

**COUNTY OF SACRAMENTO,
CALIFORNIA
Independent Accountant's Report on Applying
Agreed-Upon Procedures on the
Successor Agency to the Redevelopment Agency of the
County of Sacramento, California
Excluding Low and Moderate Income Housing Funds**

**As prescribed in Section 34179.5 of
the California Health and Safety Code**

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County of Sacramento, Successor Agency of
the County of Sacramento Redevelopment Agency
Sacramento, California

**Independent Accountant's Report on
Applying Agreed-Upon Procedures**

We have performed the procedures enumerated in Attachment A, which were agreed to by the County of Sacramento, California (County), Successor Agency of the County of Sacramento Redevelopment Agency (Successor Agency), the California State Controller's Office and the California Department of Finance (collectively referred to as Specified Parties) solely to assist the Specified Parties in determining the balances available for transfer to taxing entities from assets transferred to the Successor Agency, excluding assets transferred from the Low and Moderate Income Housing Funds of the former redevelopment agency, as prescribed in Sections 34179.5 of the California Health and Safety Code (Code). The management of the County, as Successor Agency, is responsible for the accounting records. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the Specified Parties. Consequently, we make no representation regarding the sufficiency of the procedures described below, either for the purpose for which this report has been requested, or for any other purpose.

The scope of this engagement was limited to performing the agreed-upon procedures as set forth in Attachment A, related to the assets transferred to the Successor Agency, excluding assets transferred from the Low and Moderate Income Housing Funds of the former redevelopment agency. Attachment A also identifies the findings noted as a result of the procedures performed.

We were not engaged to and did not conduct an audit, the objective of which would be the expression of an opinion on the balances available for transfer to taxing entities from assets transferred to the Successor Agency from the former redevelopment agency, excluding assets transferred from the Low and Moderate Income Housing Funds of the former redevelopment agency, or as to the appropriateness of the other financial information summarized in Attachment A and Attachment B, and Exhibits A to F. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Successor Agency, the California State Controller's Office, and the California Department of Finance and is not intended to be, and should not be, used by anyone other than these specified parties.

Sacramento, California
January 23, 2013

**COUNTY OF SACRAMENTO, SUCESSOR AGENCY TO
THE COUNTY OF SACRAMENTO REDEVELOPMENT AGENCY
Attachment A – Agreed-Upon Procedures and Findings (Continued)**

Results: The State Controller’s Office has completed its review and the results are presented in a separate report as Attachment B. This report covers the time period of January 1, 2011 through January 31, 2012. There were no transfers of assets (excluding payments for goods and services) from the Successor Agency to the City for the period from February 1, 2012 through June 30, 2012.

- 3) **Citation:** 34179.5(c)(3) *The dollar value of any cash or cash equivalents transferred after January 1, 2011, through June 30, 2012, by the redevelopment agency or the successor agency to any other public agency or private party and the purpose of each transfer. The review shall provide documentation of any enforceable obligation that required the transfer.*

Procedures:

If the State Controller’s Office has completed its review of transfers required under both Sections 34167.5 and 34178.8 and issued its report regarding such review, attach a copy of that report as an exhibit to the AUP report. If this has not yet occurred, perform the following procedures:

- A. Obtain a listing prepared by the Successor Agency of transfers (excluding payments for goods and services) from the former redevelopment agency to any other public agency or to private parties for the period from January 1, 2011 through January 31, 2012. For each transfer, the Successor Agency should describe the purpose of the transfer and describe in what sense the transfer was required by one of the Agency’s enforceable obligations or other legal requirements. Provide this listing as an attachment to the AUP report.
- B. Obtain a listing prepared by the Successor Agency of transfers (excluding payments for goods and services) from the Successor Agency to any other public agency or private parties for the period from February 1, 2012 through June 30, 2012. For each transfer, the Successor Agency should describe the purpose of the transfer and describe in what sense the transfer was required by one of the Agency’s enforceable obligations or other legal requirements. Provide this listing as an attachment to the AUP report.
- C. For each transfer, obtain the legal document that formed the basis for the enforceable obligation that required any transfer. Note in the AUP report the absence of any such legal document or the absence of language in the document that required the transfer.

Results: The State Controller’s Office has completed its review and the results are presented in a separate report as Attachment B. This report covers the time period of January 1, 2011 through January 31, 2012. There were no transfers of assets (excluding payments for goods and services) from the Successor Agency to any other public agency or private parties for the period from February 1, 2012 through June 30, 2012.

**COUNTY OF SACRAMENTO, SUCCESSOR AGENCY TO
THE COUNTY OF SACRAMENTO REDEVELOPMENT AGENCY
Attachment A – Agreed-Upon Procedures and Findings (Continued)**

- 4) **Citation:** *34179.5(c)(4) The review shall provide expenditure and revenue accounting information and identify transfers and funding sources for the 2010–11 and 2011–12 fiscal years that reconciles balances, assets, and liabilities of the successor agency on June 30, 2012 to those reported to the Controller for the 2009–10 fiscal year.*

Procedures:

- A. Obtain from the Successor Agency a summary of the financial transactions of the Redevelopment Agency and the Successor Agency in the format set forth in the attached schedule for the fiscal periods indicated in the schedule. For purposes of this summary, the financial transactions should be presented using the modified accrual basis of accounting. End of year balances for capital assets (in total) and long-term liabilities (in total) should be presented at the bottom of this summary schedule for information purposes.
- B. Ascertain that for each period presented, the total of revenues, expenditures, and transfers accounts fully for the changes in equity from the previous fiscal period.
- C. Compare amounts in the schedule relevant to the fiscal year ended June 30, 2010 to the state controller's report filed for the Redevelopment Agency for that period.
- D. Compare amounts in the schedule for the other fiscal periods presented to account balances in the accounting records or other supporting schedules. Describe in the report the type of support provided for each fiscal period.

Results: We noted a difference of approximately \$548 for both total assets and total liabilities reported in the state controller's report filed for the Redevelopment Agency compared to reported amounts in the fiscal year ended 2010 audited financial statements (financial statements). Both the total assets and liabilities reported in the state controller's report were approximately \$548 lower than the amounts reflected in the financial statements due to rounding differences. We also noted a variance of \$10,136 on both revenue and expenditures when comparing the financial statements to the state controller's report. The difference was due to one fund reporting negative revenue related to interest income. This amount was reclassified as an expenditure on the State controller's report which increased both expenditure and revenue totals. In addition, we also noted various classification differences between assets and liabilities reported in the state controller's report filed for the Redevelopment Agency and that reported in the financial statements. There was \$1,272,000 of due from other funds that was reported as \$1,015,409 due from debt service funds and \$256,043 due from low-mod income housing funds in the state controller's report. Please note the \$548 differences between the total amounts are explained above. Furthermore, the financial statements reported \$1,016,000 of due to other funds, \$122,196 of due to other governments, \$5,000 of deposit and trust liability and \$1,686,618 of advances from other funds that were reported as \$1,557,814 of other liabilities, \$1,015,409 of due to capital project funds and \$256,043 of due to low-moderate incomes fund in the state controller's report. The differences between the total amounts of approximately \$548 are explained above. Financial data for the fiscal periods ending December 31, 2010 and 2011, January 31, 2012 is supported by the trial balances from the former redevelopment agency. Financial data for the period ending June 30, 2012, is supported by successor agency accounting records. Please refer to Exhibit A for a summary of the financial transactions.

**COUNTY OF SACRAMENTO, SUCCESSOR AGENCY TO
THE COUNTY OF SACRAMENTO REDEVELOPMENT AGENCY
Attachment A – Agreed-Upon Procedures and Findings (Continued)**

- 5) **Citation:** *34179.5(c)(5) A separate accounting for the balance for the Low and Moderate Income Housing Fund for all other funds and accounts combined shall be made as follows:*

(A) A statement of the total value of each fund as of June 30, 2012.

Procedure:

Obtain from the Successor Agency a listing of all assets of all other funds of the Successor Agency as of June 30, 2012 (excluding the previously reported assets of the Low and Moderate Income Housing Fund) for the report that is due December 15, 2012. Agree the assets so listed to recorded balances reflected in the accounting records of the Successor Agency. The listings should be attached as an exhibit to the appropriate AUP report.

