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Oversight Board

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Staff Report

ITEM NO. 6

To: Successor Agency Board
From: Cheryl Silva, Finance Director *CS*
Date: September 18, 2014 **Meeting Date:** September 24, 2014
Subject: Resolution 2014-11 Approving the Recognized Obligation Payment Schedule for period January – June 2015 (ROPS 14-15B)

Discussion:

As required by AB 1484, Section 34177(I), the Successor Agency is required to submit a Recognized Obligation Payment Schedule to the Oversight Board for the period January through June 2015 (ROPS 14-15B) for approval. A copy of the approved ROPS 14-15B will be sent to the California Department of Finance (DOF) by the due date of October 3, 2014. If the Successor Agency fails to submit it to DOF by the deadline, the City (the entity that created the redevelopment agency) will be subject to a penalty of \$10,000 per day.

Attached for your review and approval is ROPS 14-15B. The spreadsheet was supplied by the DOF and includes only the items that were on our previous ROPS. Additionally, the DOF shaded the rows of the items that have been denied and locked the cells to prevent agencies from inputting dollar amounts. The ROPS includes a report of the cash balances by funding source. The reporting obligation also requires an accounting of the ROPS 13-14B estimated obligations versus actual payments, which is also attached.

The Successor Agency Board approved the ROPS 14-15B at their September 16, 2014 meeting and directed staff to present the ROPS 14-15A to the Oversight Board for approval. All actions of the Oversight Board are to be approved by resolution. Attached is Resolution 2014-11 approving ROPS 14-15B. Staff recommends that the Oversight Board adopt the Resolution and direct staff to submit the ROPS 14-15B to the DOF and submit a copy of such to the State Controller's Office and the Kings County Auditor-Controller, and post it to the Lemoore Successor Agency's Web site as required.

Budget Impact:

Successor Agency expenditures for the period January-June 2015 total \$2,540,468 as shown on ROPS 14-15B (Six-Month Total Column).

Recommendation:

That the Oversight Board adopt Resolution 2014-11 approving the Recognized Obligation Payment Schedule for the period January- June 2015 (ROPS 14-15B) as presented and direct the Successor Agency staff to submit it to the Department of Finance by October 3, 2014.

RESOLUTION NO. 2014-11

A RESOLUTION OF THE LEMOORE OVERSIGHT BOARD FOR THE LEMOORE SUCCESSOR AGENCY TO THE FORMER LEMOORE REDEVELOPMENT AGENCY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD JANUARY 1, 2015 TO JUNE 30, 2015 (ROPS 14-15B)

WHEREAS, AB X1 26 (“AB 26”) was passed by the California State Legislature on June 15, 2011, signed by the Governor on June 28, 2011, and on February 1, 2012 redevelopment agencies in the state of California were dissolved; and

WHEREAS, AB 1484 was passed by the California State Legislature and signed by the Governor on June 27, 2012 modifying the provisions of AB 26; and

WHEREAS, pursuant to Health and Safety Code (HSC) Section 34177(l)(1), before each six-month fiscal period, successor agencies must prepare a Recognized Obligation Payment Schedule (ROPS); and

WHEREAS, pursuant to HSC Section 34177(m), commencing with the period July 1, 2013, through December 31, 2013, successor agencies shall submit an oversight board approved ROPS to the California Department of Finance (DOF) and to the county auditor-controller no fewer than 90 days before the date of property tax distribution; and

WHEREAS, pursuant to HSC Section 34177(l)(2)(C), a copy of the ROPS must also be submitted to the State Controller’s Office and posted to the successor agency’s Web site; and

WHEREAS, the DOF has determined that the name of the ROPS should coincide with the fiscal year that it represents and that the first six months of a fiscal year shall be “A” and the second six months shall be “B”; and

WHEREAS, pursuant to HSC Section 34177(a)(3), only those payments listed in an approved ROPS may be made by the successor agency from funds specified in the ROPS; and

WHEREAS, the ROPS for the period of January 1 to June 30, 2015 (ROPS 14-15B) is due no later than October 3, 2014; and

WHEREAS, pursuant to HSC Section 34177(m)(2), the ROPS must be received by the deadline or the host agency (City of Lemoore) shall be subject to a civil penalty equal to \$10,000 per day until it is received; and

WHEREAS, pursuant to HSC Section 34186(a), successor agencies must also report the difference between actual payments made and past estimated obligations reported and such differences shall be adjusted in the amount of property tax revenues to be transferred to the Redevelopment Obligation Retirement Fund.

NOW, THEREFORE, BE IT RESOLVED that the Lemoore Oversight Board for the Lemoore Successor Agency to the former Lemoore Redevelopment Agency hereby adopts the Recognized Obligation Payment Schedule for the period January 1, 2015 to June 30, 2015 (ROPS 14-15B) attached hereto and incorporated by reference herein.

