finance, Successor Agency to the Redevelopment Agency of the City of Hesperia

SUBJECT

Resolution Approving the Successor Agency to the Redevelopment Agency of the City of Hesperia's Recognized Obligation Payment Schedule and Administrative Budget for Fiscal Year 2023-24

RECOMMENDATION(S)

Adopt a **Resolution No. 2023-06** approving the Successor Agency to the Redevelopment Agency of the City of Hesperia's Recognized Obligation Payment Schedule and administrative budget for Fiscal Year 2023-24.

(Presenter: Dominique Clark, Consultant, RSG, Inc., (714) 316-2143)

BACKGROUND INFORMATION

California Health & Safety Code (HSC) section 34177 requires the San Bernardino Countywide Oversight Board (CWOB) to approve the 2023-24 Recognized Obligation Payment Schedule (ROPS) and administrative budget. The ROPS is an annual form and must be submitted to the Department of Finance (DOF) and the County Auditor-Controller by February 1 of each year. Pursuant to HSC section 34179(h)(1)(B), the administrative budget is not required to be sent to DOF.

DOF will have until April 15 to review the 2023-24 ROPS and provide the successor agency a compliance determination. If the successor agency disagrees with the DOF determination, a "meet and confer" is allowed to facilitate a discussion between the successor agency and DOF. In the event of a meet and confer process, DOF must make a final compliance determination on or before May 15 or 15 days prior to the June 1 Redevelopment Property Tax Trust Fund (RPTTF) distribution.

The recommended action will further the Successor Agency to the Redevelopment Agency of the City of Hesperia's (Successor Agency) dissolution as an annual ROPS is required by DOF as part of the wind-down of the Successor Agency. There is an increase of \$2,032 requested in the amount required from the RPTTF from the last annual ROPS approved. There is an increase due to the addition of a payment for an arbitrage calculation for the 2018 TARBS Series A and B under ROPS Item 82. The arbitrage calculation is due every five years. ROPS Item 82 requests \$2,500 to pay the bond trustee for making the calculation.

It is recommended the CWOB approve the Successor Agency's 2023-24 ROPS and administrative budget. The draft 2023-24 ROPS will be provided to DOF, the County Auditor-Controller and the County Administrative Office as required by HSC section 34177(l)(2)(B). The adopted 2023-24 ROPS will be provided to DOF and the County Auditor-Controller pursuant to HSC section 34177(o). This will commence the DOF review period.

**Resolution Approving the Successor Agency to the Redevelopment
Agency of the City of Hesperia's Recognized Obligation Payment
Schedule and Administrative Budget for Fiscal Year 2023-24
January 12, 2023**

ATTACHMENTS

Attachment A – Resolution

Attachment B – ROPS for Fiscal Year 2023-24

Attachment C – Administrative Budget for Fiscal Year 2023-24

REVIEW BY OTHERS

This item has been reviewed by Auditor-Controller/Treasurer/Tax Collector on December 27, 2022 and San Bernardino Countywide Oversight Board Legal Counsel on December 21, 2022.

**Resolution Approving the Successor Agency to the Redevelopment
Agency of the City of Hesperia's Recognized Obligation Payment
Schedule and Administrative Budget for Fiscal Year 2023-24
January 12, 2023**

Record of Action of the San Bernardino Countywide Oversight Board

APPROVED

Moved: Cindy Saks Seconded: Kenneth Miller
Ayes: Frederick Ang, Richard DeNava, Kenneth Miller, Cindy Saks, Lawrence Strong,
Acquanetta Warren, David Wert

Lynna Monell, SECRETARY

BY 
DATED: January 12, 2023



cc: w/Resolution
File - San Bernardino Countywide Oversight Board w/attach
CCM 01/18/2023

RESOLUTION NO. 2023- 06

RESOLUTION OF THE SAN BERNARDINO COUNTYWIDE OVERSIGHT BOARD APPROVING THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF HESPERIA'S RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND ADMINISTRATIVE BUDGET FOR FISCAL YEAR 2023-24

On Thursday, January 12, 2023 on motion of San Bernardino Countywide Oversight Board Member Saks, duly seconded by San Bernardino Countywide Oversight Board Member Miller and carried, the following resolution is adopted by the San Bernardino Countywide Oversight Board, State of California.

