



May 15, 2026

Daniel Seeto, Finance Director
City of Chowchilla
130 South Second Street
Chowchilla, CA 93610

2026-27 Annual Recognized Obligation Payment Schedule

This letter supersedes the California Department of Finance's (Finance) Recognized Obligation Payment Schedule (ROPS) letter dated April 15, 2026. Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Chowchilla Successor Agency (Agency) submitted an annual ROPS for the period July 1, 2026 through June 30, 2027 (ROPS 26-27) to Finance on January 29, 2026. 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 30, 2026.

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 determination being disputed.

- Item No. 29 – SA Admin Allowance in the amount of \$126,000 continues to be denied. The Agency does not dispute Finance's determination but requested the Meet and Confer to gain a better understanding of the underlying circumstances leading to the denial. Finance originally denied \$126,000 in Other Funds requested for the ROPS 26-27 Administrative Cost Allowance (ACA) based on the limitations outlined in HSC section 34171 (b) (3). HSC section 34171 (b) (3) limits the fiscal year ACA to three percent of the actual Redevelopment Property Tax Trust Fund (RPTTF) distributed in the preceding fiscal year or \$250,000, whichever is greater; not to exceed 50 percent of the RPTTF distributed in the preceding fiscal year.

It is our understanding that the Agency sold land and has been applying the proceeds to ROPS obligations; therefore, no RPTTF was requested or distributed in the ROPS 25-26 period. Since no RPTTF was distributed in the ROPS 25-26 period and pursuant to the limitations set forth in HSC section 34171 (b) (3), the Agency's maximum ACA for the ROPS 26-27 period is \$0. Further, although the requested \$126,000 in ACA for the ROPS 26-27 period was from Other Funds, HSC section 34171 (b) (4) states that the ACA limitation applies whether paid from Other Funds or RPTTF. Therefore, the requested \$126,000 from Other Funds 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, 2023 through June 30, 2024 (ROPS 23-24) period. The ROPS 23-24 prior period adjustment (PPA) will offset the ROPS 26-27 RPTTF distribution. The amount of RPTTF authorized includes the PPA resulting from the County Auditor-Controller's review of the PPA form submitted by the Agency, as adjusted by Finance. Specifically, Finance increased the Actual Administrative RPTTF from \$0 to \$126,000, as the Agency had expended its ACA, thereby decreasing the PPA from \$126,000 to \$0.

The Agency requested Other Funds to fund its enforceable obligations and did not request any RPTTF. Therefore, the Agency's maximum approved RPTTF distribution for the reporting period is \$0, as summarized in the Approved RPTTF Distribution table (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1, 2026 through December 31, 2026 period (ROPS A period), and one distribution for the January 1, 2027 through June 30, 2027 period (ROPS B period), based on Finance's approved amounts. Since this determination is for the entire ROPS 26-27 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 26-27. 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 26-27 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 26-27 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.

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Please direct inquiries to RedevelopmentAdministration@dof.ca.gov.

Sincerely,

Originally signed by:

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

cc: Abigail Zurita, Fiscal Manager, City of Chowchilla
Catherine Nainoa, Chief Accountant Auditor, Madera County
Claudia Mendoza, Countywide Oversight Board Representative

Attachment

Approved RPTTF Distribution July 2026 through June 2027				
	ROPS A		ROPS B	Total
RPTTF Requested	\$	0	\$ 0	\$ 0
Administrative RPTTF Requested		0	0	0
Total RPTTF Requested		0	0	0
RPTTF Authorized		0	0	0
Administrative RPTTF Authorized		0	0	0
Total RPTTF Approved for Distribution	\$	0	\$ 0	\$ 0