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Transmitted via e-mail

May 7, 2020

Paul Baxter, Treasurer, Designated Local Authority  
City of Riverbank Designated Local Authority  
6707 Third Street  
Riverbank, CA 95367

### **Last and Final Recognized Obligation Payment Schedule Determination**

Pursuant to Health and Safety Code (HSC) section 34191.6 (b), the City of Riverbank Designated Local Authority Successor Agency (Agency) submitted a Last and Final Recognized Obligation Payment Schedule (Last and Final ROPS) to the California Department of Finance (Finance) on February 3, 2020. Finance has completed its review of the Agency's Last and Final ROPS.

HSC section 34191.6 (c) authorizes Finance to make amendments or changes to the Last and Final ROPS if the changes are agreed to in writing by the Agency. The Agency has agreed in writing to the following changes made by Finance to the Agency's Last and Final ROPS:

- Item Nos. 1 and 2 – 2007 Tax Allocation Bond Series A and B in the outstanding amounts of \$13,490,498 and \$3,748,060, respectively, have been partially reclassified. Once Item Nos. 3 and 4 are funded, the Agency will have \$1,029,623 in the Debt Service Reserve Account to make the final debt service payments. Therefore, with the Agency's concurrence, \$1,029,623 has been reclassified from Redevelopment Property Tax Trust Fund (RPTTF) funding to Bond Proceeds. Adjustments specific to ROPS periods are reflected in the approved Last and Final ROPS.
- Item No. 3 – 2007 Tax Allocation Bond Series A - Replenish Debt Service Reserve Account. The Agency requested the amount of \$912,701 in error. According to the calculation provided by U.S. Bank, the amount of \$912,701 was incorrect and should be \$734,850. Therefore, with the Agency's concurrence, Finance made an adjustment of \$177,851 to accurately reflect the amount needed to replenish the Debt Service Reserve Account.
- Item No. 4 – 2007 Tax Allocation Bond Series B - Replenish Debt Service Reserve Account. The Agency requested the amount of \$174,807 in error. According to the calculation provided by U.S. Bank, the amount of \$174,807 was incorrect and should be \$176,654. Therefore, with the Agency's concurrence, Finance made an adjustment of \$1,847 to accurately reflect the amount needed to replenish the Debt Service Reserve Account.

To comply with the 2007 Series A and B Tax Allocation Bond indentures, Finance is approving an amount for each fiscal year with the intention that all tax increment flow to the Trustee, U.S. Bank as required. As such, the Stanislaus County Auditor Controller (CAC) should adhere to the following guidance when making RPTTF distributions:

- The amount available from the RPTTF is the same as the amount of property tax increment available prior to the enactment of the redevelopment dissolution statutes. Therefore, as a practical matter, the ability to fund the items on the Last and Final ROPS with property tax is limited to the amount of funding available to the Agency in the RPTTF.
- To the extent the amount of RPTTF available in any given fiscal year is insufficient to fully fund the amount of RPTTF approved in that fiscal year, the shortfall should not be carried over and funded in future fiscal years.
- The total amount of RPTTF distributed to the Agency between now and fiscal year 2037-38 should not exceed the amount necessary to fund the Agency's obligations associated with the 2007 Series A and B Tax Allocation Bonds, which includes principal and interest payments both ongoing and unfunded amounts from prior years, replenishing the Debt Service Reserve Account, and paying the associated fees approved under Line Item No. 5.

Finance is approving the Agency's Last and Final ROPS with the above amendments, changes, and guidance.

The Agency's maximum approved RPTTF distribution for the Last and Final ROPS is summarized in the Approved RPTTF Distribution table on the following page.

