

**OVERSIGHT BOARD OF SUCCESSOR AGENCY
TO ORANGE COVE REDEVELOPMENT AGENCY**

Special Meeting

Thursday, February 12, 2015 at 3:00 P.M.

Meeting To Be Held At

**Orange Cove Council Chambers
633th Street, Orange Cove, California.**

A. Call to Order/Welcome

B. Public Forum

Members of the public wishing to address the Oversight Board on an item that is not on the agenda may do so now. No action will be taken by the Oversight Board this evening. But items presented may be referred to staff for follow up and a report. In order to allow time for all comments, each individual is limited to three minutes. When addressing the Oversight Board, you are requested to come forward to the speakers microphone, state your name and address, and then proceed with your comments.

C. Administration

1. **SUBJECT:** Consideration of a Loan Agreement in the amount of \$3,719.00 between the City of Orange Cove and the Successor Agency to the Orange Cove Redevelopment Agency

Recommendation: Oversight Board to consider Resolution No. OB 2015-01 Approving a Loan Agreement in the amount of \$3,719.00 between the City of Orange Cove and the Successor Agency to the Orange Cove Redevelopment Agency

2. **SUBJECT:** Consideration of resolutions adopting the Agency's Administrative Budget for Fiscal Year 2015-16 and the Recognized Obligation Payment Schedule 15-16A for the July through December 2015 period

Recommendation: Oversight Board to consider approving the following:

- a) Resolution No. OB 2015-02 Approving the Successor Agency's Administrative Budget for Fiscal Year 2015-16 pursuant to Health & Safety Code Section 34177(j)
- b) Resolution No. OB 2015-03 Approving the Recognized Obligation Payment Schedule 15-16A for July through December 2015 and Authorizing its Transmittal

D. Adjournment

ADA Notice: In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk at (559) 626-4488 ext. 214. Notification 48 hours prior to the meeting will enable the Oversight Board to make arrangements to ensure accessibility to this meeting.

Documents: Any writings or documents provided to a majority of the Oversight Board regarding any item on this agenda will be made available for public inspection at front counter at City Hall and at the Orange Cove Library located at 815 Park Blvd., Orange Cove, CA during normal business hours. In addition, most documents are posted on City's website at cityoforangecove.com. under "Oversight Board."

DATE: FEBRUARY 12, 2015

TO: OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO ORANGE COVE REDEVELOPMENT AGENCY

FROM: Lan Bui, Finance Director
SUCCESSOR AGENCY TO THE ORANGE COVE REDEVELOPMENT AGENCY

RE: APPROVING A LOAN AGREEMENT IN THE AMOUNT OF \$3,719.00 BETWEEN THE CITY OF ORANGE COVE AND THE SUCCESSOR AGENCY TO THE ORANGE COVE REDEVELOPMENT AGENCY

RECOMMENDATION

Adopt a Resolution of the Oversight Board Approving a Loan Agreement in the Amount of \$3,719.00 between the City of Orange Cove and the Successor Agency to the Orange Cove Redevelopment Agency.

FISCAL IMPLICATIONS:

Adoption of the loan agreement is necessary to repay the City of Orange Cove's General Fund, which was used to cover a shortfall in revenues to pay for enforceable obligations on prior Recognized Obligation Payment Schedules.

BACKGROUND AND OVERVIEW:

All California redevelopment agencies were eliminated as of February 1, 2012 by the adoption of Assembly Bill ("AB") x1 26, as modified by California Supreme Court case *California Redevelopment Association v. Matosantos* and Assembly Bill 1484 (collectively referred to as the "Dissolution Act" and codified in the California Health & Safety Code, or "HSC"). Pursuant to the Dissolution Act, the City of Orange Cove elected to become the Successor Agency for the Orange Cove Redevelopment Agency on January 17, 2012. The Successor Agency is responsible for winding down the affairs of the redevelopment agency, with oversight from an Oversight Board.

Successor Agency activities are funded primarily by Redevelopment Property Tax Trust Funds ("RPTTF"), which is similar to property tax increment revenues used to fund former redevelopment agencies. Other funding sources include, but are not limited to, bond proceeds, interest, and loan receivables. The Successor Agency is required to prepare a Recognized Obligation Payment Schedule ("ROPS") before each six-month fiscal period, which identifies the Successor Agency's enforceable obligations and the funding source for each obligation. The ROPS are reviewed by the Oversight Board and California Department of Finance ("DOF"). The Successor Agency may only pay for obligations approved by both parties after their review.