Results: No exceptions were noted as a result of the procedure performed. Please refer to Exhibit B for a listing of all assets of the Successor Agency, excluding the Low and Moderate Income Housing Fund Assets, held by the Successor Agency at June 30, 2012.

- 6) **Citation:** *34179.5(c)(5)(B) An itemized statement listing any amounts that are legally restricted as to purpose and cannot be provided to taxing entities. This could include the proceeds of any bonds, grant funds, or funds provided by other governmental entities that place conditions on their use.*

Procedures:

Obtain from the Successor Agency a listing of asset balances held on June 30, 2012 that are restricted for the following purposes:

A. Unspent bond proceeds:

- i. Obtain the Successor Agency's computation of the restricted balances (e.g., total proceeds less eligible project expenditures, amounts set aside for debt service payments, etc.)
- ii. Trace individual components of this computation to related account balances in the accounting records, or to other supporting documentation (specify in the AUP report a description of such documentation).
- iii. Obtain from the Successor Agency a copy of the legal document that sets forth the restriction pertaining to these balances. Note in the AUP report the absence of language restricting the use of the balances that were identified by the Successor Agency as restricted.

B. Grant proceeds and program income that are restricted by third parties:

- i. Obtain the Successor Agency's computation of the restricted balances (e.g., total proceeds less eligible project expenditures).
- ii. Trace individual components of this computation to related account balances in the accounting records, or to other supporting documentation (specify in the AUP report a description of such documentation).
- iii. Obtain from the Successor Agency a copy of the grant agreement that sets forth the restriction pertaining to these balances. Note in the AUP report the absence of language restricting the use of the balances that were identified by the Successor Agency as restricted.

**COUNTY OF SACRAMENTO, SUCCESSOR AGENCY TO
THE COUNTY OF SACRAMENTO REDEVELOPMENT AGENCY
Attachment A – Agreed-Upon Procedures and Findings (Continued)**

- C. Other assets considered to be legally restricted:
- i. Obtain the Successor Agency's computation of the restricted balances (e.g., total proceeds less eligible project expenditures).
 - ii. Trace individual components of this computation to related account balances in the accounting records, or to other supporting documentation (specify in the AUP report a description of such documentation).
 - iii. Obtain from the Successor Agency a copy of the legal document that sets forth the restriction pertaining to these balances. Note in the AUP report the absence of language restricting the use of the balances that were identified by Successor the Agency as restricted.
- D. Attach the above mentioned Successor Agency prepared schedule(s) as an exhibit to the AUP report. For each restriction identified on these schedules, indicate in the report the period of time for which the restrictions are in effect. If the restrictions are in effect until the related assets are expended for their intended purpose, this should be indicated in the report.

Results: No exceptions were noted as a result of the procedures performed. Please refer to Exhibit C for the listing of the Successor Agency's restricted assets, excluding the Low and Moderate Income Housing Fund Assets, held by the Successor Agency at June 30, 2012.

- 7) **Citation:** 34179.5(c)(5)(C) *An itemized statement of the values of any assets that are not cash or cash equivalents. This may include physical assets, land, records, and equipment. For the purpose of this accounting, physical assets may be valued at purchase cost or at any recently estimated market value. The statement shall list separately housing-related assets.*

Procedures:

- A. Obtain from the Successor Agency a listing of assets as of June 30, 2012 that are not liquid or otherwise available for distribution (such as capital assets, land held for resale, long-term receivables, etc.) and ascertain if the values are listed at either purchase cost (based on book value reflected in the accounting records of the Successor Agency) or market value as recently estimated by the Successor Agency.
- B. If the assets listed at 7(A) are listed at purchase cost, trace the amounts to a previously audited financial statement (or to the accounting records of the Successor Agency) and note any differences.

**COUNTY OF SACRAMENTO, SUCCESSOR AGENCY TO
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Attachment A – Agreed-Upon Procedures and Findings (Continued)**

- C. For any differences noted in 7(B), inspect evidence of disposal of the asset and ascertain that the proceeds were deposited into the Successor Agency trust fund. If the differences are due to additions (this generally is not expected to occur), inspect the supporting documentation and note the circumstances.
- D. If the assets listed at 7(A) are listed at recently estimated market value, inspect the evidence (if any) supporting the value and note the methodology used. If no evidence is available to support the value and/or methodology, note the lack of evidence.

Results: No exceptions were noted as a result of the procedures. Please refer to Exhibit D for the listing of Successor Agency's assets other than cash and cash equivalents, excluding the Low and Moderate Income Housing Fund Assets, held by the Successor Agency at June 30, 2012.

- 8) **Citation:** *34179.5(c)(5)(D) An itemized listing of any current balances that are legally or contractually dedicated or restricted for the funding of an enforceable obligation that identifies the nature of the dedication or restriction and the specific enforceable obligation. In addition, the successor agency shall provide a listing of all approved enforceable obligations that includes a projection of annual spending requirements to satisfy each obligation and a projection of annual revenues available to fund those requirements. If a review finds that future revenues together with dedicated or restricted balances are insufficient to fund future obligations and thus retention of current balances is required, it shall identify the amount of current balances necessary for retention. The review shall also detail the projected property tax revenues and other general purpose revenues to be received by the successor agency, together with both the amount and timing of the bond debt service payments of the successor agency, for the period in which the oversight board anticipates the successor agency will have insufficient property tax revenue to pay the specified obligations.*

Procedures:

- A. If the Successor Agency believes that asset balances need to be retained to satisfy enforceable obligations, obtain from the Successor Agency an itemized schedule of asset balances (resources) as of June 30, 2012 that are dedicated or restricted for the funding of enforceable obligations and perform the following procedures. The schedule should identify the amount dedicated or restricted, the nature of the dedication or restriction, the specific enforceable obligation to which the dedication or restriction relates, and the language in the legal document that is associated with the enforceable obligation that specifies the dedication of existing asset balances toward payment of that obligation.
 - i. Compare all information on the schedule to the legal documents that form the basis for the dedication or restriction of the resource balance in question.
 - ii. Compare all current balances to the amounts reported in the accounting records of the Successor Agency or to an alternative computation.
 - iii. Compare the specified enforceable obligations to those that were included in the final Recognized Obligation Payment Schedule approved by the California Department of Finance.
 - iv. Attach as an exhibit to the report the listing obtained from the Successor Agency. Identify in the report any listed balances for which the Successor Agency was unable to provide appropriate restricting language in the legal document associated with the enforceable obligation.

**COUNTY OF SACRAMENTO, SUCCESSOR AGENCY TO
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Attachment A – Agreed-Upon Procedures and Findings (Continued)**

- B. If the Successor Agency believes that future revenues together with balances dedicated or restricted to an enforceable obligation are insufficient to fund future obligation payments and thus retention of current balances is required, obtain from the Successor Agency a schedule of approved enforceable obligations that includes a projection of the annual spending requirements to satisfy each obligation and a projection of the annual revenues available to fund those requirements and perform the following procedures:
 - i. Compare the enforceable obligations to those that were approved by the California Department of Finance. Procedures to accomplish this may include reviewing the letter from the California Department of Finance approving the Recognized Enforceable Obligation Payment Schedules for the six month period from January 1, 2012 through June 30, 2012 and for the six month period July 1, 2012 through December 31, 2012.
 - ii. Compare the forecasted annual spending requirements to the legal document supporting each enforceable obligation.
 - a. Obtain from the Successor Agency its assumptions relating to the forecasted annual spending requirements and disclose in the report major assumptions associated with the projections.
 - iii. For the forecasted annual revenues:
 - a. Obtain from the Successor Agency its assumptions for the forecasted annual revenues and disclose in the report major assumptions associated with the projections.
- C. If the Successor Agency believes that projected property tax revenues and other general purpose revenues to be received by the Successor Agency are insufficient to pay bond debt service payments (considering both the timing and amount of the related cash flows), obtain from the Successor Agency a schedule demonstrating this insufficiency and apply the following procedures to the information reflected in that schedule.
 - i. Compare the timing and amounts of bond debt service payments to the related bond debt service schedules in the bond agreement.
 - ii. Obtain the assumptions for the forecasted property tax revenues and disclose major assumptions associated with the projections.
 - iii. Obtain the assumptions for the forecasted other general purpose revenues and disclose major assumptions associated with the projections.
- D. If procedures A, B, or C were performed, calculate the amount of current unrestricted balances necessary for retention in order to meet the enforceable obligations by performing the following procedures.
 - i. Combine the amount of identified current dedicated or restricted balances and the amount of forecasted annual revenues to arrive at the amount of total resources available to fund enforceable obligations.
 - ii. Reduce the amount of total resources available by the amount forecasted for the annual spending requirements. A negative result indicates the amount of current unrestricted balances that needs to be retained.
 - iii. Include the calculation in the AUP report.

