DEPARTMENT OF FINANCE

EDMUND G. BROWN JR. • GOVERNOR
915 L STREET ■ SACRAMENTO CA ■ 95814-3706 ■ WWW.DOF.CA.GOV

November 15, 2014

Mr. Andy Okoro, Deputy City Manager/Director of Finance
City of Norco
2870 Clark Avenue
Norco, CA 92860

Dear Mr. Okoro:

Subject: Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (m), the City of Norco Successor Agency (Agency) submitted a Recognized Obligation Payment Schedule (ROPS 14-15B) to the California Department of Finance (Finance) on October 1, 2014 for the period of January 1 through June 30, 2015. Finance has completed its review of your ROPS 14-15B, which may have included obtaining clarification for various items.

Based on our review, we are approving all of the items listed on your ROPS 14-15B at this time.

Pursuant to HSC section 34186 (a), successor agencies were required to report on the ROPS 14-15B form the estimated obligations and actual payments (prior period adjustments) associated with the January through June 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. The amount of Redevelopment Property Tax Trust Fund (RPTTF) approved in the table below includes the prior period adjustment resulting from the CAC's review of the Agency's self-reported prior period adjustment.

The Agency's maximum approved RPTTF distribution for the reporting period is $4,385,747 as summarized in the Approved RPTTF Distribution Table below:

Approved RPTTF Distribution For the period of January through June 2015		
Total RPTTF requested for non-administrative obligations		4,262,576
Total RPTTF requested for administrative obligations		125,000
Total RPTTF requested for obligations on ROPS	**$**	**4,387,576**
Total RPTTF authorized for non-administrative obligations		4,262,576
Total RPTTF authorized for administrative obligations		125,000
Total RPTTF authorized for obligations	**$**	**4,387,576**
ROPS 13-14B prior period adjustment		(1,829)
Total RPTTF approved for distribution	**$**	**4,385,747**

Please refer to the ROPS 14-15B 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 January 1 through June 30, 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 for whatever reason 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
Acting Program Budget Manager

cc: Ms. Cheryl Link, City Clerk, City of Norco
Ms. Pam Elias, Chief Accountant Property Tax Division, Riverside County
California State Controller's Office

OB RESOLUTION NO. 2014-05

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE NORCO COMMUNITY REDEVELOPMENT AGENCY, APPROVING THE REPORTABLE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD OF JANUARY 1, 2015 THROUGH JUNE 30, 2015 (THE "ROPS 14-15B")

WHEREAS, the ROPS for the period of January 1, 2015 through June 30, 2015 (the "ROPS 14-15B") is attached hereto as submitted to the Oversight Board of the Successor Agency to the Norco Community Redevelopment Agency (the "Oversight Board") for its approval; and

WHEREAS, the Department of Finance (the "DOF") requires that that the ROPS 14-15B be electronically submitted to the County Administrative Officer, the County Auditor-Controller (the "CAC") and the DOF at the same time as the proposed ROPS 14-15B is submitted to the Oversight Board for approval; and

WHEREAS, the approved ROPS 14-15B is required to be electronically submitted to the DOF and the CAC no later than October 1, 2014.

NOW, THEREFORE, BE IT RESOLVED, ordered, and determined by the Oversight Board as follows:

SECTION 1. Submittal of Proposed ROPS 14-15B. The proposed ROPS 14-15B was electronically submitted to the County Administrative Officer, the DOF and the CAC at the same time the same ROPS 14-15B was submitted to the Oversight Board for approval.

SECTION 2. Approval of ROPS 14-15B. The Oversight Board hereby approves the ROPS 14-15B.

SECTION 3. Submittal of Approved ROPS. The approved ROPS 14-15B shall be electronically submitted to the DOF and the CAC no later than October 1, 2014.

SECTION 4. DOF Review of Oversight Board Actions. 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 the ROPS 14-15B is submitted. Within five business days of the department's determination, additional review may be requested regarding any disputed items through a meet and confer process. The DOF shall notify the Successor Agency to the Norco Community Redevelopment Agency and the CAC as to the outcome of its review at least 15 days before the date of property tax distribution.

PASSED AND ADOPTED by the Oversight Board at a regular meeting held on September 29, 2014.

Patrick Malone, Chairperson
Oversight Board

ATTEST:

Cheryl L. Link, City Clerk
Oversight Board Secretary

I, CHERYL L. LINK, City Clerk of the City of Norco, California and Oversight Board Secretary do hereby certify that the foregoing Resolution was introduced and adopted by the Oversight Board at a regular meeting held on September 29, 2014 by the following votes of the Oversight Board:

AYES:	MALONE, MacGREGOR, BASH, BROWN, DIXON, PETREE
NOES:	NONE
ABSENT:	MATA
ABSTAIN:	NONE

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Norco, California on September 29, 2014.