WHEREAS, California Health and Safety Code (HSC) section 34179(e) requires all action items of the San Bernardino Countywide Oversight Board be accomplished by resolution; and

WHEREAS, HSC section 34177 requires the San Bernardino Countywide Oversight Board to approve the Recognized Obligation Payment Schedule (ROPS) and administrative budget; and

WHEREAS, pursuant to HSC section 34177(o), the deadline for submitting the ROPS for Fiscal Year 2023-24 to the Department of Finance is February 1, 2023.

NOW, THEREFORE, the San Bernardino Countywide Oversight Board hereby resolves, determines and orders as follows:

Section 1. The foregoing recitals are true and correct.

Section 2. The Successor Agency to the Redevelopment Agency of the City of Hesperia's ROPS and administrative budget for Fiscal Year 2023-24 in the form presented in Attachment "B", attached hereto and incorporated herein by this reference, together with such changes thereto as may be approved by the San Bernardino Countywide Oversight Board, are hereby approved.

Section 3. The ROPS for Fiscal Year 2023-24 in the form presented in Attachment "B" shall be transmitted to the Department of Finance, with a copy submitted concurrently to the San Bernardino Countywide Oversight Board.

This resolution shall take effect from and after the date of its passage and adoption.

PASSED AND ADOPTED by the San Bernardino Countywide Oversight Board, State of California, by the following vote:

AYES: OVERSIGHT BOARD MEMBER: Frederick Ang, Richard DeNava, Kenneth, Miller, Cindy Saks, Lawrence Strong, Acquanetta Warren, David Wert

NOES: OVERSIGHT BOARD MEMBER: None

ABSENT: OVERSIGHT BOARD MEMBER: None

* * * * *

STATE OF CALIFORNIA)
)
SAN BERNARDINO COUNTY) ss.

I, **LYNNA MONELL**, Secretary to the San Bernardino Countywide Oversight Board, State of California, hereby certify the foregoing to be a full, true and correct copy of the record of the action taken by the Countywide Oversight Board, by vote of the members present, as the same appears in the Official Minutes of said Board at its meeting of January 12, 2023. #6 CCM

LYNNA MONELL
Secretary to the San Bernardino Countywide
Oversight Board

By _____
Deputy




Recognized Obligation Payment Schedule (ROPS 23-24) - Summary
Filed for the July 1, 2023 through June 30, 2024 Period

Successor Agency: Hesperia
 County: San Bernardino

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	23-24 A Total (July - December)	23-24 B Total (January - June)	ROPS 23-24 Total
A Enforceable Obligations Funded as Follows (B+C+D):	\$ 1,000,000	\$ -	\$ 1,000,000
B Bond Proceeds	-	-	-
C Reserve Balance	1,000,000	-	1,000,000
D Other Funds	-	-	-
E Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$ 6,902,863	\$ 2,935,722	\$ 9,838,584
F RPTTF	6,841,863	2,874,722	9,716,584
G Administrative RPTTF	61,000	61,000	122,000
H Current Period Enforceable Obligations (A+E):	\$ 7,902,863	\$ 2,935,722	\$ 10,838,584

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.

David Wert Chairman
 Name Title

 Signature Date
 January 12, 2023

Hesperia Recognized Obligation Payment Schedule (ROPS 23-24) - ROPS Detail
July 1, 2023 through June 30, 2024
(Report Amounts in Whole Dollars)

