



March 24, 2015

Mr. David C. Moe II, Economic Development & Housing Manager  
City of Moorpark  
799 Moorpark Avenue  
Moorpark, CA 93021

Dear Mr. Moe II:

Subject: Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (m), the City of Moorpark Successor Agency (Agency) submitted a Recognized Obligation Payment Schedule (ROPS 15-16A) to the California Department of Finance (Finance) on February 18, 2015 for the period of July 1, 2015 through December 31, 2015. Finance has completed its review of your ROPS 15-16A, which may have included obtaining clarification for various items.

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

- Item Nos. 8, 23 through 31 – Property maintenance and disposition costs totaling \$285,000 are denied. Finance approved the Agency's Long-Range Property Management Plan (LRPMP) on February 12, 2015, which directs the properties listed on the LRPMP to be transferred to the City of Moorpark (City's) for either future development or governmental use. Costs associated with these properties are the City's responsibility. Therefore, property maintenance and property disposition costs are not enforceable obligations and are not eligible for Redevelopment Property Tax Trust Fund (RPTTF) funding.

Our review also took into account Oversight Board (OB) Resolution No. 2015-76 which approved an agreement between the Agency and Great Western Installations, Inc. for the design and installation of a shade structure at the Ruben Castro Human Services Center. Finance partially approves the OB action. Finance approved \$39,428 of 2006 Tax Allocation Bond Proceeds for the Ruben Castro Human Services Center, identified as Item No. 35, during the ROPS 15-16A period. However, Finance is not approving the reauthorization for the Agency to expend up to \$39,928 in bond proceeds on the January through June 2015 Recognized Obligation Payment Schedule (ROPS 14-15B) because this item was denied during the ROPS 14-15B review and the Agency did not request a Meet and Confer to dispute the denied item. Pursuant to HSC section 34178 (a), the Agency or OB is not allowed to restore funding for an obligation that was denied by Finance.

Pursuant to HSC section 34186 (a), successor agencies were required to report on the ROPS 15-16A form the estimated obligations and actual payments (prior period adjustments)

associated with the July through December 2014 period. HSC section 34186 (a) also specifies prior period adjustments self-reported by successor agencies are subject to audit by the county auditor-controller (CAC) and the State Controller. Proposed CAC adjustments were not received in time for inclusion in this letter; therefore, the amount of RPTTF approved in the table below only reflects the prior period adjustment self-reported by the Agency.

Except for the items denied in whole or in part, Finance is not objecting to the remaining items listed on your ROPS 15-16A. If you disagree with the determination with respect to any items on your ROPS 15-16A, you 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 at Finance's website below:

[http://www.dof.ca.gov/redevelopment/meet\\_and\\_confer/](http://www.dof.ca.gov/redevelopment/meet_and_confer/)

The Agency's maximum approved RPTTF distribution for the reporting period is \$96,262 as summarized in the Approved RPTTF Distribution table below:

<b>Approved RPTTF Distribution For the period of July through December 2015</b>	
Total RPTTF requested for non-administrative obligations	559,208
Total RPTTF requested for administrative obligations	125,000
<b>Total RPTTF requested for obligations on ROPS</b>	<b>\$ 684,208</b>
<b>Total RPTTF requested for non-administrative obligations</b>	<b>559,208</b>
<u>Denied Items</u>	
Item No. 8	(20,000)
Item No. 23	(20,000)
Item No. 24	(20,000)
Item No. 25	(50,000)
Item No. 26	(50,000)
Item No. 27	(10,000)
Item No. 28	(50,000)
Item No. 29	(10,000)
Item No. 30	(50,000)
Item No. 31	(5,000)
	(285,000)
<b>Total RPTTF authorized for non-administrative obligations</b>	<b>\$ 274,208</b>
<b>Total RPTTF requested for administrative obligations</b>	<b>125,000</b>
<b>Total RPTTF authorized for administrative obligations</b>	<b>0</b>
	<b>125,000</b>
<b>Total RPTTF authorized for obligations</b>	<b>\$ 399,208</b>
ROPS 14-15A prior period adjustment	(302,946)
<b>Total RPTTF approved for distribution</b>	<b>\$ 96,262</b>

Please refer to the ROPS 15-16A schedule that was used to calculate the approved RPTTF amount:

<http://www.dof.ca.gov/redevelopment/ROPS>

Absent a Meet and Confer, this is Finance's final determination related to the enforceable obligations reported on your ROPS for July 1 through December 31, 2015. This determination only applies to items where funding was requested for the six-month period. Finance's determination is effective for this time period only and should not be conclusively relied upon for future periods. All items listed on a future ROPS are subject to a subsequent review and may be denied even if it was or was not denied on this ROPS or a preceding ROPS. The only exception is for those items that have received a Final and Conclusive determination from Finance pursuant to HSC section 34177.5 (i). Finance's review of items that have received a Final and Conclusive determination 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 that was available prior to the enactment of ABx1 26 and AB 1484. This amount is not and never was an unlimited funding source. Therefore, as a practical matter, the ability to fund the items on the ROPS with property tax is limited to the amount of funding available to the agency in the RPTTF.

Pursuant to HSC section 34177 (a) (3), only those payments listed on an approved ROPS may be made by the successor agency from the funds specified in the ROPS. However, if the Agency needs to make payments for approved obligations from another funding source, HSC section 34177 (a) (4) requires the Agency to first obtain oversight board approval.

To the extent proceeds from bonds issued after December 31, 2010 exist and are not encumbered by an enforceable obligation pursuant to HSC section 34171 (d), HSC section 34191.4 (c) (2) (B) requires these proceeds be used to defease the bonds or to purchase those same outstanding bonds on the open market for cancellation.

Please direct inquiries to Beliz Chappuie, Supervisor or Satveer Ark, Lead Analyst at (916) 445-1546.

Sincerely,



JUSTYN HOWARD  
Program Budget Manager

cc: Mr. Ron Ahlers, Finance Director, City of Moorpark  
Ms. Rhoda Farrell, Property Tax Fiscal Manager, Ventura County  
California State Controller's Office