The Successor Agency adopted ROPS for the July to December 2013 period ("ROPS 13-14A") and January to June 2014 period ("ROPS 13-14B"). The ROPS A and B included an administrative cost allowance of \$125,000 in each period, or \$250,000 for the entire fiscal year. This is the minimum amount permitted for an administrative cost allowance by H&SC Section 34171.

The Successor Agency reported how much it actually spent during the ROPS 13-14A and B periods on a Report of Prior Period Adjustments ("PPA"). The Successor Agency reported that it

spent \$102,314 of its administrative cost allowance in the ROPS 13-14A period and \$122,673 in the ROPS 13-14B period. This is \$25,013 less than the amount approved on the ROPS. The Successor Agency's RPTTF allocations for the ROPS 14-15A and B periods were reduced by the amount reported as unspent on the PPA. The unspent amounts are applied as cash available to fund ROPS 14-15A and B obligations.

However, at the time the ROPS 13-14 A and B PPA were prepared (in February and September 2014, respectively) the Successor Agency's year-end accounting for Fiscal Year 13-14 had not been finalized. The City of Orange Cove Independent Auditor's Report and Financial Statements for the fiscal year ending June 30, 2014 reported that the Successor Agency spent \$228,471 on administrative costs. This is \$3,484 higher than what was claimed on the ROPS.

In addition, the ROPS 13-14B estimated that a U.S. Bank trustee administration fee would cost \$1,800. The actual fee was \$2,035, which is \$235 higher than estimated. In total, the Successor Agency had \$3,719 in expenditures that were not funded through the ROPS, resulting in a shortfall to fund ROPS 14-15A and B obligations. The Successor Agency requested financial assistance from the City, to cover the shortfall, and the City provided the assistance via City's General Fund.

In order to repay the General Fund, it is necessary to set up a loan agreement between the Successor Agency and the City and list it as an enforceable obligation on future ROPS. HSC Section 34173(h) authorizes the City to loan funds to the Successor Agency for administrative costs, enforceable obligations, or project-related expenses at its discretion. It is anticipated that the loan would be repaid by December 2015 on the ROPS 15-16A.

It is respectfully requested that the Oversight Board approve the attached Loan Agreement. If approved, the Loan Agreement will be placed on the next ROPS for the July through December, 2015 period.

FINDINGS AND ALTERNATIVES:

The alternatives available to the Oversight Board include:

1. Adopt a Resolution of the Oversight Board of the Successor Agency to the Orange Cove Redevelopment Agency Approving a Loan Agreement in the Amount of \$3,719.00 between the City of Orange Cove and the Successor Agency to the Orange Cove Redevelopment Agency; or
2. Do not adopt a Resolution of the Oversight Board of the Successor Agency to the Orange Cove Redevelopment Agency Approving a Loan Agreement in the Amount of \$3,719.00 between the City of Orange Cove and the Successor Agency to the Orange Cove Redevelopment Agency; or
3. Provide staff with alternative direction.

RESOLUTION NO. 0B 2015-01

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE
SUCCESSOR AGENCY TO THE ORANGE COVE REDEVELOPMENT AGENCY
APPROVING A LOAN AGREEMENT IN THE AMOUNT OF \$3,719.00
BETWEEN THE CITY OF ORANGE COVE AND THE
SUCCESSOR AGENCY TO THE ORANGE COVE REDEVELOPMENT AGENCY**

WHEREAS, the Oversight Board of the Successor Agency to the Orange Cove Redevelopment Agency ("Oversight Board") has been established to direct the Successor Agency to the Orange Cove Redevelopment Agency ("Successor Agency") to take certain actions to wind down the affairs of the Redevelopment Agency in accordance with the Dissolution Act (enacted by Assembly Bills 26 and 1484, as codified in the California Health and Safety Code); and

WHEREAS, Section 34179 of the Dissolution Act provides that the Oversight Board has fiduciary responsibilities to holders of enforceable obligations and the taxing entities that benefit from distributions of property tax and other revenues pursuant to Section 34188 of Part 1.85 of the Dissolution Act; and

WHEREAS, Sections 34177(l), 34177(m) and 34179 of the Dissolution Act provide that Recognized Obligation Payment Schedules ("ROPS") identifying the enforceable obligations of a Successor Agency for each six-month fiscal period be prepared by the Successor Agency and approved by its Oversight Board and the California Department of Finance ("DOF"); and

WHEREAS, the Successor Agency prepared ROPS for the July to December 2013 and January to June 2014 periods ("ROPS 13-14 A&B") that were approved by the Oversight Board DOF; and