Results: It is management's assertion that there are no enforceable obligations other than ROPS obligations identified on Exhibit E. There are no assets identified as needing to be retained to satisfy enforceable obligations; therefore these procedures were not applicable.

**COUNTY OF SACRAMENTO, SUCCESSOR AGENCY TO
THE COUNTY OF SACRAMENTO REDEVELOPMENT AGENCY
Attachment A – Agreed-Upon Procedures and Findings (Continued)**

- 9) **Citation:** *34179.5(c)(5)(E) An itemized list and analysis of any amounts of current balances that are needed to satisfy obligations that will be placed on the Recognized Obligation Payment Schedules for the current fiscal year.*

Procedure:

If the Successor Agency believes that cash balances as of June 30, 2012 need to be retained to satisfy obligations on the Recognized Obligation Payment Schedule (ROPS) for the period of July 1, 2012 through June 30, 2013, obtain a copy of the final ROPS for the period of July 1, 2012 through December 31, 2012 and a copy of the final ROPS for the period January 1, 2013 through June 30, 2013. For each obligation listed on the ROPS, the Successor Agency should add columns identifying (1) any dollar amounts of existing cash that are needed to satisfy that obligation and (2) the Successor Agency's explanation as to why the Successor Agency believes that such balances are needed to satisfy the obligation. Include this schedule as an attachment to the AUP report.

Results: Based on our inquiry with management, the Successor Agency believes that \$9,472,873 of the cash balances, excluding the Low and Moderate Income Housing Fund Assets, held by the Successor Agency at June 30, 2012, are needed to satisfy obligations on the ROPS for the period of July 1, 2012 through December 31, 2012. No exceptions were noted as a result of the procedure performed. Please refer to Exhibit E for the results of this procedure.

- 10) **Citation:** *34179.5(c)(6) The review shall total the net balances available after deducting the total amounts described in subparagraphs (B) to (E), inclusive, of paragraph (5). The review shall add any amounts that were transferred as identified in paragraphs (2) and (3) of subdivision (c) if an enforceable obligation to make that transfer did not exist. The resulting sum shall be available for allocation to affected taxing entities pursuant to Section 34179.6. It shall be a rebuttable presumption that cash and cash equivalent balances available to the successor agency are available and sufficient to disburse the amount determined in this paragraph to taxing entities. If the review finds that there are insufficient cash balances to transfer or that cash or cash equivalents are specifically obligated to the purposes described in subparagraphs (B), (D), and (E) of paragraph (5) in such amounts that there is insufficient cash to provide the full amount determined pursuant to this paragraph, that amount shall be demonstrated in an additional itemized schedule.*

Procedure:

Include (or present) a schedule detailing the computation of the Balance Available for Allocation to Affected Taxing Entities. Amounts included in the calculation should agree to the results of the procedures performed in each section above. The schedule should also include a deduction to recognize amounts already paid to the County Auditor-Controller on July 12, 2012 as directed by the California Department of Finance. The amount of this deduction presented should be agreed to evidence of payment. The attached example summary schedule may be considered for this purpose. Separate schedules should be completed for the Low and Moderate Income Housing Fund and for all other funds combined (excluding the Low and Moderate Income Housing Fund).

Results: No exceptions were noted as a result of the procedure performed. Please refer to Exhibit F for the results of this procedure.

**COUNTY OF SACRAMENTO, SUCESSOR AGENCY TO
THE COUNTY OF SACRAMENTO REDEVELOPMENT AGENCY
Attachment A – Agreed-Upon Procedures and Findings (Continued)**

- 11) Obtain a representation letter from Successor Agency management acknowledging their responsibility for the data provided to the practitioner and the data presented in the report or in any attachments to the report. Included in the representations should be an acknowledgment that management is not aware of any transfers (as defined by Section 34179.5) from either the former redevelopment agency or the Successor Agency to other parties for the period from January 1, 2011 through June 30, 2012 that have not been properly identified in the AUP report and its related exhibits. Management’s refusal to sign the representation letter should be noted in the AUP report as required by attestation standards.

Results: No exceptions were noted as a result of this procedure.

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**COUNTY OF SACRAMENTO, SUCCESSOR AGENCY TO
THE COUNTY OF SACRAMENTO REDEVELOPMENT AGENCY
EXHIBIT A - SUCCESSOR AGENCY SUMMARY OF FINANCIAL TRANSACTIONS**

	Redevelopment Agency 12 Months Ending 12/31/2010	Summary Financial Data State Controller's Report 12 Months Ending 12/31/2010	Redevelopment Agency 12 Months Ending 12/31/2011	Redevelopment Agency 1 Month Ending 1/31/2012	Successor Agency 5 Months Ending 6/30/2012
Assets:					
Cash and investments	48,148,012	-	41,979,003	37,760,758	12,885,755
Accounts receivable (net)	-	-	-	-	-
Property taxes receivable	2,217,754	-	1,687,380	-	-
Due from other funds	1,272,000	-	1,895,290	-	49,124
Due from component units	-	-	-	-	-
Due from other governments	-	-	-	-	-
Notes receivable (net)	10,095,109	-	17,548,248	17,581,670	2,287,000
Advances to other funds	-	-	-	-	-
Advances to component units	-	-	-	-	-
Prepaid items	-	-	-	-	-
Restricted cash and investments	6,407,107	-	6,397,914	6,397,914	26,682,205
	-	-	-	-	-
Cash and Imprest Cash	-	48,148,012	-	-	-
Cash with Fiscal Agent	-	6,407,107	-	-	-
Tax Increments Receivable	-	2,217,754	-	-	-
Accounts Receivable	-	-	-	-	-
Loans Receivable	-	10,095,109	-	-	-
Due from Capital Proj Fund	-	-	-	-	-
Due from Debt Service Fund	-	1,015,409	-	-	-
Due from L/M inc hsg fund	-	256,043	-	-	-
	-	-	-	-	-
Total Assets	68,139,982	68,139,434	69,507,835	61,740,342	41,904,084
Liabilities:					
Accounts payable	1,087,359	1,087,359	5,689,051	1,885	1,911,506
Accrued liabilities	-	-	-	36,558	54,952
Contracts payable	-	-	-	-	-
Due to other funds	1,016,000	-	1,895,290	-	50,757
Due to other governments	122,196	-	-	-	-
Deferred revenue	-	-	-	-	-
Deposit and trust liability	5,000	-	5,000	5,000	38,145
Advances from other funds	1,686,618	-	1,337,252	1,337,252	1,337,252
Advances from comp unit	-	-	-	-	-
	-	-	-	-	-
Other Liabilities	-	1,557,814	-	-	1,634,042
Due to Capital Proj Fund	-	1,015,409	-	-	-
Due to L/M inc hsg fund	-	256,043	-	-	-
	-	-	-	-	-
Total Liabilities	3,917,173	3,916,625	8,926,593	1,380,695	5,026,654
Equity	64,222,809	64,222,809	60,581,242	60,359,647	36,877,430
Total Liabilities + Equity	68,139,982	68,139,434	69,507,835	61,740,342	41,904,084
Total Revenues:	13,259,802	13,269,937	15,023,139	(19,206)	3,587,206
Total Expenditures/Expenses:	20,038,806	20,048,942	18,664,706	202,389	3,583,945
Total Transfers:	(1,000,000)	(1,000,000)	-	(37,569,035)	36,874,169
Net change in equity	(7,779,004)	(7,779,005)	(3,641,567)	(37,790,630)	36,877,430
Beginning Equity:	72,001,813	72,001,814	64,222,809	60,581,242	-
Ending Equity:	64,222,809	64,222,809	60,581,242	22,790,612	36,877,430
Other Information (show year end balances for all three years presented)					
Capital Assets as of end of year	9,253,564		4,545,131		5,187,918
Long term debt as of end of year	87,778,522		85,793,277		78,810,097

