



March 28, 2014

Mr. Alex Terrazas, Assistant Town Manager
Town of Truckee
10183 Truckee Airport Road
Truckee, CA 96161

Dear Mr. Terrazas:

Subject: Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (m), the Town of Truckee Successor Agency (Agency) submitted a Recognized Obligation Payment Schedule (ROPS 14-15A) to the California Department of Finance (Finance) on February 11, 2013, for the period of July through December 2014. Finance has completed its review of your ROPS 14-15A, which may have included obtaining clarification for various items.

Based on our review, we are approving all of the items listed on your ROPS 14-15A at this time.

During our review, which may have included obtaining financial records, Finance determined the Agency possesses funds that should be used prior to requesting Redevelopment Property Tax Trust Fund (RPTTF). Pursuant to HSC section 34177 (l) (1) (E), RPTTF may be used as a funding source, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation. The Agency provided financial records that displayed available cash totaling \$191,887. Therefore, per the Agency's request, the funding sources for the following items have been reclassified to Reserve Balances and Other Funds for the amounts specified below.

- Item No. 1 – 2010 Bonds, Series A in the amount of \$233,975. The Agency requested RPTTF; however, Finance is reclassifying \$175,341 to Reserve Balances and \$11,041 to Other Funds
- Item No. 3 – Professional Services in the amount of \$5,000. The Agency requested RPTTF; however, Finance is reclassifying the full amount to Other Funds.

Pursuant to HSC Section 34186 (a), successor agencies were required to report on the ROPS 14-15A the estimated obligations and actual payments (prior period adjustments) associated with the July through December 2013 period. The amount of RPTTF approved in the table below includes the prior period adjustment self-reported by the Agency. HSC Section 34186 (a) also specifies that the prior period adjustments self-reported by successor agencies are subject to audit by the county auditor-controller (CAC) and the State Controller. Any proposed CAC adjustments were not received in time for inclusion in this letter. Therefore, the amount of RPTTF approved in the table below includes only the prior period adjustment self-reported by the Agency and the following adjustment made by Finance:

- The Agency expended more than authorized for Item No. 2 - 2010 Bonds, Series B debt service. The Agency included a negative balance for this item in the prior period adjustments (PPA) tab. The adjustment for this item should have been zero. Therefore, the Agency's self-reported PPA was increased by \$5,980 which increased the Agency's PPA from \$11,447 to \$17,426.

Except for the items that have been reclassified, Finance is not objecting to the remaining items listed on your ROPS 14-15A. If you disagree with the determination with respect to any items on your ROPS 14-15A, you may request a Meet and Confer within five business days of the date of this letter. The Meet and Confer process and guidelines are available at Finance's website below:

http://www.dof.ca.gov/redevelopment/meet_and_confer/

The Agency's maximum approved Redevelopment Property Tax Trust Fund (RPTTF) distribution for the reporting period is \$270,691 as summarized below:

Approved RPTTF Distribution	
For the period of July through December 2014	
Total RPTTF requested for non-administrative obligations	354,500
Total RPTTF requested for administrative obligations	125,000
Total RPPTF requested for obligations	\$ 479,500
Total RPTTF requested for non-administrative obligations	354,500
Reclassified Items	
Item No. 1	(186,382)
Item No. 3	(5,000)
	(191,382)
Total RPTTF authorized for non-administrative obligations	\$ 163,118
Total RPTTF requested for administrative obligations	125,000
Total RPTTF authorized for administrative obligations	\$ 125,000
Total RPTTF authorized for obligations	\$ 288,118
Self-Reported ROPS 13-14A prior period adjustment (PPA)	(11,447)
Finance Adjustment to ROPS 13-14A PPA	(5,980)
Total ROPS 13-14A PPA	(17,427)
Total RPTTF approved for distribution	\$ 270,691

Please refer to the ROPS 14-15A schedule that was used to calculate the approved RPTTF amount:

<http://www.dof.ca.gov/redevelopment/ROPS>

Absent a Meet and Confer, this is Finance's final determination related to the enforceable obligations reported on your ROPS for July 1 through December 31, 2014. This determination only applies to items where funding was requested for the six-month period. Finance's determination is effective for this time period only and should not be conclusively relied upon for

future periods. All items listed on a future ROPS are subject to a subsequent review and may be denied even if it was or was not denied on this ROPS or a preceding ROPS. The only exception is for those items that have received a Final and Conclusive determination from Finance pursuant to HSC section 34177.5 (i). Finance's review of items that have received a Final and Conclusive determination is limited to confirming the scheduled payments as required by the obligation.

The amount available from the RPTTF is the same as the amount of property tax increment that was available prior to enactment of ABx1 26 and AB 1484. This amount is not and never was an unlimited funding source. Therefore, as a practical matter, the ability to fund the items on the ROPS with property tax is limited to the amount of funding available to the successor agency in the RPTTF.

To the extent proceeds from bonds issued after December 31, 2010 exist and are not encumbered by an enforceable obligation pursuant to HSC section 34171 (d), HSC section 34191.4 (c) (2) (B) requires these proceeds be used to defease the bonds or to purchase those same outstanding bonds on the open market for cancellation.

Please direct inquiries to Beliz Chappuie, Supervisor or Todd Vermillion, Lead Analyst at (916) 445-1546.

Sincerely,



JUSTYN HOWARD
Assistant Program Budget Manager

cc: Ms. Kim Szczurek, Administrative Services Director, Town of Truckee
Ms. Marcia L Salter, Auditor-Controller, Nevada County
California State Controller's Office