WHEREAS, administrative cost allowance expenditures on the ROPS 13-14 A&B were underreported, resulting in the ROPS for the July to December 2014 and January to June 2015 periods ("ROPS 14-15 A&B") to be underfunded due to an inaccurate Prior Period Adjustment; and

WHEREAS, the ROPS 13-14B underestimated a U.S. Bank trustee administration fee, resulting in the ROPS 13-14B being underfunded; and

WHEREAS, to cover the shortfall, the Successor Agency requested financial assistance from the City, and the City and the City provide said assistance via a loan from its General Fund; and

WHEREAS, H&SC Section 34173(h) provides that the City may loan funds to the Successor Agency for administrative costs, enforceable obligations, or project-related expenses at the City's discretion, and that the loan must be reflected on the Agency's ROPS, which is subject to the approval of the Successor Agency's Oversight Board; and

WHEREAS, the City and Successor Agency desire to enter into a loan agreement in order to repay the City for items that were unfunded by the ROPS as noted above; and

WHEREAS, on **DATE**, the City and Successor Agency adopted resolutions approving the loan agreement in the amount of \$3,719.00; and

WHEREAS, Health & Safety Code Section 34180(h) requires oversight boards to approve a request by a successor agency to enter into an agreement with the city that formed the redevelopment agency that it is succeeding; and

WHEREAS, the Oversight Board desires to approve the loan agreement.

NOW, THEREFORE, the Oversight Board of the Successor Agency to the Orange Cove Redevelopment Agency does hereby resolve as follows:

SECTION 1. The Recitals set forth above are true and correct and incorporated herein by reference; and

SECTION 2. The Oversight Board hereby approves the Loan Agreement between the City of Orange Cove and the Successor Agency to the Orange Cove Redevelopment Agency, attached to this Resolution as Exhibit A, and incorporated herein by reference.

SECTION 3. The Oversight Board Secretary shall certify to the adoption of this Resolution.

PASSED, APPROVED and ADOPTED at a special meeting of the Oversight Board of the Successor Agency to the Orange Cove Redevelopment Agency held this 12th day of February, 2015 by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

Chairperson Oversight Board

ATTEST:

Oversight Board Secretary

EXHIBIT "A"
LOAN AGREEMENT BETWEEN THE CITY OF ORANGE COVE
AND THE SUCCESSOR AGENCY TO THE ORANGE COVE REDEVELOPMENT AGENCY

**LOAN AGREEMENT BETWEEN THE CITY OF ORANGE COVE
AND THE SUCCESSOR AGENCY TO THE ORANGE COVE
REDEVELOPMENT AGENCY IN THE AMOUNT OF \$3,719.00**

This **LOAN AGREEMENT** ("Agreement") is entered into and effective as of February 12, 2015 and is made by and between the **CITY OF ORANGE COVE**, a municipal corporation ("City") and the **SUCCESSOR AGENCY TO THE ORANGE COVE REDEVELOPMENT AGENCY**, a public body corporate and politic ("Successor Agency").

RECITALS

A. The City is a municipal corporation organized and operating under the laws of the State of California.

B. The Successor Agency is a public entity corporate and politic, organized and operating under Part 1.85 of Division 24 of the California Health and Safety Code ("H&SC").

C. H&SC Section 34177(a) permits the Successor Agency to make payments due for enforceable obligations.

D. H&SC Section 34177(l) requires the Successor Agency to prepare a Recognized Obligation Payment Schedule ("ROPS") before each six-month fiscal period that lists its enforceable obligations.

E. The Successor Agency adopted ROPS for the July to December 2013 period ("ROPS 13-14A") and January to June 2014 period ("ROPS 13-14B"). The total amount of enforceable obligations approved by the Oversight Board and the California Department of Finance ("DOF") was \$556,154 on the ROPS 13-14A and \$180,343 on the ROPS 13-14B.

F. The Oversight Board and DOF approved an administrative cost allowance of \$125,000 on the ROPS 13-14A and \$125,000 on the ROPS 13-14B, or \$250,000 for the entire fiscal year. This is the minimum amount permitted for an administrative cost allowance by H&SC Section 34171.

G. The Successor Agency reported how much it actually spent during the ROPS 13-14A and B periods on the Report of Prior Period Adjustments ("PPA"). The ROPS 13-14A PPA was submitted on February 21, 2014 as part of the ROPS 14-15A. The ROPS 13-14B PPA was submitted on September 17, 2014 as part of the ROPS 14-15B.

