

County of Santa Clara

Finance Agency
Controller-Treasurer

County Government Center
70 West Hedding Street, East Wing 2nd floor
San Jose, California 95110-1705
(408) 299-5206 FAX 287-7629



NOTICE OF NO OBJECTION TO ROPS

January 18, 2017

City of Milpitas Successor Agency
455 E Calaveras Blvd
Milpitas, CA 95035

City of Milpitas Oversight Board
455 E Calaveras Blvd
Milpitas, CA 95035

Department of Finance
915 L Street
Sacramento, CA 95814

ROPS Period: **ROPS 17-18 (July 1, 2017 – June 30, 2018)**

Successor Agency: **City of Milpitas**

To the Successor Agency, Oversight Board, and Department of Finance:

Pursuant to Health and Safety Code section 34182.5, our office has reviewed the Recognized Obligation Payment Schedule (ROPS) submitted by the above-noted successor agency for the above-noted period. After reviewing all items and funding sources, the Santa Clara County Auditor-Controller does not object to any items or funding sources on the submitted ROPS. In addition, we made the following observation:

Board of Supervisors: Mike Wasserman, Cindy Chavez, Dave Cortese, Ken Yeager, S. Joseph Simitian
County Executive: Jeffrey V. Smith

Successor Agency: City of Milpitas
Notice of No Objection to ROPS
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Item 9 – Administrative Costs of Successor Agency

The Successor Agency has requested administrative costs totaling \$135,456 for the fiscal year. While this amount is within the administrative cost allowance cap, the requested amount appears excessive given the number and nature of the obligations listed on the ROPS, particularly compared with other agencies within Santa Clara County. HSC section 34179(i) requires the Oversight Board to exercise a fiduciary duty to the taxing entities. Therefore, Santa Clara County Auditor-Controller encourages the Oversight Board to use adequate discretion when evaluating the administrative resources and reduce the amount appropriate for the number and nature of the obligations listed on the ROPS.

Please note that items and/or funding sources not questioned during this review are subject to subsequent review if they are included on a future ROPS. We also reserve the right to object to an item and/or funding source (including, but not limited to, the use of fund balance) on a future ROPS, even if no objection was made on a preceding ROPS.

Additionally, pursuant to Health and Safety Code section 34186(a), the County Auditor-Controller may review the prior period payments and the prior period estimated versus actual payments reported on the ROPS. Per Health and Safety Code section 34186(c) these reviews will commence on October 1, 2018, and occur each October 1 thereafter and are not included in this letter. In addition, my office is continuing its review of the cash balances reported by the successor agency on the ROPS. The results of this review will be transmitted to the Department of Finance as soon as possible.

Sincerely yours,



Alan Minato
Controller-Treasurer
County of Santa Clara

Attachment: ROPS 17-18 as submitted to the County Auditor-Controller by Successor Agency

Milpitas Recognized Obligation Payment Schedule (ROPS 17-18) - 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. 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	I	
		Fund Sources							
		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 RPTTF balances retained	Prior ROPS RPTTF distributed as reserve for future period(s)	Rent, grants, interest, etc.	Non-Admin and Admin	Comments	
Cash Balance Information by ROPS Period									
ROPS 15-16B Actuals (01/01/16 - 06/30/16)									
1	Beginning Available Cash Balance (Actual 01/01/16)		15,228			-	66,200		
2	Revenue/Income (Actual 06/30/16) RPTTF amounts should tie to the ROPS 15-16B distribution from the County Auditor-Controller during June 2016		13			8,435	16,989,188	\$16,989,188 Includes distribution from Jan 2016 and June 2016	
3	Expenditures for ROPS 15-16B Enforceable Obligations (Actual 06/30/16)		10			8,435	7,987,229		
4	Retention of Available Cash Balance (Actual 06/30/16) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)								
5	ROPS 15-16B RPTTF Balances Remaining	No entry required							
6	Ending Actual Available Cash Balance C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	\$ -	\$ 15,231	\$ -	\$ -	\$ -	\$ 9,068,159		