Cheryl L. Link, City Clerk
Oversight Board Secretary

Attachment: ROPS 14-15B

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

Filed for the January 1, 2015 through June 30, 2015 Period

Name of Successor Agency: Norco

Name of County: Riverside

	Current Period Requested Funding for Outstanding Debt or Obligation	Six-Month Total
A	**Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF) Funding Sources (B+C+D):**	**$ 550,000**
B	Bond Proceeds Funding (ROPS Detail)	550,000
C	Reserve Balance Funding (ROPS Detail)	-
D	Other Funding (ROPS Detail)	-
E	**Enforceable Obligations Funded with RPTTF Funding (F+G):**	**$ 4,387,576**
F	Non-Administrative Costs (ROPS Detail)	4,262,576
G	Administrative Costs (ROPS Detail)	125,000
H	**Current Period Enforceable Obligations (A+E):**	**$ 4,937,576**

	Successor Agency Self-Reported Prior Period Adjustment to Current Period RPTTF Requested Funding	
I	Enforceable Obligations funded with RPTTF (E):	4,387,576
J	Less Prior Period Adjustment (Report of Prior Period Adjustments Column S)	(1,829)
K	**Adjusted Current Period RPTTF Requested Funding (I-J)**	**$ 4,385,747**

	County Auditor Controller Reported Prior Period Adjustment to Current Period RPTTF Requested Funding	
L	Enforceable Obligations funded with RPTTF (E):	4,387,576
M	Less Prior Period Adjustment (Report of Prior Period Adjustments Column AA)	-
N	**Adjusted Current Period RPTTF Requested Funding (L-M)**	**4,387,576**

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.

PATRICK K. MALONE — CHAIRPERSON

Name — Title

/s/ Patrick K. Malone — 29 SEPT 2014

Signature — Date

Recognized Obligation Payment Schedule (ROPS 14-15B) - ROPS Detail
January 1, 2015 through June 30, 2015
(Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
										Funding Source					
										Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)			RPTTF		
Item #	Project Name / Debt Obligation	Obligation Type	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Retired	Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin	Six-Month Total
								$ 132,346,512		$ 550,000	$ -	$ -	$ 4,262,576	$ 125,000	$ 4,937,576
1	2001 RDA Refunding RAB	Bonds Issued On or	12/1/2001	3/1/2030	US Bank Trust	Refunded RDA TAB Issue of 1992 and	Number 1	-	Y	-	-	-	-	-	-
2	2001 CNUSD Pass-Through	Bonds Issued On or Before 12/31/10	12/1/2001	3/1/2030	US Bank Trust	Refunded School District Pass-Through Issue of 1992	Number 1	-	Y	-	-	-	-	-	-
3	2004 CNUSD Pass-Through	Reserves	11/22/2004	3/1/2032	US Bank Trust	RDA Pass-Through Issue to Fund Various School Projects	Number 1	-	Y	-	-	-	-	-	-
4	2005 RDA Refunding TAB	Bonds Issued On or Before 12/31/10	12/7/2005	3/1/2026	US Bank Trust	Refunded RDA TAB Issue of 1996	Number 1	23,497,132	N	-	-	-	440,463	-	440,463
5	2009 CNUSD Pass-Through TAB	Reserves	3/1/2009	3/1/2034	US Bank Trust	RDA Pass-Through Issue to Fund Various School Projects	Number 1	21,220,561	N	-	-	-	487,546	-	487,546
6	2010 RDA Refunding TAB	Bonds Issued On or Before 12/31/10	5/11/2010	3/1/2036	US Bank Trust	Refunded RDA 2000 and 2003 TABS	Number 1	49,212,554	N	-	-	-	771,703	-	771,703
7	SERAF Loan from LMIHF	SERAF/ERAF	7/7/2010	6/30/2015	LMI Housing Asset Fund	Loan to help pay 2010 SERAF	Number 1		N						-
8	Unfunded Pension Obligations	Unfunded Liabilities	1/1/2014	6/30/2024	CalPERS	Former Agency Share of UAAL - Pension	Number 1	167,286	N	-	-	-	9,294	-	9,294
9	Unfunded Post Retirement Health	Unfunded Liabilities	1/1/2014	6/30/2024	CalPERS	Former Agency Share of UAAL - Health	Number 1	807,031	N	-	-	-	44,835	-	44,835
10	Hamner Avenue Improvements	Improvement/Infrastructure	7/18/2012	7/18/2014	Griffith Construction	Hamner Avenue Widening Project	Number 1		N						-
11	Ingalls Park Improvements	Improvement/Infrastructure	7/1/2013	6/30/2014	TBD	Ingall Park Electrical	Number 1	-	Y	-	-	-	-	-	-
12	Various City Projects	Improvement/Infrastructure	7/1/2013	6/30/2016	TBD	Unspecified Projects	Number 1		N						-
13	Successor Agency Admin Cost	Admin Costs	1/1/2014	6/30/2036	City of Norco	Staff Costs to Serve as Successor Agency	Number 1	5,375,000	N	-	-	-	-	125,000	125,000
14	CFD Property Taxes	Miscellaneous	1/1/2014	7/1/2020	City of Norco	CFD 93-1 FY 2012 Property on RDA Parcels	Number 1	21,948	N	-	-	-	-	-	-
16	Oversight Board Legal Counsel	Professional Services	1/1/2014	6/30/2015	TBD	Provide Legal Counsel to Oversight Board	Number 1	-	N	-	-	-	-	-	-
17	Veterans Memorial Structure	Improvement/Infrastructure	7/1/2013	6/30/2015	TBD	Construct Veterans Memorial at Ingalls	Number 1	-	N	-	-	-	-	-	-
18	Capital Projects - Ingalls	Improvement/Infrastructure	7/1/2014	6/30/2015	Ricardo Breceda/Valley Crest	Public Land Improvement - Ingalls	Number 1	300,000	N	300,000	-	-	-	-	300,000
19	Capital Projects - Sixth Street LED Signs	Improvement/Infrastructure	7/1/2014	6/30/2015	Queil Brothers Signs	EDAC Sixth Street Gateway Sign	Number 1	250,000	N	250,000		-	-	-	250,000
20	2014 Tax Allocation Refunding Bonds	Refunding Bonds Issued After 6/27/12	7/1/2014	3/1/2032	US Bank Trust	Refunded 2001 RDA Refunding Bonds	Number 1	20,525,000	N	-	-	-	1,872,432	-	1,872,432
21	2014 Tax Allocation Refunding Bonds - School District Pass-Through	Refunding Bonds Issued After 6/27/12	7/1/2014	3/1/2030	US Bank Trust	Refunded 2001 and 2004 School District Pass-Through Tax Allocation Bonds	Number 1	10,970,000	N	-	-	-	636,303	-	636,303