**COUNTY OF SACRAMENTO, SUCCESSOR AGENCY TO
 THE COUNTY OF SACRAMENTO REDEVELOPMENT AGENCY
 EXHIBIT B - SUCCESSOR AGENCY ASSETS EXCLUDING LOW AND MODERATE INCOME
 HOUSING FUND ASSETS TRANSFERRED TO THE SUCCESSOR AGENCY**

Assets	Total value as of June 30, 2012
Cash and investments	\$ 31,796,547
Restricted cash and investments held by fiscal agent	6,454,232
Notes receivable	2,287,000
Capital assets (net of depreciation)	5,187,918
 Total Assets	 <u>\$ 45,725,697</u>

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CITY OF SACRAMENTO, SUCCESSOR AGENCY TO THE CITY OF SACRAMENTO REDEVELOPMENT AGENCY
EXHIBIT C - EXCLUDING LOW AND MODERATE INCOME HOUSING FUND
RESTRICTED ASSETS TRANSFERRED TO THE SUCCESSOR AGENCY

A. Unspent Bond Proceeds

Assets	Total value as of June 30, 2012	Computation of the Restricted Balance	Source of funds	Source for the computation of the restricted balance (i.e. accounting records or other supporting documentation)	Identify the document requiring the restriction. For each restriction identified on these schedules, indicate the period of time for which the restrictions are in effect. Note whether the restrictions are in effect until the related assets are expended for their intended purpose
Bond Proceeds-2003 Mather Tax Exempt TABS	\$ 2,662,809	Original Net Bond Proceeds \$ 19,707,871 Less: RDA expenditures to date (17,045,062) Unspent Bond Proceeds \$ 2,662,809	Bond proceeds	Accounting records	Unspent bond proceeds restricted by bond indenture - 2003 Mather Tax Exempt TABS
Bond Proceeds-2008 TARB Mather TE	\$ 6,305,923	Original Net Bond Proceeds \$ 12,117,094 Less: RDA expenditures to date (5,811,171) Unspent Bond Proceeds \$ 6,305,923	Bond proceeds	Accounting records	Unspent bond proceeds restricted by bond indenture - 2008 TARB Mather TE
Bond Proceeds-2008 TARB Mather Tx	\$ 7,326,379	Original Net Bond Proceeds \$ 7,326,379 Less: RDA expenditures to date - Unspent Bond Proceeds \$ 7,326,379	Bond proceeds	Accounting records	Unspent bond proceeds restricted by bond indenture - 2008 TARB Mather Tx
Bond Proceeds-2003 McClellan TE TABS	\$ 147,954	Original Net Bond Proceeds \$ 3,548,487 Less: RDA expenditures to date (3,400,533) Unspent Bond Proceeds \$ 147,954	Bond proceeds	Accounting records	Unspent bond proceeds restricted by bond indenture - 2003 McClellan TE TABS
Bond Proceeds-2008 TARB McClellan TE	\$ 946,159	Original Net Bond Proceeds \$ 9,914,030 Less: RDA expenditures to date (8,967,871) Unspent Bond Proceeds \$ 946,159	Bond proceeds	Accounting records	Unspent bond proceeds restricted by bond indenture - 2008 TARB McClellan TE
Bond Proceeds-2008 TARB McClellan Tx	\$ 1,521,775	Original Net Bond Proceeds \$ 6,220,416 Less: RDA expenditures to date (4,698,641) Unspent Bond Proceeds \$ 1,521,775	Bond proceeds	Accounting records	Unspent bond proceeds restricted by bond indenture - 2008 TARB McClellan Tx
Restricted cash and investments held by fiscal agent	\$ 2,267,838		Bond proceeds	Accounting records	Bond reserve - Del Paso Heights 2003 TARBS Ser. A
Restricted cash and investments held by fiscal agent	\$ 1,036,425		Bond proceeds	Accounting records	Bond reserve - Del Paso Heights 2003 TARBS Ser. A
Restricted cash and investments held by fiscal agent	\$ 615,376		Bond proceeds	Accounting records	Bond reserve - Mather/McClellan 2003 TARBS Ser. B
Restricted cash and investments held by fiscal agent	\$ 1,369,517		Bond proceeds	Accounting records	Bond reserve - 2008 TARBS Ser. A
Restricted cash and investments held by fiscal agent	\$ 1,165,076		Bond proceeds	Accounting records	Bond reserve - 2008 TARBS Ser. B
Total Assets	\$ 25,365,231				

B. Grant Proceeds and Program Income

Assets	Total value as of June 30, 2012	Computation of the Restricted Balance	Source of funds	Source for the computation of the restricted balance (i.e. accounting records or other supporting documentation)	Identify the document requiring the restriction. For each restriction identified on these schedules, indicate the period of time for which the restrictions are in effect. Note whether the restrictions are in effect until the related assets are expended for their intended purpose
No grant proceeds and program income were identified.	\$ -				

C. Other Assets Considered Legally Restricted

Description	Total value as of June 30, 2012	Computation of the Restricted Balance	Source of funds	Source for the computation of the restricted balance (i.e. accounting records or other supporting documentation)	Identify the document requiring the restriction. For each restriction identified on these schedules, indicate the period of time for which the restrictions are in effect. Note whether the restrictions are in effect until the related assets are expended for their intended purpose
No other assets considered legally restricted were identified	\$ -				
Total Assets	\$ -				
Summary of Restricted Assets Listed in Tables A, B and C	\$ 25,365,231				

**COUNTY OF SACRAMENTO, SUCCESSOR AGENCY TO
THE COUNTY OF SACRAMENTO REDEVELOPMENT AGENCY
EXHIBIT D - SUCCESSOR AGENCY ASSETS OTHER THAN CASH AND CASH EQUIVALENTS,
EXCLUDING LOW AND MODERATE INCOME HOUSING FUND ASSETS**

Asset	Total value as of June 30, 2012	Basis (i.e. Book Value/Fair Market Value)	Description of the records provided supporting the book value listed (i.e. previously audited financial statements or the accounting records) and any differences noted. If differences pertain to disposal of assets, note whether the proceeds were deposited into the Successor Agency.	Description of the methodology used to support the market value listed. If no evidence is available to support the value and/or the methodology used, note as a finding in the report.
Notes Receivable	\$ 2,287,000	Book Value	Accounting records	
Land:				
3517 Myrtle Ave	333,041	Book Value	Accounting records	
3525 Elkhorn Blvd	295,782	Book Value	Accounting records	
5935 Watt Ave	250,988	Book Value	Accounting records	
6001 Watt & 6009 Freedom	470,574	Book Value	Accounting records	
6849 Watt	1,083,458	Book Value	Accounting records	
Watt Ave	861,631	Book Value	Accounting records	
4100 Stockton Blvd	169,138	Book Value	Accounting records	
4700 Stockton Blvd	1,202,317	Book Value	Accounting records	
Building:				
5935 Watt Ave (net depreciation)	<u>526,950</u>			
 Total Assets	 <u><u>\$ 7,480,879</u></u>			

COUNTY OF SACRAMENTO, SUCCESSOR AGENCY TO
THE COUNTY OF SACRAMENTO REDEVELOPMENT AGENCY
EXHIBIT E - SUCCESSOR AGENCY ASSETS, EXCLUDING LOW AND MODERATE INCOME HOUSING FUND, THAT
ARE NEEDED TO SATISFY OBLIGATIONS ON THE ROPS FOR THE PERIOD JULY 1, 2012 THROUGH JUNE 30, 2013

