

Table of Contents

| | |
|--|----|
| Agenda | 2 |
| Minutes - September 30, 2013 | |
| Minutes | 3 |
| Warrants - 1417-1421; \$189,369.52 | |
| Warrants 1417-1421 | 4 |
| Resolution Approving Recognized Obligation Payment Schedule | |
| Staff Report - ROPS 14-15A | 5 |
| Exhibit B - ROPS 14-15A | 10 |



AGENDA
PUBLIC FINANCE AUTHORITY
REGULAR MEETING
Kerman City Hall
850 S. Madera Avenue
Thursday, February 27, 2014
8:00 AM

AGENDA PACKET AVAILABLE FOR
REVIEW 72 HOURS PRIOR TO
THE AGENCY MEETING AT
THE CITY CLERK'S OFFICE AND
ON THE CITY WEBSITE
ITEMS RECEIVED AT THE
MEETING WILL BE AVAILABLE
FOR REVIEW AT THE CITY
CLERK'S OFFICE

CHAIRMAN

Gary Yep

BOARD MEMBERS

Charlie Jones Robert Frausto

Kevin Nehring Luis Patlan

WELCOME

CALL TO ORDER

ROLL CALL

A. AGENDA APPROVAL

B. MINUTES – September 30, 2013

RECOMMENDATION: Members approve minutes as presented.

C. ORDER OF BUSINESS

1. AGENCY TREASURER'S REPORT:

RECOMMENDATION: Members approve warrants as presented.

2. Resolution Approving Recognized Obligation Payment Schedule [TJ]

RECOMMENDATION: Board to adopt resolution approving Recognized Obligation Payment Schedule for the time period from July 1, 2014 through December 31, 2014.

D. CORRESPONDENCE

E. ADJOURNMENT



MINUTES
KERMAN REDEVELOPMENT
SUCCESSOR AGENCY OVERSIGHT BOARD
 Kerman City Hall
 850 S. Madera Avenue
 Monday, September 30, 2013
 5:30 PM

Gary Yep – Chairman
 Robert Frausto – Member
 Kevin Nehring – Member
 Charlie Jones – Member
 Luis Patlan – Member

OPENING CEREMONIES

- Welcome
- Call to Order
- Roll Call

5:37 P.M.
 All present
 except RF

A. AGENDA APPROVAL/ADDITIONS/DELETIONS

Approved CJ/KN
 (4-0-1) RF

B. MINUTES - July 17, 2013

Approved CJ/LP
 (4-0-1) RF

C. ORDER OF BUSINESS

- 1. Agency Treasurer's Report: Warrant Nos. 1415-141: \$1,282.63**

Approved CJ/KN
 (4-0-1) RF

RECOMMENDATION: Board approve warrants as presented.

- 2. Resolution Approving Recognized Obligation Payment Schedule (ROPS 13-14B) for the period of January 1, 2014 through June 30, 2014**

Approved CJ/KN
 (4-0-1) RF

RECOMMENDATION: Oversight Board adopt Resolution Approving Recognized Obligation Payment Schedule (ROPS 13-14B) for the period of January 1, 2014 through June 30, 2014.

Res OB 13-03

D. CORRESPONDENCE

- 1. Letter from Department of Finance – Other Funds and Accounts due Diligence Review**

No action
 required

RECOMMENDATION: Information Only

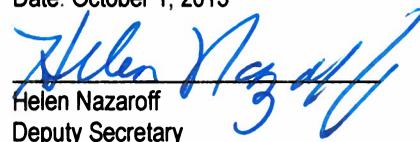
E. ADJOURNMENT

Adjourned
 CJ/LP (4-0-1) RF
 5:49 p.m.

MINUTES CERTIFICATION

I, Helen Nazaroff, Deputy Secretary for the Kerman Redevelopment Successor Agency Oversight Board, do hereby declare under penalty of perjury that the above Minutes are a true depiction of all actions taken at the Kerman Redevelopment Successor Agency Oversight Board meeting held on the first date above written at Kerman City Hall, 850 S. Madera Ave, Kerman, CA.

