



April 15, 2014

Mr. Jeremy Craig, Director of Finance and Technology  
City of Vacaville  
600 Merchant Street  
Vacaville, CA 95688

Dear Mr. Craig:

Subject: Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (m), the City of Vacaville Successor Agency (Agency) submitted a Recognized Obligation Payment Schedule (ROPS 14-15A) to the California Department of Finance (Finance) on March 3, 2014 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; however, we have noted the following:

- Item No. 1 – 2001 Tax Allocation Bonds in the amount of \$42,026. Agency expects to use \$42,026 of Other Funds. However, the Agency requested this amount in both Other Funds and Redevelopment Property Tax Trust Funds (RPTTF). Therefore, with the Agency's concurrence, Finance will reduce the RPTTF request by \$42,026.
- Item No. 2 – 2006 Tax Revenue Bonds in the amount of \$1,440. The Agency requested an additional \$1,440 over the amount due according to the debt service schedule. Therefore, with the Agency's concurrence, Finance will decrease RPTTF from \$158,844 to \$157,404 (\$158,844 - \$1,440).
- Item Nos. 6, 7 and 29 – Tax Allocation Bond Proceeds totaling \$4,319,708. The amounts requested by the Agency exceeded the amount expected to be spent during the current period. Therefore, with the Agency's concurrence, Finance will decrease Bond Proceeds as follows:
  - Item No. 6 – 2001 Tax Allocation Bonds (TAB) in the amount of \$1,492,697 to \$869,289 (\$1,492,697 - \$623,408)
  - Item No. 7 – 2006 TAB in the amount of \$91,623 to \$27,664 (\$91,623 - \$63,959)
  - Item No. 29 – 2000 TAB in the amount of \$4,174,066 to \$541,725 (\$4,174,066 - \$3,632,341)

Pursuant to HSC section 34186 (a), successor agencies were required to report on the ROPS 14-15A form the estimated obligations and actual payments (prior period adjustments) associated with the July through December 2013 period. HSC section 34186 (a) also specifies prior period adjustments self-reported by successor agencies are subject to audit by the county auditor-controller (CAC) and the State Controller. The amount of RPTTF approved in the table below includes the prior period adjustment resulting from the CAC's audit of the Agency's self-reported prior period adjustment.

The Agency's maximum approved RPTTF distribution for the reporting period is \$3,452,458 as summarized below:

<b>Approved RPTTF Distribution For the period of July through December 2014</b>	
Total RPTTF requested for non-administrative obligations	7,448,476
Total RPTTF requested for administrative obligations	223,454
<b>Total RPTTF requested for obligations</b>	<b>\$ 7,671,930</b>
Agency requested adjustment to non-administrative obligations	(43,466)
Agency requested adjustment to administrative obligations	0
<b>Total Agency requested adjustments</b>	<b>\$ (43,466)</b>
Total RPTTF authorized for non-administrative obligations	7,405,010
Total RPTTF authorized for administrative obligations	223,454
<b>Total RPTTF authorized for obligations</b>	<b>\$ 7,628,464</b>
ROPS 13-14A prior period adjustment	(4,176,006)
<b>Total RPTTF approved for distribution</b>	<b>\$ 3,452,458</b>

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.

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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 Wendy Griffe, Supervisor or Jenny DeAngelis, Lead Analyst at (916) 445-1546.

Sincerely,



JUSTYN HOWARD

Assistant Program Budget Manager

cc: Ms. Emily Cantu, Interim Housing Services Director, City of Vacaville  
Ms. Simona Padilla-Scholtens, Auditor Controller, Solano County  
California State Controller's Office