

COUNTY OF PLACER

County Administrative Center 175 Fulweiler Avenue Auburn, CA 95603

Oversight Board

of the Successor Agency of the former Placer County Redevelopment Agency

December 10, 2012 10:30 A.M.

County Administrative Center, 175 Fulweiler Avenue, Auburn, CA 95603

Members of the Board:

Jennifer Montgomery, Placer County Board of Supervisors, Chair
Ron McIntyre, Public Member appointed by County Board of Supervisors
Gerald Johnson, appointed by Superintendent of Board of Education
Dr. Ronald Feist, Public Member appointed by Superintendent of Board of Education
Chris Yatooma, appointed by California Community College Chancellor
Lane Lewis, appointed by North Tahoe Public Utility District
Thomas Hart, former Redevelopment Agency Employee appointed by County Board of Supervisors

AGENDA

- 1. Call to Order
- 2. Pledge of Allegiance
- 3. Public Comments

At this time, members of the public may comment on any item not appearing on the agenda. Under state law, matters presented under this item cannot be discussed or acted upon by the Board at this time. For items appearing on the agenda, the public is invited to make comments at the time the items come up for Board consideration. Any person addressing the Board will be limited to a maximum of three (3) minutes so that all interested parties have an opportunity to speak. Comments from the audience WITHOUT coming to the podium will be disregarded or ruled out of order. Please state your name and address for the record.

4. Hear Public Comment Regarding Review and Discussion of Non-Housing Due Diligence Review

Public Hearing – Rae James

Pursuant to the Dissolution Act as amended by Assembly Bill 1484 Health and Safety Code §34179.6 (b), the Board must convene a public comment session to take place at least five business days before an approval vote of an independent audit report on the Former Redevelopment Agency funds excluding Low- and Moderate-Income Housing Funds.

Oversight Board Page 2

December 10, 2012

5. Adoption of resolution and approval of the ballot for a Benefit Assessment District Annual Levy in the aggregate annual amount of \$5,619.60 on certain Successor Agency owned properties in Kings Beach

Action Item – Rae James

Adopt a resolution authorizing the Successor Agency Director to vote on behalf of the Successor Agency in favor of the formation of a Business Assessment District in Kings Beach on the identified applicable parcels.

Motion:

6. Close

Next Meeting: December 17, 2012 at 10:00 a.m. in Auburn, CA

The above actions of the Oversight Board (Board) shall not become effective for five (5) business days, pending any request by the Department of Finance (DoF). If DoF requests review of the above Board actions, it will have forty (40) days from the date of its request to approve the Board action or return if to the Board for reconsideration and action. If action is taken by the Oversight Board, action will not be effective until approved by DoF.

Materials related to an item on this Agenda submitted to the Board after distribution of the agenda packet are available for public inspection in the Clerk of the Board's office at 175 Fulweiler Avenue, Auburn, CA during normal business hours. Placer County is committed to ensuring that persons with disabilities are provided the resources to participate fully in its public meetings. If you are hearing impaired, we have listening devices available. If you have a disability and need a disability-related modification or accommodation to participate in the meeting, please contact the Clerk of the Board's office at (530) 889-4000. Contact the Clerk of your needs at least 24 hours prior to the meeting. If requested, the agenda shall be provided in appropriate alternative formats to persons with disabilities. All requests must be in writing and must be received by the Clerk five (5) business days prior to the scheduled meeting for which you are requesting accommodation. Request received after such time will be accommodated on if time permits.

Review & Discussion – Non-Housing Due Diligence Review

PLACER COUNTY

SUCCESSOR AGENCY

MEMORANDUM

TO: Honorable Members of the Oversight Board **FROM:** Rae James, Director Successor Agency

DATE: December 10, 2012

SUBJECT: Former Redevelopment Agency Non-Housing Funds Due Diligence Audit Review –

Public Comment

<u>ISSUE</u>: Pursuant to the Dissolution Act as amended by Assembly Bill 1484 Health and Safety Code §34179.6 (b), your Board must convene a public comment session to take place at least five business days before you hold an approval vote of the independent audit report of former Placer County Redevelopment Agency funds excluding Low- and Moderate-Income Housing Funds. Your determinations with respect to the audit must be transmitted to the State Department of Finance by January 15, 2013.

<u>DISCUSSION / BACKGROUND</u>: In furtherance of remitting unencumbered balances of the former Redevelopment Agency's Funds excluding Low- and Moderate-Income Housing Funds to Placer County's Auditor-Controller for purposes of distribution back to the taxing entities, the Successor Agency is required to employ a licensed accountant to prepare a non-housing due diligence audit to be submitted to your board by December 15, 2012. This audit is also transmitted to the County Auditor-Controller, the State Controller, and the Department of Finance.