Approved Last and Final ROPS RPTTF Distributions							
ROPS Period	A Periods			B Periods			Annual Total
	RPTTF	Admin RPTTF	A Period Total	RPTTF	Admin RPTTF	B Period Total	
Total requested	171,055,199	0	171,055,199	4,593,517	0	4,593,517	\$ 175,648,716
Total adjustments	(1,110,027)	0	(1,110,027)	(95,600)	0	(95,600)	(1,205,627)
<b>Totals</b>	<b>169,945,172</b>	<b>0</b>	<b>169,945,172</b>	<b>4,497,917</b>	<b>0</b>	<b>4,497,917</b>	<b>174,443,089</b>
<b>Total RPTTF approved for distribution</b>							
ROPS 20-21	5,370,822	0	5,370,822	266,669	0	266,669	5,637,491
ROPS 21-22	3,618,964	0	3,618,964	266,935	0	266,935	3,885,899
ROPS 22-23	4,186,302	0	4,186,302	267,206	0	267,206	4,453,508
ROPS 23-24	4,852,619	0	4,852,619	267,483	0	267,483	5,120,102
ROPS 24-25	5,635,732	0	5,635,732	267,765	0	267,765	5,903,497
ROPS 25-26	6,556,664	0	6,556,664	268,053	0	268,053	6,824,717
ROPS 26-27	7,640,221	0	7,640,221	268,347	0	268,347	7,908,568
ROPS 27-28	8,919,150	0	8,919,150	268,647	0	268,647	9,187,797
ROPS 28-29	10,424,521	0	10,424,521	268,952	0	268,952	10,693,473
ROPS 29-30	12,200,655	0	12,200,655	269,264	0	269,264	12,469,919
ROPS 30-31	12,591,699	0	12,591,699	269,582	0	269,582	12,861,281
ROPS 31-32	12,612,623	0	12,612,623	269,906	0	269,906	12,882,529
ROPS 32-33	12,640,584	0	12,640,584	270,237	0	270,237	12,910,821
ROPS 33-34	12,664,982	0	12,664,982	270,574	0	270,574	12,935,556
ROPS 34-35	12,696,415	0	12,696,415	270,918	0	270,918	12,967,333
ROPS 35-36	12,724,376	0	12,724,376	271,269	0	271,269	12,995,645
ROPS 36-37	12,755,718	0	12,755,718	176,027	0	176,027	12,931,745
ROPS 37-38	11,853,125	0	11,853,125	20,083	0	20,083	11,873,208
<b>Total</b>	<b>169,945,172</b>	<b>0</b>	<b>169,945,172</b>	<b>4,497,917</b>	<b>0</b>	<b>4,497,917</b>	<b>174,443,089</b>

Please refer to the approved Last and Final ROPS schedule used to calculate the total RPTTF approved for distribution:

<http://www.dof.ca.gov/Programs/Redevelopment/ROPS/>

Any agreed upon amendments or changes are reflected in the approved Last and Final ROPS posted on the above website.

This is Finance's determination related to the enforceable obligations reported on the Last and Final ROPS. HSC section 34191.6 (c) (2) allows agencies to submit no more than two requests to amend the approved Last and Final ROPS.

ROPS distributions will occur twice annually, one distribution for the July 1 through December 31 (ROPS A period), and one distribution for the January 1 through June 30 (ROPS B period).

The Agency shall not expend more RPTTF than needed to fund the Agency's enforceable obligations listed and approved on the Last and Final ROPS. All unspent RPTTF received for enforceable obligations by the Agency should be retained for distribution to the affected taxing entities pursuant to HSC section 34191.6 (d) (2) (G). Further, any revenues, interest, and earnings of the Agency not authorized for use pursuant to the approved Last and Final ROPS shall be remitted to the CAC pursuant to HSC section 34191.6 (c) (3). Pursuant to HSC section 34187 (e), once an agency has retired or paid off all enforceable obligations and all real property has been disposed of, the Agency is required to dispose of all remaining assets and remit any proceeds to the CAC for distribution to the affected taxing entities.

HSC section 34187 (b) defines the process of final dissolution of the Agency. When all enforceable obligations have been retired or paid off, all real property has been disposed of, and all outstanding litigation has been resolved, the Agency shall, within 30 days of meeting these conditions, submit to the Oversight Board (OB) a request to formally dissolve. The OB shall approve the request within 30 days and submit the request for Finance's review.

Pursuant to HSC section 34191.6 (c), Last and Final ROPS approved less than 15 days before the date of the RPTTF distribution shall not be effective until the subsequent RPTTF distribution period; therefore, if an agency receives a Last and Final ROPS approval after this cutoff date, the most recent annual ROPS 20-21 approval would remain effective through June 30, 2020.

Please direct inquiries to Joshua Mortimer, Supervisor, or Cole Chev, Staff, at (916) 322-2985.

Sincerely,

Original signed by Cheryl L. McCormick for:

JENNIFER WHITAKER  
Program Budget Manager

cc: Wendell Naraghi, Chair, Designated Local Authority, City of Riverbank  
Kashmir Gill, Auditor-Controller, Stanislaus County