



**DEPARTMENT OF
FINANCE**

EDMUND G. BROWN JR. • GOVERNOR

915 L STREET ■ SACRAMENTO CA ■ 95814-3706 ■ WWW.DOF.CA.GOV

May 11, 2016

Mr. Steven Huntley, Finance Director
City of Farmersville
909 W Visalia Road
Farmersville, CA 93223

Dear Mr. Huntley:

Subject: Last and Final Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34191.6 (b) the City of Farmersville 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 1, 2016. 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 No. 1 – Community Center Debt in the total outstanding amount of \$2,844,877 has been partially reclassified. The agreement for the tax allocation bonds issued to fund the Community Center requires a reserve to be held by the Agency in the amount equal to the average annual debt service payment. The Agency has \$219,000 in its reserve account to satisfy final debt service payments during the July 1, 2028 through June 30, 2029 (ROPS 28-29) and the July 1, 2029 through June 30, 2030 (ROPS 29-30) periods. Therefore, with the Agency's concurrence, a total of \$219,000 is reclassified from Redevelopment Property Tax Trust Fund (RPTTF) to Bond Proceeds funding.

Finance is approving the Agency's Last and Final ROPS with the above changes. These changes are reflected in the Approved Last and Final ROPS.

The Agency's maximum approved RPTTF distribution for the Last and Final ROPS is \$2,625,877 as summarized in the Approved RPTTF Distribution table.

Approved Last and Final ROPS RPTTF Distributions							
	A Periods			B Periods			
ROPS Period	RPTTF	Admin RPTTF	A Period Total	RPTTF	Admin RPTTF	B Period Total	Annual Total
Total requested	\$ 349,757	\$0	\$ 349,757	\$ 2,495,120	\$0	\$ 2,495,120	\$ 2,844,877
Total adjustments	(3,767)	0	(3,767)	(215,233)	0	(215,233)	(219,000)
Adjusted Totals	345,990	0	345,990	2,279,887	0	2,279,887	2,625,877
Total RPTTF approved for distribution							
ROPS 16-17	42,907	0	42,907	158,093	0	158,093	201,000
ROPS 17-18	40,604	0	40,604	160,859	0	160,859	201,463
ROPS 18-19	38,198	0	38,198	163,725	0	163,725	201,923
ROPS 19-20	35,688	0	35,688	166,698	0	166,698	202,386
ROPS 20-21	33,068	0	33,068	169,779	0	169,779	202,847
ROPS 21-22	30,333	0	30,333	172,974	0	172,974	203,307
ROPS 22-23	27,481	0	27,481	176,290	0	176,290	203,771
ROPS 23-24	24,504	0	24,504	179,726	0	179,726	204,230
ROPS 24-25	21,400	0	21,400	183,293	0	183,293	204,693
ROPS 25-26	18,162	0	18,162	186,992	0	186,992	205,154
ROPS 26-27	14,786	0	14,786	190,831	0	190,831	205,617
ROPS 27-28	11,265	0	11,265	194,813	0	194,813	206,078
ROPS 28-29	7,594	0	7,594	175,814	0	175,814	183,408
Total approved RPTTF	345,990	0	345,990	2,279,887	0	2,279,887	\$ 2,625,877

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

<http://www.dof.ca.gov/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 will receive RPTTF distributions up to the maximum approved amount on the Last and Final ROPS.

The Agency shall not expend more than the amount approved for each 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 the County Auditor-Controller (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.

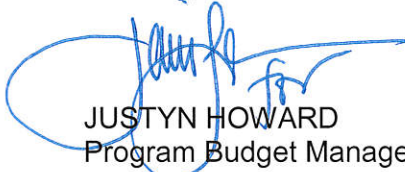
The amount available from the RPTTF is the same as the amount of property tax increment available prior to the enactment of the redevelopment dissolution statutes. Therefore, as a practical matter, the ability to fund the items on the Last and Final ROPS with property tax is limited to the amount of funding available to the Agency in the RPTTF. However, HSC section 34191.6 (c) (5) provides mechanisms for the Agency to pay enforceable obligations if insufficient RPTTF is available on an approved Last and Final ROPS.

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 to Finance's review.

Pursuant to HSC section 34191.6 (c), Last and Final ROPS approved prior to 15 days before the date of the next RPTTF distribution shall be effective for the related ROPS period. Therefore, approval of the Agency's Last and Final ROPS is effective beginning ROPS 16-17 period and supersedes Finance's determination letter dated April 11, 2016 for ROPS 16-17.

Please direct inquiries to Cindie Lor, Supervisor, or Todd Vermillion, Lead Analyst, at (916) 445-1546.

Sincerely,



JUSTYN HOWARD
Program Budget Manager

cc: Ms. Betina Ashoori, Finance Manager, City of Farmersville
Ms. Rita A. Woodard, Auditor-Controller, Tulare County