



March 14, 2016

Ms. Camille Kazarian, Administrative Services Director
Town of Windsor
P.O. Box 100
Windsor, CA 95492

Dear Ms. Kazarian:

Subject: 2016-17 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the Town of Windsor 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 27, 2016. Finance has completed its review of the ROPS 16-17.

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

- Item No. 12 – Administrative cost funding is partially adjusted. The Agency requests to use \$7,379 of Bond Proceeds, \$38,719 of Other Funds, and \$203,902 of Administrative Redevelopment Property Tax Trust Fund (RPTTF). The \$7,379 of Bond Proceeds were derived from the Agency's 2014 Tax Allocation Refunding Bonds (2014 TARB). Therefore, the Bond Proceeds should be used toward the Agency's 2014 TARB debt service.

Therefore, Finance is reclassifying \$7,379 from Bond Proceeds to Administrative RPTTF. This item is an enforceable obligation for the ROPS 16-17 period. Therefore, Finance is approving Administrative RPTTF in the amount of \$211,281 (\$203,902 + \$7,379) and the use of Other Funds in the amount of \$38,719, totaling \$250,000 for the ROPS 16-17 period.

- Item No. 16 – 2014 TARB funding is partially adjusted. The Agency requests \$1,344,050 of RPTTF; however, Finance is reclassifying \$7,379 from RPTTF to Bond Proceeds. This item is an enforceable obligation for the ROPS 16-17 period. Therefore, Finance is approving RPTTF in the amount of \$1,336,671 (\$1,344,050 - \$7,379) and the use of \$7,379 of Bond Proceeds, totaling \$1,344,050 for the ROPS 16-17 period.

Except for the items that have been adjusted, Finance is not objecting to the remaining items listed on your ROPS 16-17. If you disagree with Finance's determination with respect to any items on your ROPS 16-17, except for those items which are the subject of litigation disputing Finance's previous or related determinations, 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/

The Agency's maximum approved RPTTF distribution for the reporting period is \$1,999,464 as summarized in the Approved RPTTF Distribution table on page 4.

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 reported cash balances and activity for the period of July 1, 2015 through June 30, 2016. Finance performs a review of the Agency's self-reported cash balances on an ongoing basis. Be prepared to submit financial records and bridging documents to support the cash balances reported upon request. If it is determined the Agency possesses cash balances that are available to pay approved enforceable obligations, HSC section 34177 (l) (1) (E) requires these balances to be used prior to requesting RPTTF.

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 ROPS 18-19 RPTTF distribution. Therefore, the Agency should retain any unexpended RPTTF from ROPS 15-16A and ROPS 15-16B.

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.

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Please direct inquiries to Wendy Griffe, Supervisor, or Jonathan Cox, Lead Analyst, at
(916) 445-1546.

Sincerely,



JUSTYN HOWARD
Program Budget Manager

cc: Mr. David Kelley, Special Projects Manager, Town of Windsor
Ms. Brooke Koop, Property Tax Manager, Sonoma County

Attachment

Approved RPTTF Distribution			
For the period of July 2016 through June 2017			
	ROPS A Period	ROPS B Period	Total
Requested RPTTF (excluding administrative obligations)	1,388,109	407,453	\$ 1,795,562
Requested Administrative RPTTF	78,902	125,000	\$ 203,902
Total RPTTF requested for obligations on ROPS	1,467,011	532,453	\$ 1,999,464
RPTTF requested	1,388,109	407,453	1,795,562
<u>Reclassified Item</u>			
Item No. 16	(7,379)	0	(7,379)
RPTTF authorized	1,380,730	407,453	\$ 1,788,183
Administrative RPTTF requested	78,902	125,000	203,902
<u>Reclassified Item</u>			
Item No. 12	7,379	0	7,379
Administrative RPTTF authorized	86,281	125,000	\$ 211,281
Total RPTTF approved for distribution	1,467,011	532,453	\$ 1,999,464