



February 15, 2019

Mr. Ramon Lara, City Administrator  
City of Woodlake  
350 North Valencia Boulevard  
Woodlake, CA 93286

Dear Mr. Lara:

Subject: 2019-20 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Woodlake Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period of July 1, 2019 through June 30, 2020 (ROPS 19-20) to the California Department of Finance (Finance) on January 14, 2019. Finance has completed its review of the ROPS 19-20.

Based on a sample of line items reviewed and application of the law, Finance made the following determinations:

- The claimed administrative costs exceed the allowance by \$10,000. HSC section 34171 (b) (3) limits the fiscal year Administrative Cost Allowance (ACA) to three percent of 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. The Agency did not receive RPTTF during fiscal year 2018-19. As a result, the Agency's maximum ACA is \$0 for fiscal year 2019-20. Although \$10,000 is claimed for ACA, \$0 is available pursuant to the cap. Therefore, as noted in the table below, \$10,000 in excess ACA is not allowed:

<b>Administrative Cost Allowance Calculation</b>	
Actual RPTTF distributed for fiscal year 2018-19	\$ 0
Less distributed Administrative RPTTF	0
RPTTF distributed for 2018-19 after adjustments	0
ACA Cap for 2019-20 per HSC section 34171 (b)	0
ACA requested for 2019-20	10,000
<b>ACA in Excess of the Cap</b>	<b>\$ (10,000)</b>

- On the ROPS 19-20 form, the Agency reported cash balances and activity for the period July 1, 2016 through June 30, 2017 (ROPS 16-17). According to our review, the Agency has approximately \$36,450 in Reserve Balances available to fund enforceable obligations on the ROPS 19-20. HSC section 34177 (l) (1) (E) requires these balances be used prior to requesting RPTTF. Therefore, with the Agency's concurrence, the funding source for the following item has been reclassified in the amount specified below:

- Item No. 1 – Tax Allocation Bonds in the requested amount of \$45,756 is partially reclassified. This item does not require payment from property tax revenues. Therefore, Finance is approving RPTTF in the amount of \$9,306 and the use of Reserve Balances in the amount of \$36,450, totaling \$45,756.

Pursuant to HSC section 34186, successor agencies are required to report differences between actual payments and past estimated obligations. Reported differences in RPTTF are used to offset current RPTTF distributions. The amount of RPTTF approved in the table on Page 4 includes the prior period adjustment resulting from the County Auditor-Controller's review of the prior period adjustment form submitted by the Agency.

Except for the items adjusted, Finance is not objecting to the remaining items listed on the ROPS 19-20. If the Agency disagrees with our determination with respect to any items on the ROPS 19-20, except items which are the subject of litigation disputing our previous or related determinations, the Agency 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 on our website:

<http://dof.ca.gov/Programs/Redevelopment/Meet And Confer/>

The Agency's maximum approved RPTTF distribution for the reporting period is \$1,598 as summarized in the Approved RPTTF Distribution table on Page 4 (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1 through December 31 period (ROPS A period), and one distribution for the January 1 through June 30 period (ROPS B period) based on Finance approved amounts. Since this determination is for the entire ROPS 19-20 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

Absent a Meet and Confer, this is our final determination regarding the obligations listed on the ROPS 19-20. This determination only applies to items when funding was requested for the 12-month period. If a denial by Finance in a previous ROPS is currently the subject of litigation, the item will continue to be denied until the matter is resolved.

The ROPS 19-20 form submitted by the Agency and this determination letter will be posted on our website:

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

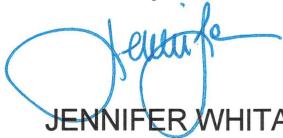
This determination is effective for the ROPS 19-20 period only and should not be conclusively relied upon for future ROPS periods. All items listed on a future ROPS are subject to review and may be denied even if not denied on this ROPS or a preceding ROPS. The only exception is for items that have received 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 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.

Mr. Ramon Lara  
February 15, 2019  
Page 3

Please direct inquiries to Cindie Lor, Supervisor, or Todd Vermillion, Lead Analyst, at  
(916) 322-2985.

Sincerely,



JENNIFER WHITAKER  
Program Budget Manager

cc: Mr. Michal Mierzwinski, Accountant, City of Woodlake  
Mr. Cass Cook, Auditor-Controller/Treasurer-Tax Collector, Tulare County

**Attachment**

<b>Approved RPTTF Distribution</b>			
<b>For the period of July 1, 2019 through June 30, 2020</b>			
	<b>ROPS A Period</b>	<b>ROPS B Period</b>	<b>ROPS 19-20 Total</b>
RPTTF Requested	\$ 4,928	\$ 40,828	\$ 45,756
Administrative RPTTF Requested	5,000	5,000	10,000
<b>Total RPTTF Requested</b>	<b>9,928</b>	<b>45,828</b>	<b>55,756</b>
<b>RPTTF Requested</b>	<b>4,928</b>	<b>40,828</b>	<b>45,756</b>
<u>Adjustment</u>			
Item No. 1	(4,928)	(31,522)	(36,450)
<b>RPTTF Authorized</b>	<b>0</b>	<b>9,306</b>	<b>9,306</b>
<b>Administrative RPTTF Requested</b>	<b>5,000</b>	<b>5,000</b>	<b>10,000</b>
Excess Administrative Costs	(5,000)	(5,000)	(10,000)
<b>Administrative RPTTF Authorized</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total RPTTF Authorized for Obligations</b>	<b>0</b>	<b>9,306</b>	<b>9,306</b>
Prior Period Adjustment (PPA)	0	(7,708)	(7,708)
<b>Total RPTTF Approved for Distribution</b>	<b>\$ 0</b>	<b>\$ 1,598</b>	<b>\$ 1,598</b>