



Transmitted via e-mail

May 16, 2025

Josalynn Valdez, Finance Manager  
City of Lemoore  
711 West Cinnamon Drive  
Lemoore, CA 93245

### **2025-26 Annual Recognized Obligation Payment Schedule**

This letter supersedes the California Department of Finance's (Finance) Recognized Obligation Payment Schedule (ROPS) letter dated April 11, 2025. Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Lemoore Successor Agency (Agency) submitted an annual ROPS for the period of July 1, 2025 through June 30, 2026 (ROPS 25-26) to Finance on January 31, 2025. The Agency requested a Meet and Confer on one or more of the determinations made by Finance. The Meet and Confer was held on April 17, 2025.

Based on a review of additional information and documentation provided to Finance during the Meet and Confer process, Finance has completed its review of the specific determinations being disputed.

- Item No. 33 – Cash Shortfall in the amount of \$645,129 is not allowed. Finance continues to deny this item. Finance initially denied this item based on a reconciliation and requested reimbursement for several past errors. During the Meet and Confer review, the Agency provided documentation confirming that it had exceeded authorized spending limits over multiple years. Additionally, the Agency has inaccurately calculated Prior Period Adjustments (PPA) and did not retain PPA funds, resulting in the use of PPA funds and borrowing additional funds from the City of Lemoore. The Kings County Auditor-Controller (CAC) reports the Agency received a Redevelopment Property Tax Trust Fund (RPTTF) distribution equal to the amount Finance approved for ROPS 18-19 and subsequent ROPS distributions. Consequently, the Agency had sufficient funds in the Redevelopment Obligation Retirement Fund. The Agency confirmed the errors have not caused any of its enforceable obligations to go unpaid. Therefore, the requested amount of \$645,129 from RPTTF funding is not allowed.
- Item No. 35 – County Deposit in the amount of \$18,050 is not allowed. Finance continues to deny this item. During the Meet and Confer review, the Agency did not provide any additional documentation or information. The Agency mistakenly paid Kings County (County) for a liability listed on the County's accounting records and will continue to work with the County to resolve this issue. Since there is no enforceable obligation related to this payment, the requested amount of \$18,050 from RPTTF funding is not allowed.

Pursuant to HSC section 34186, successor agencies are required to report differences between actual payments and past estimated obligations (prior period adjustments) for the July 1, 2022 through June 30, 2023 (ROPS 22-23) period. The ROPS 22-23 PPA will offset the ROPS 25-26 RPTTF distribution. The amount of RPTTF authorized includes the PPA resulting from the CAC's review of the PPA form submitted by the Agency.

The Agency's maximum approved RPTTF distribution for the reporting period is \$1,126,861, as summarized in the Approved RPTTF Distribution table (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1, 2025 through December 31, 2025 period (ROPS A period), and one distribution for the January 1, 2026 through June 30, 2026 period (ROPS B period), based on Finance's approved amounts. Since this determination is for the entire ROPS 25-26 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

This is our final determination regarding the obligations listed on the ROPS 25-26. This determination only applies to items when funding was requested for the 12-month period. If a determination by Finance in a previous ROPS is currently the subject of litigation, the item will continue to reflect the determination until the matter is resolved.

The ROPS 25-26 form submitted by the Agency and this determination letter will be posted on our website:

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

This determination is effective for the ROPS 25-26 period only and should not be conclusively relied upon for future ROPS periods. All items listed on a future ROPS are subject to Finance's review and may be adjusted even if not adjusted on this ROPS or a preceding ROPS. The only exception is for items that have received a Final and Conclusive determination from Finance pursuant to HSC section 34177.5 (i). Finance's review of Final and Conclusive items 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 available prior to the enactment of the redevelopment dissolution law. Therefore, as a practical matter, the ability to fund the items on the ROPS with property tax increment is limited to the amount of funding available to the Agency in the RPTTF.

Please direct inquiries to [RedevelopmentAdministration@dof.ca.gov](mailto:RedevelopmentAdministration@dof.ca.gov).

Sincerely,

Original signed by:

Cheryl L. McCormick, CPA  
Chief, Office of State Audits and Evaluations

cc: Marissa Trejo, City Manager, City of Lemoore  
Kristina McKay, Property Tax Manager/Countywide Oversight Board  
Representative, Kings County

**Attachment**

<b>Approved RPTTF Distribution July 2025 through June 2026</b>			
	<b>ROPS A</b>	<b>ROPS B</b>	<b>Total</b>
RPTTF Requested	\$ 1,698,185	\$ 160,185	\$ 1,858,370
Administrative RPTTF Requested	22,456	22,500	44,956
<b>Total RPTTF Requested</b>	<b>1,720,641</b>	<b>182,685</b>	<b>1,903,326</b>
<b>RPTTF Requested</b>	<b>1,698,185</b>	<b>160,185</b>	<b>1,858,370</b>
<u>Adjustment(s)</u>			
Item No. 33	(645,129)	0	(645,129)
Item No. 35	(18,050)	0	(18,050)
	(663,179)	0	(663,179)
<b>RPTTF Authorized</b>	<b>1,035,006</b>	<b>160,185</b>	<b>1,195,191</b>
<b>Administrative RPTTF Authorized</b>	<b>22,456</b>	<b>22,500</b>	<b>44,956</b>
ROPS 22-23 Prior Period Adjustment (PPA)	(113,286)	0	(113,286)
<b>Total RPTTF Approved for Distribution</b>	<b>\$ 944,176</b>	<b>\$ 182,685</b>	<b>\$ 1,126,861</b>