Project Name/ Debt Obligation	Item #	Payee	Description	Total Outstanding Debt or Obligation as of June 30, 2012	Total due during the 6-month period ending		Total due for fiscal year ending June 30, 2013	Dollar amount of existing cash needed	Explanation for retaining funds
					ROPS II 12/31/2012	ROPS III 06/30/2013			
SHRA Administrative Allowance-Non Hsg 2009 Auburn Blvd Advance MRB 2009 Auburn Blvd Advance MRB	ROPS II, Line 1, Form C ROPS II, Line 1, Form B ROPS II, Line 2, Form A	SHRA (Housing Authorities City & County, Redevelopment Agencies City & County) Housing Authority of County Housing Authority of County	AB26 Admin Allowance (Note 2) Advance Advance	\$ 9,884 \$ 67,934 \$ 475,538	\$ 4,942 \$ 67,934 -	Note A Note A Note A	\$ 4,942 \$ 67,934 -	\$ 4,942 \$ 67,934 -	Note B Note B Note B
Auburn Blvd Rede Area (Ins)	ROPS II, Line 3, Form B	SHRA (Housing Authorities City & County, Redevelopment Agencies City & County)	Advance	\$ 34,375	\$ 34,375	Note A	\$ 34,375	\$ 34,375	Note B
Auburn Blvd Rede Area (Ins) Construction Construction Audit Contract Deposit Liability	ROPS II, Line 3, Form A ROPS II, Line 5, Form B ROPS II, Line 5, Form A ROPS II, Line 4, Form B ROPS II, Line 6, Form B	SHRA (Housing Authorities City & County, Redevelopment Agencies City & County) County of Sacramento SHRA Project Delivery Macias Gini & O'Connell LLP Skips Music	Advance Auburn Blvd Streetscape Imp Auburn Blvd Streetscape Imp Audit Contract for year ended 12/31/11 Deposit	\$ 245,772 \$ 1,210,000 \$ 13,884 \$ 1,549 \$ 5,000	\$ - \$ 1,210,000 \$ 6,942 \$ 1,549 \$ 5,000	Note A Note A Note A Note A Note A	\$ - \$ 1,210,000 \$ 6,942 \$ 1,549 \$ 5,000	\$ - \$ 1,210,000 \$ 6,942 \$ 1,549 \$ 5,000	Note B Note B Note B Note B Note B
Bank of America Public Capital Corp Investment Fees	ROPS II, Line 4, Form A ROPS II, Line 59, Form A	SHRA (Housing Authorities City & County, Redevelopment Agencies City & County) County of Sacramento	DS 801 12th St (note 1) Fees from County Treasurer on invest.	\$ 65,503 \$ 1,676	\$ 3,024 \$ 1,676	Note A Note A	\$ 3,024 \$ 1,676	\$ 3,024 \$ 1,676	Note B Note B
OPEB	ROPS II, Line 7, Form A	SHRA (Former County RDA Share)	Other Post Employment Benefits (medical)	\$ 36,391	\$ 1,486	Note A	\$ 1,486	\$ 1,486	Note B
PERS Auburn Blvd Hampton Inn Mutual Housing the Highlands	ROPS II, Line 8, Form A ROPS II, Line 2, Form B ROPS II, Line 9, Form A	SHRA (Former County RDA Share) HUD Mutual Housing CA	Retirement Liability Section 108 Rental Subsidy Agreement	\$ 54,828 \$ 40,998 \$ 2,534,000	\$ 2,703 \$ 40,998 \$ 296,000	Note A Note A Note A	\$ 2,703 \$ 40,998 \$ 296,000	\$ 2,703 \$ 40,998 \$ 296,000	Note B Note B Note B
SHRA Administrative Allowance-Non Hsg 2007 Advance (MRB) 2007 Advance (MRB) Florin CIP Redev (Comm RLF) Florin CIP Redev (Comm RLF) Audit Contract	ROPS II, Line 2, Form C ROPS II, Line 7, Form B ROPS II, Line 10, Form A ROPS II, Line 9, Form B ROPS II, Line 12, Form A ROPS II, Line 8, Form B	SHRA (Housing Authorities City & County, Redevelopment Agencies City & County) Housing Authority of County Housing Authority of County Housing Authority of County Macias Gini & O'Connell LLP	AB26 Admin Allowance (Note 2) Advance Advance Advance Audit Contract for year ended 12/31/11	\$ 16,708 \$ 47,554 \$ 285,222 \$ 23,935 \$ 167,547 \$ 5,246	\$ 8,354 \$ 47,554 \$ - \$ 23,935 \$ - \$ 5,246	Note A Note A Note A Note A Note A Note A	\$ 8,354 \$ 47,554 \$ - \$ 23,935 \$ - \$ 5,246	\$ 8,354 \$ 47,554 \$ - \$ 23,935 \$ - \$ 5,246	Note B Note B Note B Note B Note B Note B
Bank of America Public Capital Corp Florin Lift Station Florin Lift Station	ROPS II, Line 11, Form A ROPS II, Line 10, Form B ROPS II, Line 13, Form A	SHRA (Housing Authorities City & County, Redevelopment Agencies City & County) SASD (County) SASD (County)	DS 801 12th St (note 1) Loan Agreement Loan Agreement	\$ 255,254 \$ 200,000 \$ 1,200,618	\$ 11,785 \$ 200,000 \$ 48,035	Note A Note A Note A	\$ 11,785 \$ 200,000 \$ 48,035	\$ 11,785 \$ 200,000 \$ 48,035	Note B Note B Note B
OPEB	ROPS II, Line 15, Form A	SHRA (Former County RDA Share)	Other Post Employment Benefits (medical)	\$ 80,996	\$ 3,306	Note A	\$ 3,306	\$ 3,306	Note B
PERS Consultant	ROPS II, Line 16, Form A ROPS II, Line 23, Form B	SHRA (Former County RDA Share) Environmental Science Assoc	Retirement Liability 2009 Mather EIS	\$ 121,821 \$ 38,894	\$ 6,006 \$ 38,894	Note A Note A	\$ 6,006 \$ 38,894	\$ 6,006 \$ 38,894	Note B Note B
SHRA Administrative Allowance-Non Hsg 2010 Advance (MRB) Audit Contract	ROPS II, Line 3, Form C ROPS II, Line 25, Form A ROPS II, Line 16, Form B	SHRA (Housing Authorities City & County, Redevelopment Agencies City & County) Housing Authority of County Macias Gini & O'Connell LLP	AB26 Admin Allowance (Note 2) Advance Audit Contract for year ended 12/31/11	\$ 92,842 \$ 516,703 \$ 4,259	\$ 46,421 \$ - \$ 4,259	Note A Note A Note A	\$ 46,421 \$ - \$ 4,259	\$ 46,421 \$ - \$ 4,259	Note B Note B Note B
Bank of America Public Capital Corp	ROPS II, Line 26, Form A	SHRA (Housing Authorities City & County, Redevelopment Agencies City & County)	DS 801 12th St (note 1) East Commerce Center/DDA 4330 Watt Avenue, LLC; Reynen & Bardis Development, LLC and Reynen & Bardis, LP	\$ 945,959	\$ 43,676	Note A	\$ 43,676	\$ 43,676	Note B
Construction Investment Fees Fiscal Agent Fees	ROPS II, Line 27, Form A ROPS II, Line 60, Form A ROPS II, Line 62, Form A	SHRA Project Delivery County of Sacramento U.S. Bank Trust	LP Fees from County Treasurer on invest. Fees related to escrow accounts	\$ 38,958 \$ 124 \$ 4,040	\$ 19,479 \$ 124 \$ 4,040	Note A Note A Note A	\$ 19,479 \$ 124 \$ 4,040	\$ 19,479 \$ 124 \$ 4,040	Note B Note B Note B
Construction Consultant Mather CIEDB Loan Mather CIEDB Loan	ROPS II, Line 28, Form A ROPS II, Line 25, Form B ROPS II, Line 28, Form B ROPS II, Line 36, Form A	SHRA Project Delivery Keyser Marston Assoc CA Infrastructure Bank CA Infrastructure Bank	LP Mather Investmnt Strtgy Loan Agreement Loan Agreement (Spring DS Reserve)	\$ 38,958 \$ 152,316 \$ 179,942 \$ 4,414,805	\$ 19,479 \$ 152,316 \$ 179,942 \$ 54,666	Note A Note A Note A Note A	\$ 19,479 \$ 152,316 \$ 179,942 \$ 54,666	\$ 19,479 \$ 152,316 \$ 179,942 \$ 54,666	Note B Note B Note B Note B
Construction Consultant Engineering	ROPS II, Line 29, Form A ROPS II, Line 31, Form A ROPS II, Line 32, Form A	SHRA Project Delivery Mather Eon Dev Consultant SHRA Project Delivery	Macready Ave Improv/DDA 4330 Watt Avenue, LLC; Reynen & Bardis Development, LLC and Reynen & Bardis, LP Mather Utility Roadway	\$ 38,958 \$ 7,116 \$ 7,116	\$ 19,479 \$ 3,558 \$ 3,558	Note A Note A Note A	\$ 19,479 \$ 3,558 \$ 3,558	\$ 19,479 \$ 3,558 \$ 3,558	Note B Note B Note B