H. The Successor Agency reported that it spent \$102,314 of its administrative cost allowance in the ROPS 13-14A period and \$122,673 in the ROPS 13-14B period. This is \$25,013 less than the amount approved on the ROPS. The Successor Agency's Redevelopment Property Tax Trust Fund ("RPTTF") allocations for the ROPS 14-15A and B periods were reduced by the amount reported as unspent on the PPA. The unspent amounts are applied as cash available to fund ROPS 14-15A and B obligations.

I. At the time the ROPS 13-14 A and B PPA were reported, the Successor Agency's year-end accounting for Fiscal Year 13-14 had not been finalized. The City of Orange Cove Independent Auditor's Report and Financial Statements for the fiscal year ending June 30, 2014

reported that the Successor Agency spent \$228,471 on administrative costs. This is \$3,484 higher than what was claimed on the ROPS.

J. The ROPS 13-14B estimated that a U.S. Bank trustee administration fee would cost \$1,800. The actual fee was \$2,035, which is \$235 higher than estimated.

K. In total, the Successor Agency had \$3,719 in expenditures that were not funded through the ROPS, resulting in a shortfall to fund ROPS 14-15A and B obligations. To cover the shortfall, the Successor Agency requested financial assistance from the City, and the City provided said assistance via a loan from its General Fund.

L. H&SC Section 34173(h) provides that the City may loan funds to the Successor Agency for administrative costs, enforceable obligations, or project-related expenses at the city's discretion, and that the loan must be reflected on the Successor Agency's Recognized Obligation Payment Schedule ("ROPS"), which is subject to the approval of the Successor Agency's Oversight Board. Further H&SC Sections 34178 and 34180 authorize certain contracts to be entered into between the Successor Agency and the City as its sponsoring community.

M. Relying on this authority, the City is prepared to extend a loan ("Loan") to the Successor Agency in the amount of THREE THOUSAND SEVEN HUNDRED NINETEEN DOLLARS (\$3,719.00) ("Loan Amount") to be used to pay for underfunded enforceable obligations during the ROPS 14-15A and B periods.

N. The Successor Agency will list the Loan as an enforceable obligation on the ROPS 15-16A and future ROPS as necessary.

AGREEMENT

NOW THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, the City and Successor Agency agree as follows:

Section 1. *Recitals.* The City and Successor Agency represent and warrant to each other that each of the respective recitals is true and correct and is hereby incorporated into this Agreement by reference as if fully set forth.

Section 2. *Loan.* Provided that the loan conditions set forth in Section 4 are satisfied, the City shall use City general funds to provide the Successor Agency with the Loan in an amount not to exceed \$3,719.00 on or before June 30, 2015.

Section 3. *Use of Loan.* The Successor Agency shall use the Loan to pay for administrative costs and the U.S. Bank trustee administrative fee, as set forth on its approved ROPS 14-15A and B.

Section 4. *Loan Conditioned on Oversight Board Approval.* Prior to making the Loan described in Section 2, the Successor Agency shall present such contract to the Oversight Board for its review and approval of this Agreement in conformity with H&SC Sections 34173(h) and 34180.

Section 5. *Source of Repayment; Limited Subordination.*

(A) Except as provided in paragraph (B) below of this Section 5, the Loan shall be repaid on par with any enforceable obligations falling within H&SC Section 34183(a)(2)(C) (debts not qualifying as tax allocation bonds and certain revenue bonds).

(B) The loan will be repaid by the Successor Agency by December 31, 2015, provided that DOF approves the payment as an enforceable obligation on the ROPS 15-16A and there is enough RPTTF available to repay the loan. The City hereby agrees to extend repayment in six month intervals if repayment in that period would leave insufficient funds to the Successor Agency to satisfy other contractual obligations covered by H&SC Section 34183(a)(2)(C) which: (i) are due in that six-month period; and (ii) were in existence as of the date of this Agreement.

(C) Unless legally prohibited or waived by the City, any portion of the unpaid Loan shall also be repaid from other revenues available to the Successor Agency. These payments shall augment and supplement the required payments described in paragraph (A).

Section 6. *Placement of Loan Obligation on the Successor Agency's ROPS.* Provided that this Agreement is approved by the Oversight Board (and City and Successor Agency), the Successor Agency shall prepare and approve a ROPS that includes this Agreement as a listed enforceable obligation. The amount of that listed enforceable obligation shall be the Loan Amount. The Agreement shall be included on each successive ROPS for the Successor Agency until the City is repaid the full Loan Amount.

