



March 15, 2016

Mr. Brian P. Gabler, Director of Economic Development/Assistant City Manager  
City of Simi Valley  
2929 Tapo Canyon Road  
Simi Valley, CA 93063

Dear Mr. Gabler:

Subject: 2016-17 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Simi Valley Successor Agency (Agency) submitted a Recognized Obligation Payment Schedule for the period July 1, 2016 through June 30, 2017 (ROPS 16-17) to the California Department of Finance (Finance) on January 25, 2016. Finance has completed its review of the ROPS 16-17.

Based on our review, Finance is approving all of the items listed on the ROPS 16-17 at this time.

On the ROPS 16-17 form, the Agency reported cash balances and activity for the period of July 1, 2015 through June 30, 2016. Pursuant to HSC section 34177 (l) (1) (E), agencies are required to use all available funding sources prior to Redevelopment Property Tax Trust Fund (RPTTF) for payment of enforceable obligations. During our review, which may have included obtaining financial records, Finance determined the Agency possesses funds that should be used prior to requesting RPTTF. Therefore, with the Agency's concurrence, the funding source for the following item has been reclassified to Reserve Balances and Other Funds in the amounts specified below:

Item No. 17 – 2003 Tax Allocation Bonds debt service payment in the amount of \$1,554,184. The Agency requests \$1,554,184 of RPTTF; however, Finance is reclassifying \$3,729 to Other Funds and \$40,732 to Reserve Balance. This item is an enforceable obligation for the ROPS 16-17 period. However, the obligation does not require payment from property tax revenues and the Agency has a total of \$44,461 in available Other Funds and Reserve Balance. Therefore, Finance is approving RPTTF in the amount of \$1,509,723 and the use of Other Funds and Reserve Balance in the amount of \$44,461, totaling \$1,554,184 for the July 1, 2016 through December 31, 2016 (ROPS A period).

The Agency's maximum approved RPTTF distribution for the reporting period is \$2,852,611 as summarized in the Approved RPTTF Distribution table on page 3 (See Attachment).

ROPS distributions will occur twice annually, one distribution for the July 1, 2016 through December 31, 2016 (ROPS A period), and one distribution for the January 1, 2017 through

June 30, 2017 (ROPS B period) based on Finance's approved amounts. Since Finance's determination is for the entire ROPS 16-17 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

On the ROPS 16-17 form, the Agency was not required to report the estimated obligations versus actual payments (prior period adjustment) associated with the July 1, 2015 through December 31, 2015 period (ROPS 15-16A). The Agency will report actual payments for ROPS 15-16A and ROPS 15-16B on the ROPS 18-19 form pursuant to HSC section 34186 (a) (1). A prior period adjustment will be applied to the Agency's future RPTTF distribution. Therefore, the Agency should retain any difference in unexpended RPTTF.

Please refer to the ROPS 16-17 schedule used to calculate the total RPTTF approved for distribution:

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

Absent a Meet and Confer, this is Finance's determination related to the enforceable obligations reported on your ROPS for the period July 1, 2016 through June 30, 2017. This determination only applies to items when funding was requested for the 12-month period. Finance's determination is effective for this time period only and should not be conclusively relied upon for future ROPS periods. All items listed on a future ROPS are subject to review and may be denied even if it was not denied on this ROPS or a preceding ROPS. The only exception is for items that have received a Final and Conclusive determination from Finance pursuant to HSC section 34177.5 (i). Finance's review of Final and Conclusive items 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 available prior to the enactment of the redevelopment dissolution statutes. 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.

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

Sincerely,



JUSTYN HOWARD  
Program Budget Manager

cc: Ms. Jody Kershberg, Deputy Director/Fiscal Services, City of Simi Valley  
Ms. Rhoda Farrell, Property Tax Fiscal Manager, Ventura County

**Attachment**

<b>Approved RPTTF Distribution</b>			
<b>For the period of July 2016 through June 2017</b>			
	<b>ROPS A Period</b>	<b>ROPS B Period</b>	<b>Total</b>
Requested RPTTF (excluding administrative obligations)	\$ 2,117,540	\$ 529,532	\$ 2,647,072
Requested Administrative RPTTF	125,000	125,000	250,000
<b>Total RPTTF requested for obligations on ROPS 16-17</b>	<b>2,242,540</b>	<b>654,532</b>	<b>\$ 2,897,072</b>
<b>Total RPTTF Requested</b>	<b>2,117,540</b>	<b>529,532</b>	<b>2,647,072</b>
<u>Reclassified Item</u>			
Item No. 17	(44,461)	0	(44,461)
<b>Total RPTTF authorized</b>	<b>2,073,079</b>	<b>529,532</b>	<b>\$ 2,602,611</b>
<b>Total Administrative RPTTF authorized</b>	<b>125,000</b>	<b>125,000</b>	<b>\$ 250,000</b>
<b>Total RPTTF approved for distribution</b>	<b>2,198,079</b>	<b>654,532</b>	<b>\$ 2,852,611</b>