Date: October 1, 2013


 Helen Nazaroff
 Deputy Secretary

Run date: 02/25/2014 @ 12:49
 Bus date: 02/19/2014

City of Kerman
 Check - Complete Detail

CVCB SUCCESSOR AGENCY

| Check-Run | Seq# | Date | Vendor / Name / Obligat'n Description | Net amount | Invoice number |
|----------------------------|------|------------|--|------------|----------------|
| 1417- 1986 | 1 | 9/30/2013 | 3143 CITY OF KERMAN | | |
| | 1 | | 51455 SA-Hacienda Hghts DIF's Per Ag | 58,054.00 | 09302013 |
| 1417- 1986 | 1 | 9/30/2013 | Logged *** Total *** | 58,054.00 | |
| 1418- 1988 | 1 | 10/10/2013 | 3143 CITY OF KERMAN | | |
| | 1 | | 51480 1st Qtr Admin Fees - FY 13/14 | 60,946.71 | 09302013 |
| 1418- 1988 | 1 | 10/10/2013 | Logged *** Total *** | 60,946.71 | |
| 1419- 2001 | 1 | 12/06/2013 | 19110 STATE CONTROLLER'S OFFICE | | |
| | 1 | | 51962 SA-DEBT SRVICE-PRIN REDIP | 6,315.52 | RDP30291 |
| 1419- 2001 | 1 | 12/06/2013 | Logged *** Total *** | 6,315.52 | |
| 1421- 2006 | 1 | 12/31/2013 | 3143 CITY OF KERMAN | | |
| | 1 | | 52080 ADM - 2nd Qtr Admin Fees - FY | 64,053.29 | 12312013 |
| 1421- 2006 | 1 | 12/31/2013 | Logged *** Total *** | 64,053.29 | |
| | | | | .00 | |
| ** Total check discount ** | | | | .00 | |
| ** Total check amount ** | | | | 189,369.52 | |
| | | | | .00 | |



City of Kerman

"Community Comes First"

CHAIRMAN
Gary K. Yep

BOARD MEMBER
Luis Patlan

BOARD MEMBER
Kevin Nehring

BOARD MEMBER
Robert Frausto

BOARD MEMBER
Charles Jones

DEPARTMENT: OFFICE OF THE TREASURER
STAFF REPORT
OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO
THE KERMAN REDEVELOPMENT AGENCY
MEETING DATE: FEBRUARY 27, 2014

To: Chairman and Board Members
From: Toni Jones, Treasurer
Subject: **Resolution Approving the Recognized Obligation Payment Schedule for the period of July 1, 2014 through December 31, 2014 (ROPS 14-15A)**

RECOMMENDATIONS:

The Oversight Board adopt Resolution Approving the Recognized Obligation Payment Schedule for the period of July 1, 2014 through December 31, 2014 (ROPS 14-15A).

EXECUTIVE SUMMARY

In accordance with AB 1484 the Successor Agency to the Kerman Redevelopment Agency is required to submit the Recognized Obligation Payment Schedule (ROPS) for the period of July 1, 2014 through December 31, 2014 (ROPS 14-15A) to the Department of Finance by March 3, 2014.

The attached ROPS 14-15A schedules request \$125,000 for Successor Agency Administrative Costs and \$64,370 for Non-Administrative Costs. The Non-Administrative Costs are made up of \$58,054 to pay the Hacienda Heights Project obligation and \$6,316 for the REDIP Loan Payment obligation that will be due during the ROPS 14-15A period.

OUTSTANDING ISSUES

None.