COUNTY OF SACRAMENTO, SUCCESSOR AGENCY TO
THE COUNTY OF SACRAMENTO REDEVELOPMENT AGENCY
EXHIBIT E - SUCCESSOR AGENCY ASSETS, EXCLUDING LOW AND MODERATE INCOME HOUSING FUND, THAT
ARE NEEDED TO SATISFY OBLIGATIONS ON THE ROPS FOR THE PERIOD JULY 1, 2012 THROUGH JUNE 30, 2013

Project Name/ Debt Obligation	Item #	Payee	Description	Total Outstanding Debt or Obligation as of June 30, 2012	Total due during the 6-month period ending		Total due for fiscal year ending June 30, 2013	Dollar amount of existing cash needed	Explanation for retaining funds
					ROPS II 12/31/2012	ROPS III 06/30/2013			
OPEB	ROPS II, Line 37, Form A	SHRA (Former County RDA Share)	Other Post Employment Benefits (medical)	\$ 190,533	\$ 7,778	Note A	\$ 7,778	\$ 7,778	Note B
PERS	ROPS II, Line 38, Form A	SHRA (Former County RDA Share)	Retirement Liability	\$ 298,721	\$ 14,727	Note A	\$ 14,727	\$ 14,727	Note B
2003 Mather TE TABS LM Ser A	ROPS II, Line 11, Form B	US Bank	03 Tax Exempt Low/Mod Series A bond	\$ 53,882	\$ 53,882	Note A	\$ 53,882	\$ 53,882	Note B
2003 Mather TE TABS LM Ser A	ROPS II, Line 17, Form A	US Bank	03 Tax Exempt Low/Mod Series A bond (Spring DS Reserve)	\$ 1,602,666	\$ 23,357	Note A	\$ 23,357	\$ 23,357	Note B
2003 Mather TE TABS Series A	ROPS II, Line 12, Form B	US Bank	03 Tax Exempt Series A bond	\$ 937,258	\$ 937,258	Note A	\$ 937,258	\$ 937,258	Note B
2003 Mather TE TABS Series A	ROPS II, Line 18, Form A	US Bank	03 Tax Exempt Series A bond (Spring DS Reserve)	\$ 29,932,116	\$ 431,306	Note A	\$ 431,306	\$ 431,306	Note B
2008 Mather TE Series A	ROPS II, Line 20, Form A	US Bank	08 Tax Exempt Series A bond	\$ 319,358	\$ 319,358	Note A	\$ 319,358	\$ 319,358	Note B
2008 Mather TE Series A	ROPS II, Line 21, Form A	US Bank	08 Tax Exempt Series A bond (Spring DS Reserve)	\$ 28,006,044	\$ 319,358	Note A	\$ 319,358	\$ 319,358	Note B
2008 Mather TX LM Hsg Ser B	ROPS II, Line 14, Form B	US Bank	08 Taxable Housing Series B	\$ 20,730	\$ 20,730	Note A	\$ 20,730	\$ 20,730	Note B
2008 Mather TX LM Hsg Ser B	ROPS II, Line 22, Form A	US Bank	08 Taxable Housing Series B	\$ 167,636	\$ 167,636	Note A	\$ 167,636	\$ 167,636	Note B
2008 Mather TX LM Hsg Ser B	ROPS II, Line 23, Form A	US Bank	08 Taxable Housing Series B (Spring DS Reserve)	\$ 10,496,934	\$ 145,773	Note A	\$ 145,773	\$ 145,773	Note B
2003 Mather TX TABS LM Ser B	ROPS II, Line 13, Form B	US Bank	03 Taxable Low/Mod Series B bond	\$ 267,613	\$ 267,613	Note A	\$ 267,613	\$ 267,613	Note B
2003 Mather TX TABS LM Ser B	ROPS II, Line 19, Form A	US Bank	03 Taxable Low/Mod Series B bond (Spring DS Reserve)	\$ 8,864,412	\$ 150,815	Note A	\$ 150,815	\$ 150,815	Note B
2008 Mather TX TABS Series B	ROPS II, Line 15, Form B	US Bank	08 Taxable Series B	\$ 452,978	\$ 452,978	Note A	\$ 452,978	\$ 452,978	Note B
2008 Mather TX TABS Series B	ROPS II, Line 24, Form A	US Bank	08 Taxable Series B (Spring DS Reserve)	\$ 9,801,693	\$ 182,507	Note A	\$ 182,507	\$ 182,507	Note B
Construction	ROPS II, Line 30, Form A	SHRA Project Delivery	Zinfandel Dr Roadway Improvement	\$ 7,116	\$ 3,558	Note A	\$ 3,558	\$ 3,558	Note B
SHRA Administrative Allowance-Non Hsg Audit Contract	ROPS II, Line 4, Form C	SHRA (Housing Authorities City & County, Redevelopment Agencies City & County)	AB26 Admin Allowance (Note 2)	\$ 80,656	\$ 40,328	Note A	\$ 40,328	\$ 40,328	Note B
Tax Increment Rebate	ROPS II, Line 34, Form B	Macias Gini & O'Connell LLP	Audit Contract for year ended 12/31/11	\$ 6,873	\$ 6,873	Note A	\$ 6,873	\$ 6,873	Note B
Tax Increment Rebate	ROPS II, Line 47, Form B	McClellan Business Park	Bldg 251-C Air Craft Rebate (OPA)	\$ 709,522	\$ 709,522	Note A	\$ 709,522	\$ 709,522	Note B
Loan	ROPS II, Line 48, Form B	McClellan Business Park	Bldg 690 Air Craft Rebate (OPA)	\$ 75,454	\$ 75,454	Note A	\$ 75,454	\$ 75,454	Note B
	ROPS II, Line 52, Form A	SHRA Project Delivery	Building 250 / 260 Complex	\$ 19,480	\$ 9,740	Note A	\$ 9,740	\$ 9,740	Note B
Bank of America Public Capital Corp Investment Fees	ROPS II, Line 45, Form A	SHRA (Housing Authorities City & County, Redevelopment Agencies City & County)	DS 801 12th St (note 1)	\$ 900,168	\$ 41,562	Note A	\$ 41,562	\$ 41,562	Note B
Fiscal Agent Fees	ROPS II, Line 61, Form A	County of Sacramento	Fees from County Treasurer on invest.	\$ 234	\$ 234	Note A	\$ 234	\$ 234	Note B
Consultant / Construction	ROPS II, Line 63, Form A	U.S. Bank Trust	Fees related to escrow accounts	\$ 3,960	\$ 3,960	Note A	\$ 3,960	\$ 3,960	Note B
Property Maintenance	ROPS II, Line 50, Form A	SHRA Project Delivery	Freedom Park Streetscape Eng Design	\$ 19,480	\$ 9,740	Note A	\$ 9,740	\$ 9,740	Note B
McClellan CIEDB Loan	ROPS II, Line 46, Form B	CA Infrastructure Bank	Landscape Maintenance	\$ 12,960	\$ 6,480	Note A	\$ 6,480	\$ 6,480	Note B
McClellan CIEDB Loan	ROPS II, Line 53, Form A	CA Infrastructure Bank	Loan Agreement	\$ 269,912	\$ 269,912	Note A	\$ 269,912	\$ 269,912	Note B
Construction	ROPS II, Line 46, Form A	SHRA Project Delivery	Loan Agreement (Spring DS Reserve)	\$ 6,622,209	\$ 81,999	Note A	\$ 81,999	\$ 81,999	Note B
Construction	ROPS II, Line 47, Form A	SHRA Project Delivery	McClellan Bldg 269 Renovate	\$ 5,596	\$ 2,798	Note A	\$ 2,798	\$ 2,798	Note B
	ROPS II, Line 47, Form A	SHRA Project Delivery	McClellan Park Security Upgrade	\$ 5,596	\$ 2,798	Note A	\$ 2,798	\$ 2,798	Note B
OPEB	ROPS II, Line 54, Form A	SHRA (Former County RDA Share)	Other Post Employment Benefits (medical)	\$ 279,929	\$ 11,428	Note A	\$ 11,428	\$ 11,428	Note B
PERS	ROPS II, Line 55, Form A	SHRA (Former County RDA Share)	Retirement Liability	\$ 435,344	\$ 21,462	Note A	\$ 21,462	\$ 21,462	Note B
Construction	ROPS II, Line 48, Form A	SHRA Project Delivery	South District Master Plan Update	\$ 5,596	\$ 2,798	Note A	\$ 2,798	\$ 2,798	Note B
2003 McClellan TE TABS Ser A	ROPS II, Line 29, Form B	US Bank	03 Tax Exempt Series A bond	\$ 165,399	\$ 165,399	Note A	\$ 165,399	\$ 165,399	Note B
2003 McClellan TE TABS Ser A	ROPS II, Line 39, Form A	US Bank	03 Tax Exempt Series A bond (Spring DS Reserve)	\$ 5,282,138	\$ 76,113	Note A	\$ 76,113	\$ 76,113	Note B
2008 McClellan TE Series A	ROPS II, Line 31, Form B	US Bank	08 Tax Exempt Series A bond	\$ 262,114	\$ 262,114	Note A	\$ 262,114	\$ 262,114	Note B
2008 McClellan TE Series A	ROPS II, Line 41, Form A	US Bank	08 Tax Exempt Series A bond (Spring DS Reserve)	\$ 22,986,075	\$ 262,114	Note A	\$ 262,114	\$ 262,114	Note B
2003 McClellan TX LM TABS SerB	ROPS II, Line 30, Form B	US Bank	03 Taxable Low/Mod Series B bond	\$ 120,232	\$ 120,232	Note A	\$ 120,232	\$ 120,232	Note B
2003 McClellan TX LM TABS SerB	ROPS II, Line 40, Form A	US Bank	03 Taxable Low/Mod Series B bond (Spring DS Reserve)	\$ 3,982,560	\$ 67,757	Note A	\$ 67,757	\$ 67,757	Note B
2008 McClellan TX LM TABS SerB	ROPS II, Line 32, Form B	US Bank	08 Taxable Low/Mod Series B bond	\$ 127,000	\$ 127,000	Note A	\$ 127,000	\$ 127,000	Note B
2008 McClellan TX LM TABS SerB	ROPS II, Line 42, Form A	US Bank	08 Taxable Low/Mod Series B bond	\$ 45,723	\$ 45,723	Note A	\$ 45,723	\$ 45,723	Note B
2008 McClellan TX LM TABS SerB	ROPS II, Line 43, Form A	US Bank	08 Taxable Low/Mod Series B bond (Spring DS Reserve)	\$ 9,625,243	\$ 133,668	Note A	\$ 133,668	\$ 133,668	Note B
2008 McClellan TX TABS Ser B	ROPS II, Line 33, Form B	US Bank	08 Taxable Series B bond	\$ 393,580	\$ 393,580	Note A	\$ 393,580	\$ 393,580	Note B
2008 McClellan TX TABS Ser B	ROPS II, Line 44, Form A	US Bank	08 Taxable Series B bond (Spring DS Reserve)	\$ 8,622,390	\$ 163,957	Note A	\$ 163,957	\$ 163,957	Note B
Tax Increment Rebate	ROPS II, Line 58, Form A	McClellan Business Park	US Food Service (OPA)	\$ 1,000,000	\$ -	Note A	\$ -	\$ -	Note B
property holding costs	ROPS II, Line 64, Form A	various	utilities, landscape, fencing, ...	\$ 3,690	\$ 3,690	Note A	\$ 3,690	\$ 3,690	Note B
Construction	ROPS II, Line 49, Form A	SHRA Project Delivery	Watt Ave Corridor Plan	\$ 11,190	\$ 5,595	Note A	\$ 5,595	\$ 5,595	Note B
Construction	ROPS II, Line 40, Form B	McClellan Park LLC	Watt Wall & Facd Upgrd	\$ 54,547	\$ 54,547	Note A	\$ 54,547	\$ 54,547	Note B
Consultant	ROPS II, Line 41, Form B	County of Sacramento	West of Watt Plnng & En	\$ 63,645	\$ 63,645	Note A	\$ 63,645	\$ 63,645	Note B
Agreed Upon Procedures	ROPS II, Line 1, Form A	Macias Gini & O'Connell LLP	Agreed Upon Procedures	\$ 35,623	\$ 35,623	Note A	\$ 35,623	\$ 35,623	Note B
Rental Subsidy Agreement	ROPS II, Line 56, Form A	SHRA Housing Project Delivery	Serna Rental Subsidy	\$ 4,192	\$ 2,096	Note A	\$ 2,096	\$ 2,096	Note B
Rental Subsidy Agreement	ROPS II, Line 57, Form A	SHRA Housing Project Delivery	Mutual at Highlands Rental Subsidy	\$ 4,192	\$ 2,096	Note A	\$ 2,096	\$ 2,096	Note B
Loans	ROPS II, Line 34, Form A	SHRA Housing Project Delivery	Arbor Creek Family	\$ 48,454	\$ 24,227	Note A	\$ 24,227	\$ 24,227	Note B
Loans	ROPS II, Line 6, Form A	SHRA Housing Project Delivery	Foothill Farms	\$ 27,644	\$ 13,822	Note A	\$ 13,822	\$ 13,822	Note B
Loans	ROPS II, Line 35, Form A	SHRA Housing Project Delivery	Norcade	\$ 43,600	\$ 21,800	Note A	\$ 21,800	\$ 21,800	Note B
various housing projects - monitoring	ROPS II, Line 33, Form A	SHRA Housing Monitoring	housing monitoring	\$ 12,678	\$ 6,339	Note A	\$ 6,339	\$ 6,339	Note B
various housing projects - monitoring	ROPS II, Line 52, Form A	SHRA Housing Monitoring	housing monitoring	\$ 10,462	\$ 5,231	Note A	\$ 5,231	\$ 5,231	Note B
various housing projects - monitoring	ROPS II, Line 14, Form A	SHRA Housing Monitoring	housing monitoring	\$ 84	\$ 42	Note A	\$ 42	\$ 42	Note B
Totals				\$ 167,488,437	\$ 9,472,873	\$ -	\$ 9,472,873	\$ 9,472,873	