Recognized Obligation Payment Schedule (ROPS 14-15B) - 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	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 RPTTF balances retained	Prior ROPS RPTTF distributed as reserve for future period(s)	Rent, Grants, Interest, Etc.		Comments
ROPS 13-14B Actuals (01/01/14 - 06/30/14)								
1	**Beginning Available Cash Balance (Actual 01/01/14)**	3,602,780	-	7,356,327	-	536,084	1,042,393	
2	**Revenue/Income (Actual 06/30/14)** RPTTF amounts should tie to the ROPS 13-14B distribution from the County Auditor-Controller during January 2014	1,030	-	-	-	43,554	3,763,796	
3	**Expenditures for ROPS 13-14B Enforceable Obligations (Actual 06/30/14)** RPTTF amounts, H3 plus H4 should equal total reported actual expenditures in the Report of PPA, Columns L and Q	1,601,450	-	25,628	-	98,674	4,694,733	
4	**Retention of Available Cash Balance (Actual 06/30/14)** RPTTF amount retained should only include the amounts distributed for debt service reserve(s) approved in ROPS 13-14B	-	-	7,330,699	-	-	1,829	
5	**ROPS 13-14B RPTTF Prior Period Adjustment** RPTTF amount should tie to the self-reported ROPS 13-14B PPA in the Report of PPA, Column S	No entry required					1,829	
6	**Ending Actual Available Cash Balance** **C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)**	**2,002,360**	**-**	**-**	**-**	**480,964**	**107,798**	
ROPS 14-15A Estimate (07/01/14 - 12/31/14)								
7	**Beginning Available Cash Balance (Actual 07/01/14)** **(C, D, E, G = 4 + 6, F = H4 + F4 + F6, and H = 5 + 6)**	**2,002,360**	**-**	**7,330,699**	**1,829**	**480,964**	**109,627**	
8	**Revenue/Income (Estimate 12/31/14)** RPTTF amounts should tie to the ROPS 14-15A distribution from the County Auditor-Controller during June 2014	-	-	-	-	62,222	3,237,100	
9	**Expenditures for ROPS 14-15A Enforceable Obligations (Estimate 12/31/14)**	954,000	-	-	1,829	543,186	3,237,100	
10	**Retention of Available Cash Balance (Estimate 12/31/14)** RPTTF amount retained should only include the amount distributed for debt service reserve(s) approved in ROPS 14-15A		-	7,330,699	-	-	-	
11	**Ending Estimated Available Cash Balance (7 + 8 - 9 -10)**	**1,048,360**	**-**	**-**	**-**	**-**	**109,627**	