Section 7. *Term.* This Agreement shall be in full force and effect from the date hereof until such time as the entire amount of the Loan has been repaid in full.

Section 8. *Entire Agreement.* This Agreement constitutes the entire agreement by and between the parties with respect to the subject matter of this Agreement, and may be amended only in writing.

Section 9. *Remedies.* In the event of a default, the parties hereto shall be entitled to pursue any and all remedies available at law or equity under California law for purposes of enforcing the terms and conditions of this Agreement.

[Signature blocks for Loan Agreement on next page]

[Loan Agreement continued from previous page]

APPROVED AND EXECUTED by signature of the authorized representatives of each of the parties on _____, 2015.

CITY:

CITY OF ORANGE COVE, a municipal corporation

By: _____
Samuel A. Escobar, City Manager

ATTEST:

By: _____
June Bracamontes, City Clerk

APPROVED AS TO FORM:

By: _____
Bianca Sparks, City Attorney

SUCCESSOR AGENCY:

SUCCESSOR AGENCY TO THE ORANGE COVE REDEVELOPMENT AGENCY, a public body, corporate and politic

By: _____
Samuel A. Escobar, Executive Director

ATTEST:

By: _____
June Bracamontes, Agency Secretary

APPROVED AS TO FORM:

By: _____
Bianca Sparks, Agency Counsel

DATE: FEBRUARY 12, 2015

TO: OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO ORANGE COVE REDEVELOPMENT AGENCY

FROM: Sam Escobar, City Manager
Lan Bui, Finance Director
SUCCESSOR AGENCY TO THE ORANGE COVE REDEVELOPMENT AGENCY

RE: APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE 15-16A FOR THE JULY THROUGH DECEMBER 2015 PERIOD AND APPROVING THE SUCCESSOR AGENCY'S ADMINISTRATIVE BUDGET FOR FISCAL YEAR 2015-16

RECOMMENDATION

1. Adopt a Resolution of the Oversight Board of the Successor Agency to the Orange Cove Redevelopment Agency Approving the Successor Agency's Administrative Budget for Fiscal Year 2015-16 pursuant to Health & Safety Code Section 34177(j)
2. Adopt a Resolution of the Oversight Board of the Successor Agency to the Orange Cove Redevelopment Agency Approving the Recognized Obligation Payment Schedule 15-16A for July through December 2015 and Authorizing its Transmittal

FISCAL IMPLICATIONS:

Adoption and transmittal of the Recognized Obligation Payment Schedule and Successor Agency Administrative Budget is necessary to receive money from the Redevelopment Property Tax Trust Fund to fund the Successor Agency's financial obligations from July through December 2015.

BACKGROUND AND OVERVIEW:

Assembly Bill ("AB") x1 26, amended by AB 1484 and codified in the California Health & Safety Code ("H&SC") requires successor agencies to adopt a Recognized Obligation Payment Schedule ("ROPS") before each six-month fiscal period. A ROPS covering the period of July 1, 2015 through December 31, 2015 ("ROPS 15-16A") is due by March 3, 2015 pursuant to H&SC Section 34177(m). The ROPS projects necessary payments for each enforceable obligation of the former Orange Cove Redevelopment Agency for the six-month period.

Staff has prepared a resolution adopting the ROPS for the Oversight Board's consideration, which is attached to this staff report. If it is approved by the Oversight Board, Staff will transmit it electronically to the Department of Finance, State Controller, and Fresno County Auditor-Controller for their review. The adopted ROPS must be transmitted by March 3, 2015; if it is not transmitted on time the Successor Agency will be subject to a penalty of \$10,000 per day. With DOF approval, the Auditor-Controller will be authorized to disperse property tax revenue to pay ROPS obligations on June 1, 2015.

DOF provided the Successor Agency with a partially completed ROPS form to aid in DOF's attempt to standardize the form and make it consistent with the newly implemented automated tracking system. DOF made only minor changes to the form since last ROPS cycle.

The ROPS 15-16A contains many of the same enforceable obligations listed on the last ROPS.

It is important to remember that the ROPS is merely a projection of estimated payments for the ensuing 6-month fiscal period. The actual payments made could be the same or less. The proposed ROPS includes a reconciliation page for the July through December 2014 (ROPS 14-15A) period, and is being presented for your approval as part of the ROPS 15-16A. The Successor Agency's actual expenditures generally match what was estimated on the ROPS 14-15A.