Note A: Payments coming due during ROPS III period are planned to be paid from January 2013 Redevelopment Property Tax Trust Fund distribution

Note B: Cash on hand needed to pay obligations

**COUNTY OF SACRAMENTO, SUCCESSOR AGENCY TO
THE COUNTY OF SACRAMENTO REDEVELOPMENT AGENCY
EXHIBIT F - SUCCESSOR AGENCY ASSETS, EXCLUDING LOW
AND MODERATE INCOME HOUSING FUND THAT ARE AVAILABLE
TO DISTRIBUTE TO AFFECTED TAXING ENTITIES**

SUMMARY OF BALANCES AVAILABLE FOR ALLOCATION TO AFFECTED TAXING ENTITIES

Total amount of assets held by the successor agency as of June 30, 2012 (procedure 5) Exhibit B	\$ 45,725,697
Add the amount of any assets transferred to the city or other parties for which an enforceable obligation with a third party requiring such transfer and obligating the use of the transferred assets did not exist (procedures 2 and 3)	-
Less assets legally restricted for uses specified by debt covenants, grant restrictions, or restrictions imposed by other governments (procedure 6) Exhibit C	25,365,231
Less assets that are not cash or cash equivalents (e.g., physical assets) - (procedure 7) Exhibit D	7,480,879
Less balances that are legally restricted for the funding of an enforceable obligation (net of projected annual revenues available to fund those obligations) - (procedure 8)	-
Less balances needed to satisfy ROPS for the 2012-13 fiscal year (procedure 9) Exhibit E	9,472,873
Less the amount of payments made on July 12, 2012 to the County Auditor-Controller as directed by the California Department of Finance	<u>1,086,335</u>
Amount to be remitted to county for disbursement to taxing entities	<u><u>\$ 2,320,379</u></u>

