



COUNTY OF KINGS DEPARTMENT OF FINANCE

REBECCA CARR, CPA CGMA ▪ DIRECTOR OF FINANCE
1400 W. LACEY BLVD ▪ HANFORD, CA 93230

ACCOUNTING DIVISION
(559) 852-2455 ▪ FAX: (559) 587-9935

TAX COLLECTOR ▪ TREASURER DIVISION
TAX: (559) 852-2479 ▪ TREASURER (559) 852-2477
FAX: (559) 582-1236

August 21, 2012

Jeff Britz, City Manager
City of Lemoore
119 Fox Street
Lemoore CA 93245

RE: ROPS III - Kings County Auditor-Controller Initial Review

Dear Mr. Britz:

Pursuant to Health and Safety (H&S) Code section 34182.5, the County Auditor may review the Recognized Obligation Payment Schedule (ROPS) and object to the inclusion of any items that are not demonstrated to be enforceable obligations and may object to the funding source proposed for any items. Our office has conducted an initial review of the ROPS submitted on August 20, 2012.

- The ROPS III Page 1, Line 17: Brownfield Cleanup (\$75,000) was previously denied by the Department of Finance (DOF) in a letter to your agency dated May 11, 2012. Pursuant to H&S Code section 34178 (a), *a successor agency or oversight board is not able to restore funding for an enforceable obligation that was deleted or reduced by the Department of Finance*. Based on this particular code section, our office objects to this enforceable obligation being funded from the Redevelopment Property Tax Trust Fund (RPTTF) at this time.
- The Prior Period Estimated Obligations vs. Actual Payments Page 1, Line 5: Your agency has listed \$822,804 for estimated administrative cost allowance and \$260,906 for actual administrative cost allowance. Our office believes each of these numbers should be \$250,000 because this was the DOF *approved* amounts for ROPS I, as per their letter dated May 11, 2012. Successor Agency Administration Fee for the 2011-12 year was allowed at 5% of obligations or a \$250,000 minimum. Five percent of your DOF approved enforceable obligations totaled \$133,676. You are not entitled to any more than \$250,000 for Successor Agency Administration Fee for the 2011-12 fiscal year.
- The Prior Period Estimated Obligations vs. Actual Payments Page 1, Line 6: Agreement for Services with the Chamber of Commerce. This obligation was approved on ROPS I by the Department of Finance in the amount of \$58,525 not \$58,000 as listed in the estimate column under RPTTF. The amount funded to your organization for this obligation was \$58,525.
- Once the above referenced changes have been made, it significantly changes your summary page as well. Our calculation of Line J – Adjustment to the Redevelopment



COUNTY OF KINGS
DEPARTMENT OF FINANCE

REBECCA CARR, CPA CGMA ▪ DIRECTOR OF FINANCE
1400 W. LACEY BLVD ▪ HANFORD, CA 93230

ACCOUNTING DIVISION
(559) 852-2455 ▪ FAX: (559) 587-9935

TAX COLLECTOR ▪ TREASURER DIVISION
TAX: (559) 852-2479 ▪ TREASURER (559) 852-2477
FAX: (559) 582-1236

Obligation Retirement Fund is a balance of (63,936) instead of \$497,437. This changes the figure on Line K (Adjusted RPTTF) to \$3,706,101.

Please feel free to contact me if you have any additional concerns or questions regarding the contents of this correspondence. I can be reached by email at Cassandra.mann@co.kings.ca.us or by telephone at (559) 852-2459.

Sincerely,

Cassandra Mann
Property Tax Manager