DISCUSSION

Assembly Bill 1X 26 (Stats. 2011, 1st Ex. Sess., chap. 5) added a new Part 1.85 to Division 24 of the California Health and Safety Code (Health and Safety Code Section 34170 *et seq.*), which was subsequently modified by the California Supreme Court in *California Redevelopment Association v. Matosantos* (2011) 53 Cal.4th 231 and by Assembly Bill 1484 (Stats. 2012, chap. 26) (the "Dissolution Act"). In accordance with the Dissolution Act, all redevelopment agencies in the State of California, including the Kerman Redevelopment Agency (the "former Redevelopment Agency"), were dissolved as of February 1, 2012. Also on that date, all assets, properties, contracts, leases, books and records, buildings, and equipment of the former Redevelopment Agency were transferred to the Successor Agency to the Former Kerman RDA ("Successor Agency").

The Successor Agency is required by Section 34177(l) of the Dissolution Act to adopt a Recognized Obligation Payment Schedule ("ROPS") for each six-month fiscal period. The ROPS 14-15A for the July to December 2014 period is due by March 3, 2014. The January 1 through June 30, 2014 ROPS (ROPS 13-14B) was approved by the Oversight Board on September 30, 2013.

The ROPS functions as the Successor Agency's claim for tax increment, and general authorization, to pay enforceable obligations. It lists the outstanding obligations of the former Redevelopment Agency for which payments are required during that period of time. The Successor Agency may only pay, and will only be allocated tax increment by the County Auditor-Controller for the payment of obligations listed on the ROPS. Obligations that will be funded by other sources, such as existing fund balances, must also be listed on the ROPS.

The ROPS prepared by the Successor Agency for the period of July 1, 2014 through December 31, 2014 ("ROPS 14-15A") is attached to the resolution accompanying this staff report.

ROPS Approval Procedure

Assembly Bill 1484 made certain adjustments and additions to the Dissolution Act's procedure for the adoption of a ROPS.

Following the Oversight Board's approval of the ROPS, the Successor Agency must submit it to the County Auditor-Controller, the State Controller and the State Department of Finance ("DOF"), and post it on the Successor Agency's web site.

The DOF shall make its determination of the enforceable obligations and the amounts and funding sources of the enforceable obligations no later than 45 days after ROPS 14-15A is submitted. Section 34177(m) provides for a meet-and-confer period if the Successor Agency disputes the DOF's determinations.

Subdivision (m) of Section 34177 also provides for significant penalties if a ROPS is submitted late. The City of Kerman would be subject to a civil penalty of \$10,000 per day for each day the ROPS is not submitted to the DOF, and if the ROPS is not submitted within 10 days of the deadline, the maximum administrative cost allowance of the LSA for that ROPS period would be reduced by 25%.

Section 34182.5 provides the County Auditor-Controller the ability to review the ROPS and object to (1) the inclusion of any items that are not demonstrated to be enforceable obligations and/or (2) the funding source proposed for any items. The County Auditor-Controller must transmit notice of its objections to the Successor Agency, the Oversight Board and the DOF at least 60 days prior to an allocation date specified in Section 34183. If the Oversight Board disputes the objections of the County Auditor-Controller, it may refer the matter to the DOF for determination.

The Oversight Board's approval of ROPS 14-15A is one of the steps in the procedure of adopting a valid ROPS for the period of July through December 2014 pursuant to Section 34177(l), and obtaining the funds to make payments on obligations listed on that ROPS.

FISCAL IMPACT

There is no fiscal impact as a result of adoption of this resolution.

PUBLIC HEARING

N/A

REASON FOR RECOMMENDATION

N/A

Attachments:

- A. Resolution
- B. Recognized Obligation Payment Schedule (ROPS 14-15A)

Attachment 'A'**RESOLUTION NO. OB 14-01****A RESOLUTION OF THE OVERSIGHT BOARD OF THE KERMAN REDEVELOPMENT SUCCESSOR AGENCY APPROVING DRAFT RECOGNIZED OBLIGATION PAYMENT SCHEDULE PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(1)**