BE IT FURTHER RESOLVED that the City Manager of the City of Lemoore, the Successor Agency to the former Lemoore Redevelopment Agency, or designee, is hereby authorized to take such actions as are necessary and appropriate to implement this Resolution.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately upon its adoption.

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PASSED, APPROVED, AND ADOPTED by the Lemoore Oversight Board for the Lemoore Successor Agency to the former Lemoore Redevelopment Agency at a special meeting this 24th day of September 2014, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

APPROVED:

Mary J. Venegas, Board Clerk

John F. Murray, Chairperson

CERTIFICATE

STATE OF CALIFORNIA)
COUNTY OF KINGS) ss.
CITY OF LEMOORE)

I, **Mary J. Venegas**, Board Clerk of the Lemoore Oversight Board for the Lemoore Successor Agency to the former Lemoore Redevelopment Agency, do hereby certify the forgoing Resolution of the Lemoore Oversight Board for the Lemoore Successor Agency to the former Lemoore Redevelopment Agency was duly passed and adopted at a Special Meeting of the Lemoore Oversight Board held on September 24, 2014.

DATED: September 24, 2014

Mary J. Venegas, Board Clerk

Recognized Obligation Payment Schedule (ROPS 14-15B) - Summary

Filed for the January 1, 2015 through June 30, 2015 Period

Name of Successor Agency: Lemoore
Name of County: Kings

Current Period Requested Funding for Outstanding Debt or Obligation		Six-Month Total
Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF) Funding Sources (B+C+D):		
A		\$ 2,267,512
B	Bond Proceeds Funding (ROPS Detail)	770,000
C	Reserve Balance Funding (ROPS Detail)	639,149
D	Other Funding (ROPS Detail)	858,363
E	Enforceable Obligations Funded with RPTTF Funding (F+G):	\$ 272,956
F	Non-Administrative Costs (ROPS Detail)	272,956
G	Administrative Costs (ROPS Detail)	-
H	Current Period Enforceable Obligations (A+E):	\$ 2,540,468

Successor Agency Self-Reported Prior Period Adjustment to Current Period RPTTF Requested Funding		
I	Enforceable Obligations funded with RPTTF (E):	272,956
J	Less Prior Period Adjustment (Report of Prior Period Adjustments Column S)	(578,309)
K	Adjusted Current Period RPTTF Requested Funding (I-J)	\$ (305,353)

County Auditor Controller Reported Prior Period Adjustment to Current Period RPTTF Requested Funding		
L	Enforceable Obligations funded with RPTTF (E):	272,956
M	Less Prior Period Adjustment (Report of Prior Period Adjustments Column AA)	-
N	Adjusted Current Period RPTTF Requested Funding (L-M)	272,956

Certification of Oversight Board Chairman:
Pursuant to Section 34177 (m) of the Health and Safety code, I hereby certify that the above is a true and accurate Recognized Obligation Payment Schedule for the above named agency.