It is anticipated that there will be sufficient RPTTF available to fully fund Successor Agency's obligations in the ROPS 15-16A period. A five-year cash flow analysis shows that the Successor Agency should have sufficient revenues to fund all of its known obligations through Fiscal Year 2019-20. It is estimated that approximately \$203,491 will be split among all affected taxing entities in the ROPS 15-16A period.

HSC Section 34177(j) requires the Successor Agency to prepare an Administrative Budget and submit it to the Oversight Board for approval. The Administrative Budget includes the proposed administrative expenditures for Fiscal 2015-16. The Successor Agency anticipates needing the entire \$250,000 minimum annual administrative allocation described in HSC Section 34171(b). The Successor Agency is requesting \$125,000 for the 15-16A ROPS period and \$125,000 for the 2015-16B ROPS period.

Staff recommends that the Oversight Board:

1. Adopt Resolution No. OB 2015-02 Approving the Successor Agency's Administrative Budget for Fiscal Year 2015-16 pursuant to Health & Safety Code Section 34177(j)
2. Adopt Resolution No. OB 2015-03 Approving the Recognized Obligation Payment Schedule 15-16A for July through December 2015 and Authorizing its Transmittal

RESOLUTION NO. 0B 2015- 02

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE
SUCCESSOR AGENCY TO THE ORANGE COVE REDEVELOPMENT AGENCY
APPROVING THE SUCCESSOR AGENCY'S ADMINISTRATIVE BUDGET
FOR FISCAL YEAR 2015-16
PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(j)**

WHEREAS, the Oversight Board of the Successor Agency to the Orange Cove Redevelopment Agency ("Oversight Board") has been established to direct the Successor Agency to the Orange Cove Redevelopment Agency ("Successor Agency") to take certain actions to wind down the affairs of the Redevelopment Agency in accordance with the Dissolution Act (enacted by Assembly Bills 26 and 1484, as codified in the California Health and Safety Code); and

WHEREAS, Section 34179 of the Dissolution Act provides that the Oversight Board has fiduciary responsibilities to holders of enforceable obligations and the taxing entities that benefit from distributions of property tax and other revenues pursuant to Section 34188 of Part 1.85 of the Dissolution Act; and

WHEREAS, Section 34177(j) of the Dissolution Act requires the Successor Agency to prepare a proposed administrative budget and submit it to the Oversight Board for approval; and

WHEREAS, pursuant to Section 34177(j), the Successor Agency's "Administrative Budget" is to include all of the following: (a) estimated amounts of the Successor Agency's administrative costs for the up-coming six-month fiscal period; (b) the proposed sources of payment for the costs identified in (a); and (c) proposals for arrangements for administrative and operations services provided by the city serving as Successor Agency; and

WHEREAS, the Successor Agency's proposed Fiscal Year 2015-16 Administrative Budget for the period July 1, 2015 to December 31, 2015 and for the period January 1, 2016 to June 30, 2016 has been reviewed and by this Resolution the Oversight Board desires to approve such Administrative Budget; and

WHEREAS, the Administrative Budget, when and as approved by the Oversight Board, will be provided to the County of Fresno Auditor-Controller pursuant to Section 34177(k) so that the Successor Agency's estimated administrative costs in the approved Administrative Budget will be paid from property tax revenues deposited into the Redevelopment Property Tax Trust Fund for each applicable six-month period.

NOW, THEREFORE, the Oversight Board of the Successor Agency to the Orange Cove Redevelopment Agency does hereby resolve as follows:

SECTION 1. The Recitals set forth above are true and correct and incorporated herein by reference; and

SECTION 2. The Oversight Board hereby approves the Fiscal Year 2015-16 Administrative Budget for the period July 1, 2015 to December 31, 2015 and for the period January 1, 2016 to June 30, 2016 submitted herewith as Exhibit A, which is incorporated herein by this reference.

SECTION 3. Successor Agency staff is hereby authorized to send the Administrative Budget to the Fresno County Auditor-Controller and post it on the Successor Agency's website.

SECTION 4. The Oversight Board Secretary shall certify to the adoption of this Resolution.