WHEREAS, pursuant to Health and Safety Code section 34173(d), the City of Kerman is the Successor Agency to the dissolved Redevelopment Agency of the City of Kerman, confirmed by Resolution No. 12-04 adopted on January 18, 2012; and

WHEREAS, the Oversight Board is the Successor Agency's oversight board pursuant to Health and Safety Code section 34179(a); and

WHEREAS, Health and Safety Code section 34177(1)(2), as modified by the Supreme Court opinion in California Redevelopment Association, et al. v. Ana Matosantos, et al., Case No. S194861, requires the Successor Agency to prepare an initial draft of a "recognized obligation payment schedule "ROPS") by March 3, 2014, listing outstanding obligations of the Agency to be performed by the Successor Agency during the time period from July 1, 2014, through December 31, 2014; and

WHEREAS, Health and Safety Code section 34177(1)(2) requires the Successor Agency to submit the initial draft of the ROPS to either the Fresno County Auditor- Controller, or its designee, for the auditor's review and certification as to the accuracy of the ROPS; and

WHEREAS, Health and Safety Code section 34177(1)(2) requires the Successor Agency to submit the ROPS certified by the external auditor to the Oversight Board for approval and, upon such approval, the Successor Agency is required to submit a copy of such approved ROPS to the Fresno County Auditor-Controller, the California State Controller, and the State of California Department of Finance and post the Approved ROPS on the Successor Agency's website; and

WHEREAS, Health and Safety Code section 34180(g) requires the Oversight Board to approve the Successor Agency's establishment of the ROPS prior to the Successor Agency acting upon the ROPS; and

WHEREAS, the Fresno County Auditor-Controller has informed the RDA Successor Agency to submit the initial draft of the ROPS to the Oversight Board.

NOW, THEREFORE, THE OVERSIGHT BOARD OF THE KERMAN REDEVELOPMENT SUCCESSOR AGENCY DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. Recitals - The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

SECTION 2. CEQA Compliance - The approval of the ROPS through this Resolution does not commit the Oversight Board to any action that may have a significant effect on the environment. As a result, such action does not constitute a project subject to the requirements of the California Environmental Quality Act.

SECTION 3. Approval of the ROPS - The Oversight Board hereby approves and adopts the ROPS, in substantially the form attached to this Resolution as Exhibit A, pursuant to Health and Safety Code Section 34177.

SECTION 4. Implementation The Oversight Board hereby directs the Successor Agency to submit copies of the ROPS approved by the Oversight Board to the Fresno County Auditor - Controller, the State of California Controller and the State of California Department of Finance after the effective date of this Resolution or, if the State of California Department of Finance requests review of the ROPS prior to the effective date of this Resolution, upon approval of the ROPS by the State of California Department of Finance, and prior to March 3, 2014, and to post the ROPS on the Successor Agency's website.

SECTION 5. Severability If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Oversight Board declares that the Oversight Board would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

SECTION 6. Certification The City Clerk of the City of Kerman, acting on behalf of the Oversight Board as its Secretary, shall certify to the adoption of this Resolution.

SECTION 7. Effective Date Pursuant to Health and Safety Code section 34179(h), all actions taken by the Oversight Board may be reviewed by the State of California Department of Finance, and, therefore, this Resolution shall not be effective for three (3) business days, pending a request for review by the State of California Department of Finance.

PASSED, APPROVED AND ADOPTED this 27th day of February, 2014, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

The foregoing resolution is hereby approved.