Recognized Obligation Payment Schedule (ROPS 14-15B) - Report of Prior Period Adjustments
Reported for the ROPS 13-14B (January 1, 2014 through June 30, 2014) Period Pursuant to Health and Safety Code (HSC) section 34186 (a)
(Report Amounts in Whole Dollars)

ROPS 13-14B Successor Agency (SA) Self-reported Prior Period Adjustments (PPA): Pursuant to HSC Section 34186 (a), SAs are required to report the differences between their actual available funding and their actual expenditures for the ROPS 13-14B (January through June 2014) period. The amount of Redevelopment Property Tax Trust Fund (RPTTF) approved for the ROPS 14-15B (January through June 2015) period will be offset by the SA's self-reported ROPS 13-14B prior period adjustment. HSC Section 34186 (a) also specifies that the prior period adjustments self-reported by SAs are subject to audit by the county auditor-controller (CAC) and the State Controller.

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T
		Non-RPTTF Expenditures						RPTTF Expenditures											
		Bond Proceeds		Reserve Balance		Other Funds		Non-Admin					Admin					Net SA Non-Admin and Admin PPA (Amount Used to Offset ROPS 14-15B Requested RPTTF)	
Item #	Project Name / Debt Obligation	Authorized	Actual	Authorized	Actual	Authorized	Actual	Authorized	Available RPTTF (ROPS 13-14B distributed + all other available as of 01/1/14)	Net Lesser of Authorized / Available	Actual	Difference (If K is less than L, the difference is zero)	Authorized	Available RPTTF (ROPS 13-14B distributed + all other available as of 01/1/14)	Net Lesser of Authorized / Available	Actual	Difference (If total actual exceeds total authorized, the total difference is zero)	Net Difference (M+R)	SA Comments
		$ 954,000	$ 954,000	$ -	$ -	$ -	$ -	$ 3,653,696	$ 3,653,696	$ 3,653,696	$ 4,694,733	$ 1,829	$ 119,000	$ 119,000	$ 119,000	$ 119,000	$ -	$ 1,829	
1	2001 RDA Refunding RAB	-		-		-		1,357,728	1,357,728	1,357,726	2,046,700	-						-	
2	2001 CNUSD Pass-	-		-		-		172,988	172,988	172,986	225,131	-						-	
3	2004 CNUSD Pass-Through	-		-		-		365,850	365,850	365,850	480,803	-						-	
4	2005 RDA Refunding TAB	-		-		-		441,819	441,819	441,819	474,267	-						-	
5	2009 CNUSD Pass-Through TAB	-		-		-		487,750	487,750	487,750	589,478	-						-	
6	2010 RDA Refunding TAB	-		-		-		771,603	771,603	771,603	824,225	-						-	
7	SERAF Loan from LMIHF	-		-		-		-	-	-	-	-						-	
8	Unfunded Pension Obligations	-		-		-		9,294	9,294	9,294	9,294	-						-	
9	Unfunded Post Retirement Health	-		-		-		44,835	44,835	44,835	44,835	-						-	
10	Hamner Avenue Improvements	-		-		-		-	-	-		-						-	
11	Ingalls Park Improvements	454,000	454,000	-	-	-		-	-	-		-						-	
12	Various City Projects	-	-	-		-		-	-	-		-						-	
13	Successor Agency Admin Cost	-	-	-		-		-	-	-		-						-	
14	CFD Property Taxes	-	-	-		-		1,829	1,829	1,829	-	1,829						1,829	
15	Due Diligence Review	-	-	-		-		-		-		-						-	
16	Oversight Board Legal Counsel	-	-	-		-		-		-		-						-	
17	Veterans Memorial Structure	500,000	500,000	-		-		-		-		-						-	
										-		-						-	

Recognized Obligation Payment Schedule (ROPS 14-15B) - Notes

January 1, 2015 through June 30, 2015

Item #	Notes/Comments
1	This bond/debt was refinanced in August 2014 - New bond/debt - 2014 Tax Allocation Refunding Bonds issued to refinance in order to generate debt service savings
2	This bond/debt was refinanced in August 2014 - New bond/debt - 2014 Tax Allocation Refunding Bonds - School District Pass-Through issued to refinance in order to generate debt service savings
3	This bond/debt was.refinanced in August 2014 - New bond/debt - 2014 Tax Allocation Refunding Bonds - School District Pass-Through issued to refinance in order to generate debt service savings
10	This item was not previously denied
18	This is a new project to be funded from remaining Bond Proceeds from Bonds issued prior to 12/31/2010
19	This is a new project to be funded from remaining Bond Proceeds from Bonds issued prior to 12/31/2010