PASSED, APPROVED and ADOPTED at a special meeting of the Oversight Board of the Successor Agency to the Orange Cove Redevelopment Agency held this 12th day of February, 2015 by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

Chairperson Oversight Board

ATTEST:
Oversight Board Secretary

EXHIBIT "A"
SUCCESSOR AGENCY ADMINISTRATIVE BUDGET
FOR FISCAL YEAR 2015-16

ORANGE COVE SUCCESSOR AGENCY ADMINISTRATIVE BUDGET FY 2015-16

FY 2015-16 Administrative Activities

Personnel

County correspondence/coordination	Successor Agency Staff, RSG, Legal Counsel			
State correspondence/coordination	Successor Agency Staff, RSG, Legal Counsel			
Prepare ROPS	Successor Agency Staff, RSG, Legal Counsel			
Prepare administrative budget	Successor Agency Staff, RSG, Legal Counsel			
Governmental asset transfer	Successor Agency Staff, RSG, Legal Counsel			
Oversight Board staff support	Successor Agency Staff, RSG, Legal Counsel			
Management of dissolution activities	Successor Agency Staff, RSG, Legal Counsel			
Annual audit	Accountant			
Manage/monitor finances	Successor Agency Staff, RSG			
Agendas/minutes/Brown Act records assistance	Successor Agency Staff			

Budget by Personnel

	Description	Estimated Hours	Average Rate	Total
Successor Agency Staff Costs	Salaries, Wages, Benefits	5,000	\$40	200,000.00
Operating Expenses	Insurance, Supplies, Maintenance		n/a	4,000.00
Rosenow Spevacek Group Inc.	Advisory Services (ROPS Preparation, Legislative Guidance, Property Disposition, Cash Flow Projections, State/County Correspondence, etc.)	200	\$150	30,000.00
Legal Counsel	Legal Services (Review materials. Meeting attendance is charged to the City for City Council/Successor Agency meetings.)	60	\$165	9,900.00
Accountant	Audit Services		n/a	3,500.00
Oversight Board Costs	Supplies and Meeting Operations Cost		n/a	2,000.00
Contingency			n/a	600.00
Grand Total				\$ 250,000.00

RESOLUTION NO. 0B 2015-03

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE
SUCCESSOR AGENCY TO THE ORANGE COVE REDEVELOPMENT AGENCY
APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE
15-16A FOR JULY THROUGH DECEMBER 2015
AND AUTHORIZING ITS TRANSMITTAL**

WHEREAS, the Oversight Board of the Successor Agency to the Orange Cove Redevelopment Agency ("Oversight Board") has been established to direct the Successor Agency to the Orange Cove Redevelopment Agency ("Successor Agency") to take certain actions to wind down the affairs of the Redevelopment Agency in accordance with the Dissolution Act (enacted by Assembly Bills 26 and 1484, as codified in the California Health and Safety Code); and

WHEREAS, among the duties of successor agencies under the Dissolution Act is the preparation of a recognized obligation payment schedule ("ROPS") for the ensuing six-month period for consideration by a local oversight board and California Department of Finance ("DOF") for purposes of administering the wind-down of financial obligations of the former Redevelopment Agency; and

WHEREAS, the Dissolution Act requires that the proposed ROPS be transmitted to the local oversight board, county auditor-controller, county executive officer, and DOF, after which time the oversight board may approve and transmit the adopted ROPS to DOF, the State Controller, and the county auditor-controller for their consideration, and

WHEREAS, as required by the Dissolution Act, a copy of the proposed ROPS 15-16A was transmitted via electronic mail to the offices of the Fresno County Auditor-Controller, the Fresno County Executive Officer, and the Department of Finance at the same time it was submitted to the Oversight Board for approval; and

WHEREAS, pursuant to Health and Safety Code sections 34177(l) and 34180(g), the Oversight Board must approve all ROPS for them to become established, valid, and operative for the applicable six-month fiscal period.

NOW, THEREFORE, the Oversight Board of the Successor Agency to the Orange Cove Redevelopment Agency does hereby resolve as follows:

SECTION 1. The Recitals set forth above are true and correct and incorporated herein by reference; and

SECTION 2. The Oversight Board hereby approves and adopts the ROPS 15-16A covering the period of July 1, 2015 through December 31, 2015, in substantially the form attached hereto as Exhibit A, and incorporated herein by reference, as required by the Dissolution Act.

SECTION 3. The Successor Agency is hereby authorized and directed to transmit a copy of the ROPS to DOF, the State Controller, and the Fresno County Auditor-Controller for their review.

SECTION 4. The Oversight Board Secretary shall certify to the adoption of this Resolution.