ASSET TRANSFER REVIEW

Attachment B

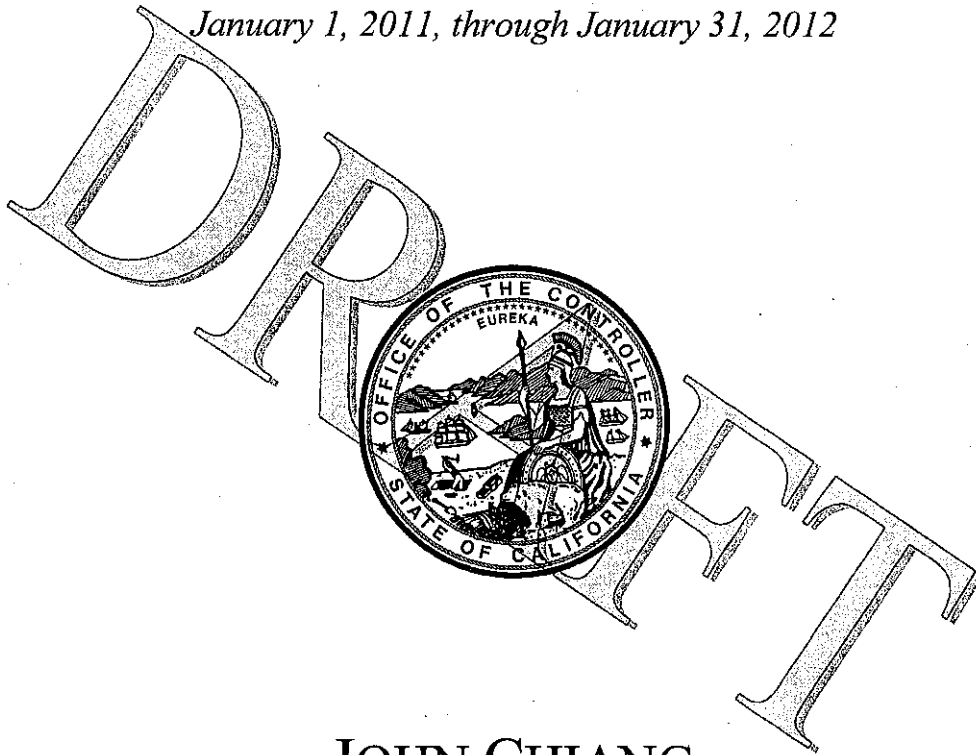
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COUNTY OF SACRAMENTO REDEVELOPMENT AGENCY

ASSET TRANSFER REVIEW

Review Report

January 1, 2011, through January 31, 2012



JOHN CHIANG
California State Controller

December 2012

Contents

Review Report

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Asset Transfer Assessment Review Report

Summary

The State Controller's Office (SCO) reviewed the asset transfers made by the County of Sacramento Redevelopment Agency for the period of January 1, 2011, through January 31, 2012. Our review included, but was not limited to, real and personal property, cash funds, accounts receivable, deeds of trust and mortgages, contract rights, and any rights to payments of any kind from any source.

Our review disclosed that the County of Sacramento Redevelopment Agency transferred \$70,132,356 in assets. These transfers included unallowable transfers of assets totaling \$262,659, or 0.37%, that must be turned over to the County of Sacramento Redevelopment Successor Agency (Successor Agency).

Background

In January of 2011, the Governor of the State of California proposed statewide elimination of redevelopment agencies (RDAs) beginning with the fiscal year (FY) 2011-12 State budget. The Governor's proposal was incorporated into Assembly Bill 26 (ABX1 26, Chapter 5, Statutes of 2011, First Extraordinary Session), which was passed by the Legislature, and signed into law by the Governor on June 28, 2011.

ABX1 26 prohibited RDAs from engaging in new business, established mechanisms and timelines for dissolution of the RDAs, and created RDA Successor Agencies to oversee dissolution of the RDAs and redistribution of RDA assets.

A California Supreme Court decision on December 28, 2011 (California Redevelopment Association et al. v. Matosantos) upheld ABX1 26 and the Legislature's constitutional authority to dissolve the RDAs.

ABX1 26 was codified in the Health and Safety Code (H&S Code) beginning with section 34161.

In accordance with the requirements of H&S Code section 34167.5, the State Controller is required to review the activities of redevelopment agencies (RDAs), "to determine whether an asset transfer has occurred after January 1, 2011, between the city or county, or city and county that created a redevelopment agency, or any other public agency, and the redevelopment agency," and the date at which the RDA ceases to operate, or January 31, 2012, whichever is earlier.

The SCO has identified transfers of assets that occurred during that period between the County of Sacramento Redevelopment Agency, the County of Sacramento, and/or other public agencies. By law, the SCO is required to order that such assets, except those that already had been committed to a third party prior to June 28, 2011, the effective date of ABX1 26, be turned over to the Successor Agency. In addition, the SCO may file a legal order to ensure compliance with this order.

Objectives, Scope, and Methodology

Our review objective was to determine whether asset transfers that occurred after January 1, 2011, and the date upon which the RDA ceased to operate, or January 31, 2012, whichever was earlier, between the city or county, or city and county that created an RDA, or any other public agency, and the RDA, were appropriate.

We performed the following procedures:

- Interviewed Successor Agency personnel to gain an understanding of the Successor Agency operations and procedures.
- Reviewed meeting minutes, resolutions, and ordinances of the Sacramento County Board of Supervisors, the RDA, and Housing Authority of the County of Sacramento.
- Reviewed accounting records relating to the recording of assets.
- Verified the accuracy of the Asset Transfer Assessment Form. This form was sent to all former RDAs to provide a list of all assets transferred between January 1, 2011, and January 31, 2012.
- Reviewed applicable financial reports to verify assets (capital, cash, property, etc.).

Conclusion

Our review disclosed that the County of Sacramento Redevelopment Agency transferred \$70,132,356 in assets. These transfers included unallowable transfers of assets totaling \$262,659, or 0.37%, that must be turned over to the Successor Agency.

UNALLOWABLE ASSETS TRANSFERRED	
Unallowable assets transferred to Housing Authority of the County of Sacramento	\$ 262,659
Total unallowable transfers	\$ 262,659

The County of Sacramento is ordered to reverse the unallowable transfers and turn over the assets identified in this report to the Successor Agency (see Schedule 1).

Details of our finding and Order of the Controller are in the Finding and Order of the Controller section of this report.

Views of Responsible Officials

At an exit conference on October 31, 2012, we discussed the review results with Ben Lamera, Assistant Auditor-Controller; Tia Boatman Patterson, SHRA General Counsel; Chris Pahule, Program Manager, Donald Cavier, Finance Director; Karen Lukes, Management Analyst; and Lori Miller, Finance Manager. At the exit conference, we stated that the final report will include the views of responsible officials.

Restricted Use

This report is solely for the information and use of the County of Sacramento, Housing Authority of the County of Sacramento, the County of Sacramento Redevelopment Successor Agency, the County of Sacramento Successor Agency Oversight Board, and the SCO; it is not intended to be and should not be used by anyone other than these specified parties. This restriction is not intended to limit distribution of this report, which is a matter of public record when issued final.

JEFFREY V. BROWNFIELD
Chief, Division of Audits

_____, 2012

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Finding and Order of the Controller

**FINDING—
Unallowable asset
transfer to the
Housing Authority
of the County of
Sacramento**

The Redevelopment Agency of the County of Sacramento (RDA) transferred \$262,659 in assets to the Housing Authority of the County of Sacramento (Housing Authority). All of the asset transfers to the Housing Authority occurred during the period of January 1, 2011, through January 31, 2012, and the assets were not contractually committed to a third party prior to June 28, 2011.

Unallowable asset transfers were as follows:

- On February 1, 2012, the RDA transferred \$262,659 in Low and Moderate Income Housing cash to the Housing Authority. To accomplish those transfers, the Housing Authority and the Sacramento Housing and Redevelopment Agency (SHRA) entered into an agreement on July 26, 2011, and encumbered Low-Mod Tax Increment under Housing Authority Resolution No. HA-2325. Based on Health and Safety Code (H&S Code) sections 34163(b) and (d), the RDA was not allowed to enter into such an agreement or transfer physical assets or cash after June 27, 2011.

Pursuant to H&S Code section 34167.5, the RDA may not transfer assets to a city, county, city and county, or any other public agency after January 1, 2011. Those assets should be turned over to the County of Sacramento Redevelopment Successor Agency for disposition in accordance with H&S Code sections 34177 (d) and (e).

Order of the Controller

Based on H&S Code section 34167.5, the County of Sacramento is ordered to reverse the transfer of the above assets, described in Schedule 1, in the amount of \$262,659 and turn them over to the Successor Agency.

**Schedule 1—
Unallowable Asset Transfers to the Housing
Authority of the County of Sacramento
January 1, 2011, through January 31, 2012**

Current Assets

Cash Transfer to Housing Authority	\$ 262,659
Total Unallowable Transfer – Housing Authority	<u>\$ 262,659</u>

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¹ See the Finding and Order of the Controller section.