The purpose of the audit is to identify any unencumbered former Placer County Redevelopment Agency funds, excluding Low- and Moderate-Income Housing Funds which should be submitted to the Placer County Auditor-Controller for distribution back to the taxing entities which otherwise would have received the funds had there not been a redevelopment agency.

Today, your board is requested to hold an open comment session to hear from the public. Pursuant to statute, at your scheduled meeting of December 17, 2012, the board will be asked to approve a determination of the amount of funds available for distribution to the taxing entities. Subject to approval by the State Department of Finance, the statute authorizes the board to adjust the amount specified in the audit to reflect additional information and analysis, and permits the board to authorize the Successor Agency to retain specified restricted and encumbered funds.

ACTION REQUESTED: There is no action requested. This is an information only item.

Attachment: Non-Housing Funds Due Diligence Report

cc: Sue Block, Successor Agency Counsel

COUNTY OF PLACER, CALIFORNIA

Independent Accountant's Report on Applying
Agreed-Upon Procedures on the
Former Redevelopment Agency Funds
Excluding Low and Moderate Income Housing Funds

Pursuant to AB 1484
as Prescribed in
California Health and Safety Code Section 34179.5
Community Redevelopment





County of Placer, Successor Agency of

Auburn, California

the County of Placer Redevelopment Agency

Walnut Creek

Oakland

LA/Century City

Newport Beach

San Diego

Seattle

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 Placer, California (County), Successor Agency of the County of Placer 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 and 34179.6 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 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.

Macion Sini ¿ O'lonnell LLP

Sacramento, California December 5, 2012

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Attachment A – Agreed-Upon Procedures and Findings

Our procedures and findings are as follows:

Citation: 34179.5(c)(1) The dollar value of assets transferred from the former redevelopment agency to the successor agency on or about February 1, 2012.

Procedure:

Obtain from the Successor Agency a listing of all assets that were transferred from the former redevelopment agency to the Successor Agency on February 1, 2012. Agree the amounts on this listing to account balances established in the accounting records of the Successor Agency. Identify in the Agreed-Upon Procedures (AUP) report the amount of the assets transferred to the Successor Agency as of that date.

Results: We noted the former redevelopment agency transferred assets in the amount of \$39,622,357 from the former redevelopment agency to the Successor Agency, excluding assets transferred from the Low and Moderate Income Housing Fund of the former redevelopment agency, on February 1, 2012.

2) **Citation:** 34179.5(c)(2) The dollar value of assets and cash and cash equivalents transferred after January 1, 2011, through June 30, 2012, by the redevelopment agency or the successor agency to the city, county, or city and county that formed the redevelopment agency 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 the city, county, or city and county that formed the redevelopment agency 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 the city, county, or city and county that formed the redevelopment agency 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.

Attachment A – Agreed-Upon Procedures and Findings (Continued)

Results: The State Controller's Office has not completed its review, and therefore, has not issued its report regarding such review of transfers required under both Sections 34167.5 and 34178.8. The only noted transfers made from the former Redevelopment Agency excluding the Low and Moderate Income Housing Funds to the County for the period from January 1, 2011 through January 31, 2012 were made under the statutory requirements with respect to Assembly Bill (AB) x1 26. The total amount of these transfers has been identified in procedure 1. There were no other transfers of assets (excluding payments for goods and services) from the former Redevelopment Agency to the County for the period from January 1, 2011 through January 31, 2012 or from the Successor Agency to the County 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 not completed its review, and therefore, has not issued its report regarding such review, of transfers required under both Sections 34167.5 and 34178.8. In addition, there were no transfers of assets (excluding payments for goods and services) from the Former Redevelopment Agency excluding the Low and Moderate Income Housing Funds to any other public agency or to private parties for the period from January 1, 2011 through January 31, 2012 or from the Successor Agency to any other public agency or private parties for the period from February 1, 2012 through June 30, 2012; therefore these procedures were not applicable.

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 \$6,000,020 for both total revenue and expenditures reported in the state controller's report filed for the Redevelopment Agency and that reported in the fiscal year ended 2010 audited financial statements (financial statements). Both the total revenue and expenditures reported in the state controller's report were \$6,000,020 higher than the amounts reflected in the financial statements. In the 2010 financial statements, tax revenues and expenditures were reported net of pass-through and Supplemental Education Revenue Augmentation Fund (SERAF) payments. The state controller's report requires that tax revenues be reported at gross and pass-through and SERAF payments are required to be reported as expenditures. During fiscal year ended June 30, 2010, pass-through payments were \$2,806,689 and the SERAF payments were \$3,193,331 (for a total of \$6,000,020). 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 is \$34,668 of deposits held by others and \$7,568 of prepaid items reported in the financial statements that are combined and reported as \$42,236 of other assets in the state controller's report. Also, the financial statements report \$264,508 of accounts payable, \$108,052 of accrued salaries and benefits, and \$40,237 of due to other governments that have been reported as \$412,797 of accounts payable in the state controller's report. Additionally, there is \$2,400 of deposits held in trust and \$3,440,800 of deferred revenue reported in the financial statements that is reported as \$3,443,200 of other liabilities in the state's controllers report. Financial data for the fiscal periods ending June 30, 2010 and 2011 is supported by the audited financial statements. Financial data for the periods ending January 31, 2012 and June 30, 2012, is supported by Successor Agency accounting records. Please refer to Exhibit A for a summary of the financial transactions.