PASSED, APPROVED and ADOPTED at a special meeting of the Oversight Board of the Successor Agency to the Orange Cove Redevelopment Agency held this 12th day of February, 2015 by the following vote, to wit:

AYES:
NOES:
ABSENT:
ABSTAIN:

Chairperson Oversight Board

ATTEST:
Oversight Board Secretary

EXHIBIT "A"
RECOGNIZED OBLIGATION PAYMENT SCHEDULE 15-16A
JULY THROUGH DECEMBER 2015

Recognized Obligation Payment Schedule (ROPS 15-16A) - Summary

Filed for the July 1, 2015 through December 31, 2015 Period

Name of Successor Agency: Orange Cove
 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 (RPPTF) Funding	
A Sources (B+C+D):	\$ 722,389
B Bond Proceeds Funding (ROPS Detail)	722,389
C Reserve Balance Funding (ROPS Detail)	-
D Other Funding (ROPS Detail)	-
E Enforceable Obligations Funded with RPPTF Funding (F+G):	\$ 215,544
F Non-Administrative Costs (ROPS Detail)	90,544
G Administrative Costs (ROPS Detail)	125,000
H Current Period Enforceable Obligations (A+E):	\$ 937,933

Successor Agency Self-Reported Prior Period Adjustment to Current Period RPPTF Requested Funding

I Enforceable Obligations funded with RPPTF (E):	215,544
J Less Prior Period Adjustment (Report of Prior Period Adjustments Column S)	(84)
K Adjusted Current Period RPPTF Requested Funding (I-J)	\$ 215,460

County Auditor Controller Reported Prior Period Adjustment to Current Period RPPTF Requested Funding

L Enforceable Obligations funded with RPPTF (E):	215,544
M Less Prior Period Adjustment (Report of Prior Period Adjustments Column AA)	-
N Adjusted Current Period RPPTF Requested Funding (L-M)	215,544

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.

/s/ _____	_____
Signature	Date
Name	Title

Recognized Obligation Payment Schedule (ROPS 15-16A) - 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. For tips on how to complete the Report of Cash Balances Form, see https://rad.dof.ca.gov/rad-sa/pdf/Cash_Balance_Agency_Tips_Sheet.pdf.

A	B	C	D	E Fund Sources				G	H	I
				Bond Proceeds	Prior ROPS period balances and DDR RPTTF balances retained	RPTTF distributed as reserve for future period(s)	Other			
Cash Balance Information by ROPS Period										
ROPS 14-15A Actuals (07/01/14 - 12/31/14)										
1	Beginning Available Cash Balance (Actual 07/01/14)	1,118,691	-	-	9,440	141,173	28,041			
2	Revenue/Income (Actual 12/31/14) RPTTF amounts should tie to the ROPS 14-15A distribution from the County Auditor-Controller during June 2014	117,958				177	98,314			Column C: Money was transferred into the 2014 TAB account during the bond refunding that was subsequently expended for cost of issuance. Column G: Cost of issuance for the 2014 TAB bond refunding. Column G: \$107,916 was applied to ROPS 14-15A debt service. The remaining \$33,257 was placed in an escrow fund to pay off bond principal related to the 2014 bond refunding.
3	Expenditures for ROPS 14-15A Enforceable Obligations (Actual 12/31/14) RPTTF amounts, H3 plus H4 should equal total reported actual expenditures in the Report of PPA, Columns L and Q	509,251				141,173	124,916			Column C: The 2014 TABs do not require a reserve.
4	Retention of Available Cash Balance (Actual 12/31/14) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)									
5	ROPS 14-15A RPTTF Prior Period Adjustment RPTTF amount should tie to the self-reported ROPS 14-15A PPA in the Report of PPA, Column S									
6	Ending Actual Available Cash Balance C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	727,397	-	-	9,440	177	2,358	84		Column C: Adjusted for rounding numbers
ROPS 14-15B Estimate (01/01/15 - 06/30/15)										
7	Beginning Available Cash Balance (Actual 01/01/15) (C, D, E, G = 4 + 6, F = H4 + F4 + F8, and H = 5 + 6)	727,397	-	-	9,440	177	2,439			
8	Revenue/Income (Estimate 06/30/15) RPTTF amounts should tie to the ROPS 14-15B distribution from the County Auditor-Controller during January 2015						408,821			
9	Expenditures for ROPS 14-15B Enforceable Obligations (Estimate 06/30/15)	727,399					9,440			Column C: Includes \$5,000 remaining cost of issuance and proposed bond proceed expenditures approved on the ROPS 14-15B
10	Retention of Available Cash Balance (Estimate 06/30/15) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)									
11	Ending Estimated Available Cash Balance (7 + 8 - 9 - 10)	\$ 8	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 177	\$ 84	