Attest:

Gary Yep
Chairperson

Marci Reyes
Oversight Board Secretary

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

Filed for the July 1, 2014 through December 31, 2014 Period

Name of Successor Agency: Kerman
Name of County: Fresno

| Current Period Requested Funding for Outstanding Debt or Obligation | Six-Month Total |
|--|------------------------|
| Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF) Funding | |
| A Sources (B+C+D): | \$ - |
| B Bond Proceeds Funding (ROPS Detail) | - |
| C Reserve Balance Funding (ROPS Detail) | - |
| D Other Funding (ROPS Detail) | - |
| E Enforceable Obligations Funded with RPTTF Funding (F+G): | \$ 189,370 |
| F Non-Administrative Costs (ROPS Detail) | 64,370 |
| G Administrative Costs (ROPS Detail) | 125,000 |
| H Current Period Enforceable Obligations (A+E): | \$ 189,370 |

| Successor Agency Self-Reported Prior Period Adjustment to Current Period RPTTF Requested Funding | |
|---|-------------------|
| I Enforceable Obligations funded with RPTTF (E): | 189,370 |
| J Less Prior Period Adjustment (Report of Prior Period Adjustments Column S) | - |
| K Adjusted Current Period RPTTF Requested Funding (I-J) | \$ 189,370 |

| County Auditor Controller Reported Prior Period Adjustment to Current Period RPTTF Requested Funding | |
|---|----------------|
| L Enforceable Obligations funded with RPTTF (E): | 189,370 |
| M Less Prior Period Adjustment (Report of Prior Period Adjustments Column AA) | - |
| N Adjusted Current Period RPTTF Requested Funding (L-M) | 189,370 |

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) 14-15A - 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.

| A | B | C | D | E | F | G | H | I | |
|---|---|--|---|--|---|------------------------------------|------------------------|-----------------|--|
| | | Fund Sources | | | | | | | |
| | | Bond Proceeds | | Reserve Balance | | Other | RPTTF | | |
| | Cash Balance Information by ROPS Period | Bonds Issued on or before 12/31/10 | Bonds Issued on or after 01/01/11 | Prior ROPS period balances and DDR balances retained | Prior ROPS RPTTF distributed as reserve for next bond payment | Rent, Grants, Interest, Etc. | Non-Admin and Admin | Comments | |
| ROPS 13-14A Actuals (07/01/13 - 12/31/13) | | | | | | | | | |
| 1 | Beginning Available Cash Balance (Actual 07/01/13) Note that for the RPTTF, 1 + 2 should tie to columns J and O in the Report of Prior Period Adjustments (PPAs) | | | | | | 8,374 | | |
| 2 | Revenue/Income (Actual 12/31/13) Note that the RPTTF amounts should tie to the ROPS 13-14A distribution from the County Auditor-Controller during June 2013 | | | | | | 190,185 | | |
| 3 | Expenditures for ROPS 13-14A Enforceable Obligations (Actual 12/31/13) Note that for the RPTTF, 3 + 4 should tie to columns L and Q in the Report of PPAs | | | | | | 189,370 | | |
| 4 | Retention of Available Cash Balance (Actual 12/31/13) Note that the RPTTF amount should only include the retention of reserves for debt service approved in ROPS 13-14A | | | | | | | | |
| 5 | ROPS 13-14A RPTTF Prior Period Adjustment Note that the RPTTF amount should tie to column S in the Report of PPAs. | No entry required | | | | | | - | |
| 6 | Ending Actual Available Cash Balance C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 9,189 | | |
| ROPS 13-14B Estimate (01/01/14 - 06/30/14) | | | | | | | | | |
| 7 | Beginning Available Cash Balance (Actual 01/01/14) (C, D, E, G = 4 + 6, F = H4 + F4 + F6, and H = 5 + 6) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 9,189 | | |
| 8 | Revenue/Income (Estimate 06/30/14) Note that the RPTTF amounts should tie to the ROPS 13-14B distribution from the County Auditor-Controller during January 2014 | | | | | | 170,285 | | |
| 9 | Expenditures for 13-14B Enforceable Obligations (Estimate 06/30/14) | | | | | | 179,474 | | |
| 10 | Retention of Available Cash Balance (Estimate 06/30/14) Note that the RPTTF amounts may include the retention of reserves for debt service approved in ROPS 13-14B | | | | | | | | |
| 11 | Ending Estimated Available Cash Balance (7 + 8 - 9 - 10) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 0 | | |

