



April 6, 2018

Mr. Mike Pitcock, City Manager
 City of Waterford
 101 E Street
 Waterford, CA 95386

Dear Mr. Pitcock:

Subject: Last and Final Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34191.6 (b) the City of Waterford (Agency) submitted a Last and Final Recognized Obligation Payment Schedule (Last and Final ROPS) to the California Department of Finance (Finance) on January 25, 2018. 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 – 1997 Bond Local Obligation Loan, in the total outstanding amount of \$512,300 has been partially reclassified. The agreement for the 1997 Bonds requires a reserve to be held by the Agency in the amount equal to the average annual debt service payment. The Agency has \$57,883 in the reserve account to satisfy final debt service payments during the July 1, 2025 through June 30, 2026 (ROPS 25-26) and the July 1, 2026 through June 30, 2027 (ROPS 26-27) periods. Therefore, with the Agency's concurrence, a total of \$57,883 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 \$530,148 as summarized in the Approved RPTTF Distribution table.

Approved Last and Final ROPS RPTTF Distributions							
ROPS Period	A Periods			B Periods			Annual Total
	RPTTF	Admin RPTTF	A Period Total	RPTTF	Admin RPTTF	B Period Total	
Total requested	469,031	31,500	500,531	59,500	28,000	87,500	\$ 588,031
Total Adjustments	(56,925)	0	(56,925)	(958)	0	(958)	(57,883)
Total RPTTF approved for distribution							
ROPS 18-19	59,531	3,500	63,031	12,250	3,500	15,750	78,781
ROPS 19-20	47,250	3,500	50,750	11,025	3,500	14,525	65,275
ROPS 20-21	46,025	3,500	49,525	9,800	3,500	13,300	62,825
ROPS 21-22	49,800	3,500	53,300	8,400	3,500	11,900	65,200
ROPS 22-23	48,400	3,500	51,900	7,000	3,500	10,500	62,400
ROPS 23-24	52,000	3,500	55,500	5,425	3,500	8,925	64,425
ROPS 24-25	55,425	3,500	58,925	3,675	3,500	7,175	66,100
ROPS 25-26	53,675	3,500	57,175	967	3,500	4,467	61,642
ROPS 26-27	0	3,500	3,500	0	0	0	3,500
Total approved RPTTF	412,106	31,500	443,606	58,542	28,000	86,542	\$ 530,148

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>

This is Finance's final 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 redevelopment dissolution law. 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), a Last and Final ROPS approved less than 15 days before the date of the RPTTF distribution shall not be effective until the subsequent RPTTF distribution period. The most recent annual ROPS 17-18 approval would remain effective through June 30, 2018. The Agency's Last and Final ROPS will become effective beginning with the ROPS for the period July 1, 2018 through June 30, 2019 (ROPS 18-19).

Pursuant to HSC section 34177 (o) (1), the Agency also submitted ROPS 18-19 to Finance on January 23, 2018. Because Finance is approving the Agency's Last and Final ROPS, Finance's approval of the Agency's ROPS 18-19 is no longer necessary and Finance will not be issuing a ROPS 18-19 determination letter. The Agency's payment of approved enforceable obligations should be in accordance with the approved Last and Final ROPS beginning with the ROPS 18-19 period.

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Please direct inquiries to Wendy Griffe, Supervisor, or Anna Kyumba, Lead Analyst, at (916) 322-2985.

Sincerely,



ERIKA LI
Program Budget Manager

cc: Ms. Tina Envia, Finance Manager, City of Waterford
Ms. Lauren Klein, Auditor-Controller, Stanislaus County