A Item #	B Project Name/Debt Obligation	C Obligation Type	D Contract/Agreement Execution Date	E Contract/Agreement Termination Date	F Payee	G Description/Project Scope	H Project Area	I Total Outstanding Debt or Obligation	J Retired	K ROPS 23-24 Total	23-24 A (July - December)					Q 23-24 A Total	23-24 B (January - June)					W 23-24 B Total
											Fund Sources						Fund Sources					
											L Bond Proceeds	M Reserve Balance	N Other Funds	O RPTTF	P Admin RPTTF		R Bond Proceeds	S Reserve Balance	T Other Funds	U RPTTF	V Admin RPTTF	
								\$ 143,923,878		\$ 10,838,584	\$ -	\$ 1,000,000	\$ -	\$ 6,841,863	\$ 61,000	\$ 7,902,863	\$ -	\$ -	\$ -	\$ 2,874,722	\$ 61,000	\$ 2,935,722
74	Administrative Costs	Admin Costs	7/1/2023	6/30/2024	Successor Agency; City of Hesperia; RSG, Inc.	Agency administrative costs	1 & 2	\$ 1,952,000	N	\$ 122,000				61,000	\$ 61,000						61,000	\$ 61,000
76	Hesperia 2018A TARBS	Refunding Bonds Issued After 6/27/12	9/1/2018	9/1/2037	U.S. Bank	Refunding of 2005 and 2007 bond series for interest savings	1 & 2	\$ 100,937,122	N	\$ 3,304,069			1,652,034		\$ 1,652,034				1,652,034			\$ 1,652,034
77	Hesperia 2018B TARBS	Refunding Bonds Issued After 6/27/12	9/1/2018	9/1/2037	U.S. Bank	Refunding of 2005 and 2007 bond series for interest savings	1 & 2	\$ 20,474,378	N	\$ 6,402,016		1,000,000	5,179,328		\$ 6,179,328				222,688			\$ 222,688
78	Bond Payment Reserves	Reserves	9/1/2018	9/1/2037	U.S. Bank	Reserves for bond payment, needed due to cash flow - H&SC 341716(1)(A)	1 & 2	\$ 20,474,378	N	\$ 1,000,000					\$ -			1,000,000				\$ 1,000,000
79	Trustee Bond Administration Fees - 2018 TARBS - Series A	Fees	9/1/2018	9/1/2037	U.S. Bank	Bond Administration Fees for 2018 TARBS	1 & 2	\$ 60,000	N	\$ 4,000			4,000		\$ 4,000							\$ -
80	Trustee Bond Administration Fees - 2018 TARBS - Series B	Fees	9/1/2018	9/1/2037	U.S. Bank	Bond Administration Fees for 2018 TARBS	1 & 2	\$ 16,000	N	\$ 4,000			4,000		\$ 4,000							\$ -
82	Arbitrage - 2018 TARBS Series A & B	Fees	9/1/2018	9/1/2037	U.S. Bank	Bond Arbitrage for 2018 TARBS	1 & 2	\$ 10,000	N	\$ 2,500			2,500		\$ 2,500							\$ -

Hesperia Recognized Obligation Payment Schedule (ROPS 23-24) - Report of Cash Balances
July 1, 2020 through June 30, 2021
(Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	
		Fund Sources						
		Bond Proceeds		Reserve Balance	Other Funds	RPTTF		
	ROPS 20-21 Cash Balances (07/01/20 - 06/30/21)	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 07/01/20) RPTTF amount should exclude "A" period distribution amount			1,410,812	467,585	271,312	E: \$1,000,000 Reserve Balance for ROPS 20-21 Item 77 + \$220,069 PPA 18-19 (ROPS 21-22) + \$55,960 PPA 19-20 (ROPS 22-23) + \$134,783 reserved for ROPS 21-22 F: \$316,241 for ROPS 20-21 Item 77 + \$95,358 for ROPS 21-22 Item 76 + \$55,986 reserved for ROPS 22-23 G: \$271,312 PPA 17-18 (ROPS 20-21)	
2	Revenue/Income (Actual 06/30/21) RPTTF amount should tie to the ROPS 18-19 total distribution from the County Auditor-Controller				31,964	9,262,827		
3	Expenditures for ROPS 20-21 Enforceable Obligations (Actual 06/30/21)			1,000,000	316,241	8,528,478	Matches PPA 20-21 submitted to County Auditor-Controller. RPTTF expenses differ by \$1 due to rounding on RAD App form.	
4	Retention of Available Cash Balance (Actual 06/30/21) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)			410,812	151,344	1,000,000	E: \$220,069 PPA 18-19 (ROPS 21-22) + \$55,960 PPA 19-20 (ROPS 22-23) + \$134,783 reserved for ROPS 21-22 F: \$95,358 for ROPS 21-22 Item 76 + \$55,986 reserved for ROPS 22-23 G: Bond debt service reserve for next A period	
5	ROPS 20-21 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 20-21 PPA form submitted to the CAC	No entry required					5,661	PPA ROPS 20-21
6	Ending Actual Available Cash Balance (06/30/21) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$ 0	\$ 0	\$ 0	\$ 31,964	\$ 0	If DOF concurs, apply ending Other Funds balance to ROPS 23-24 Item 74 to reclassify Admin RPTTF to Other Funds by \$31,964	

Hesperia Recognized Obligation Payment Schedule (ROPS 23-24) - Notes July 1, 2023 through June 30, 2024

Item #	Notes/Comments
77	\$1,000,000 reserve balance is funded by 2022-23 item 78 RPTTF.