Name	Title
/s/ _____	
Signature	Date

Recognized Obligation Payment Schedule (ROPS 14-15B) - ROPS Detail
January 1, 2015 through June 30, 2015
 (Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
Item #	Project Name / Debt Obligation	Obligation Type	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Retired	Funding Source					Six-Month Total
										Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)			RPTTF		
										Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin	
								\$ 15,880,122,017		\$ 770,000	\$ 639,149	\$ 858,363	\$ 272,956	\$ -	\$ 2,540,468
1	1998 Bond	Bonds Issued On or Before 12/31/10	4/1/1998	8/1/2025	U.S. Bank	Debt Service - Capital Bonds	1,2,3	-	N						-
2	2003 Bond	Bonds Issued On or Before 12/31/10	5/15/2003	8/1/2033	U.S. Bank	Debt Service - Capital Bonds	1,2,3	-	N						-
3	2011 Bond	Bonds Issued After 12/31/10	3/4/2011	8/1/2040	U.S. Bank	Debt Service - Capital Bonds	1,2,3	18,655,000	N			400,000	272,956		672,956
4	Agreement for Services	Business Incentive Agreements	11/16/2010	6/30/2015	Lemoore Chamber	Five year agreement for economic development services.	1,2,3	30,000	N			30,000			30,000
6	Owner Participation Agreement	OPA/DDA/Construction	9/4/2007	12/31/2099	Leprino Foods Co.	Incentive to expand in Lemoore - 175 add'l jobs.	1,2,3	4,409,267	N		639,149	35,725			674,874
7	Payment for Services	Property Maintenance	5/10/2013	6/30/2015	Weed Abatement Consult	Weed abatement redevelopment owned properties / Contracts will be presented to oversight board for approval to continue weed abatement on Agency owned properties.	1,2,3	72,750	N			4,400			4,400
16	Westside Infrastructure Project	Improvement/Infrastructure	9/21/2010	12/31/2099	Contractor TBD	Installation of infrastructure on the west side of Highway 41 @ Bush Street. Funding approved by Resolution No. 2010-02 on September 21, 2010.	1,2,3		N						-
18	Bond Projects	Miscellaneous	2/15/2011	12/31/2099	Contractor TBD	Capital projects identified in the 2011 bond issue.	1,2,3		N						-
19	Bond Projects	Miscellaneous	2/15/2011	12/31/2099	Contractor TBD	Housing projects identified in the 2011 bond issue.	1,2,3		N						-
21	Administrative Allowance	Admin Costs	2/1/2012	12/31/2099	City of Lemoore	Admin cost-the greater of 3% of RPTTF or \$250,000.	1,2,3		N						-
22	2003 Bond Proceed Housing Projects	Miscellaneous	8/6/2013	6/30/2015	Housing Program Recipients	Various Housing Programs to assist citizens with Housing Programs / Budget Approved Aug. 2013. Project will be rebudgeted in the 2014-2015 Budget for balance of unexpended funds.	1,2,3	1,250,000	N	770,000					770,000
23	Annual Audit	Dissolution Audits	7/2/2013	6/30/2014	Price, Paige & Company	Annual Audit (Successor Agency) as recommended by DOF as best practice	1,2,3	40,000	N			5,000			5,000
27	ROPS 13-14A Deficit Funding	RPTTF Shortfall	7/1/2013	12/31/2013	Lemoore Successor Agency	ROPS 13-14A approved obligations were understated by this amount-need to request funding for the actual expenditures (See Notes for additional information)			N						-
28	Lemoore Tax Allocation Refunding Bonds 2014	Refunding Bonds Issued After 6/27/12	6/27/2014	8/1/2033	U.S. Bank	Debt Service - Capital Bonds	1,2,3	15,855,465,000	N			373,238			373,238
29	Bond Administrative Fees	Fees	3/4/2011	8/1/2033	Bond Administration Vendors	Fees associated with the administration of the two outstanding Bond Issues	1,2,3	200,000	N			10,000			10,000
30									N						-
31									N						-
32									N						-
33									N						-
34									N						-
35									N						-
36									N						-
37									N						-
38									N						-
39									N						-

Recognized Obligation Payment Schedule (ROPS 14-15B) - Report of Cash Balances

(Report Amounts in Whole Dollars)

Pursuant to Health and Safety Code section 34177 (l), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation. For tips on how to complete the Report of Cash Balances Form, see https://rad.dof.ca.gov/rad-sa/pdf/Cash_Balance_Agency_Tips_Sheet.pdf.

A	B	C	D	E	F	G	H	I	
Cash Balance Information by ROPS Period		Fund Sources						Comments	
		Bond Proceeds		Reserve Balance		Other	RPTTF		
		Bonds Issued on or before 12/31/10	Bonds Issued on or after 01/01/11	Prior ROPS period balances and DDR RPTTF balances retained	Prior ROPS RPTTF distributed as reserve for future period(s)	Rent, Grants, Interest, Etc.	Non-Admin and Admin		
ROPS 13-14B Actuals (01/01/14 - 06/30/14)									
1	Beginning Available Cash Balance (Actual 01/01/14)	1,250,000		1,579,631		110,424	700,068		
2	Revenue/Income (Actual 06/30/14) RPTTF amounts should tie to the ROPS 13-14B distribution from the County Auditor-Controller during January 2014			(440,482)		771,747	440,482		
3	Expenditures for ROPS 13-14B Enforceable Obligations (Actual 06/30/14) RPTTF amounts, H3 plus H4 should equal total reported actual expenditures in the Report of PPA, Columns L and Q			500,000			559,238		
4	Retention of Available Cash Balance (Actual 06/30/14) RPTTF amount retained should only include the amounts distributed for debt service reserve(s) approved in ROPS 13-14B								
5	ROPS 13-14B RPTTF Prior Period Adjustment RPTTF amount should tie to the self-reported ROPS 13-14B PPA in the Report of PPA, Column S	No entry required						578,309	
6	Ending Actual Available Cash Balance C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	1,250,000	-	639,149	-	882,171	3,003		
ROPS 14-15A Estimate (07/01/14 - 12/31/14)									
7	Beginning Available Cash Balance (Actual 07/01/14) (C, D, E, G = 4 + 6, F = H4 + F4 + F6, and H = 5 + 6)	1,250,000	-	639,149	-	882,171	581,312		
8	Revenue/Income (Estimate 12/31/14) RPTTF amounts should tie to the ROPS 14-15A distribution from the County Auditor-Controller during June 2014					150,000	1,983,687		
9	Expenditures for ROPS 14-15A Enforceable Obligations (Estimate 12/31/14)						1,101,671		
10	Retention of Available Cash Balance (Estimate 12/31/14) RPTTF amount retained should only include the amount distributed for debt service reserve(s) approved in ROPS 14-15A								
11	Ending Estimated Available Cash Balance (7 + 8 - 9 - 10)	1,250,000	-	639,149	-	1,032,171	1,463,328		