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 the Low and Moderate Income Housing Fund as of June 30, 2012 for the report that is due October 1, 2012 and 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. When this procedure is applied to the Low and Moderate Income Housing Fund, the schedule attached as an exhibit will include only those assets of the Low and Moderate Income Housing Fund that were held by the Successor Agency as of June 30, 2012 and will exclude all assets held by the entity that assumed the housing function previously performed by the former redevelopment agency. 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.

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.

Attachment A – Agreed-Upon Procedures and Findings (Continued)

- 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.
- 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.

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.

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.

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:
 - a. 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.
 - b. Compare the forecasted annual spending requirements to the legal document supporting each enforceable obligation.
 - i. 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.
 - c. For the forecasted annual revenues:
 - i. 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.
 - a. Compare the timing and amounts of bond debt service payments to the related bond debt service schedules in the bond agreement.
 - b. Obtain the assumptions for the forecasted property tax revenues and disclose major assumptions associated with the projections.
 - c. 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.
 - a. 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.
 - b. 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.
 - c. Include the calculation in the AUP report.

Attachment A – Agreed-Upon Procedures and Findings (Continued)

Results: It is management's assertion that all current enforceable obligations will be funded by the restricted assets identified in Exhibit C or funded by cash that was identified in Exhibit E. There were no assets identified as needing to be retained to satisfy enforceable obligations; therefore these procedures were not applicable.

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 \$2,089,875 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.

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).

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

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

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.

F for the results of this procedure.

COUNTY OF PLACER, SUCCESSOR AGENCY TO THE COUNTY OF PLACER REDEVELOPMENT AGENCY EXHIBIT A - CONDENSED SUMMARY OF FINANCIAL DATA

| | 12 M | evelopment Agency onths Ending /30/2010 s in Thousands) | 12 N | development Agency Months Ending 6/30/2011 rs in Thousands) | 7 N | edevelopment Agency - Housing Months Ending 1/31/2012 rrs in Thousands) | Econ 7 N | edevelopment Agency - n. Development Months Ending 1/31/2012 ars in Thousands) | 5 M | Successor Agency Housing Months Ending 6/30/2012 rs in Thousands) | Re 5 M | Successor Agency development (onths Ending 6/30/2012 rs in Thousands) |
|--|---------------|---|----------|---|-----|--|-------------|--|----------|---|----------------|--|
| Assets: Cash and Investments Restricted cash and investments Accounts Receivable - Other Due from other governments Deposits held by others Interest receivable Prepaid items Notes receivable, net of discount Advances to other project areas Advances to other funds Other assets | \$ | 24,066,075 25,025 34,668 122,000 7,568 3,440,800 | \$ | 19,816,608 8,682 26,593 6,820 14,492,933 3,000,000 | \$ | 4,341,482 5,807 12,287 9,346,565 | \$ | 14,745,206 5,131,794 3,000,000 | \$ | 1,436,385 2,618,411 9,886 1,977 11,574,776 | \$ | 15,373,475 12,027 18,204 5,043,874 3,000,000 |
| Total Assets | \$ | 27,696,136 | \$ | 37,351,636 | \$ | 13,706,141 | \$ | 22,877,000 | \$ | 15,641,435 | \$ | 23,447,580 |
| Liabilities: Accounts Payable Accrued salaries and benefits Due to other governments Deposits held in trust Deferred revenue Advances from other project areas Advances from other funds Other liabilities | \$ | 264,508 108,052 40,237 2,400 3,440,800 | \$ | 85,093 124,687 91,946 14,492,933 3,000,000 | \$ | 78,758 24,665 - - - 9,346,565 | \$ | 252,696 37,401 40,237 - 5,131,794 3,000,000 | \$ | 16,739 4,734 1,034,391 11,574,776 | \$ | 36,813 27,445 82,662 5,043,874 3,000,000 |
| Total Liabilities | \$ | 3,855,997 | \$ | 17,794,659 | \$ | 9,449,988 | \$ | 8,462,128 | \$ | 12,630,640 | \$ | 8,190,794 |
| Equity | \$ | 23,840,139 | \$ | 19,556,977 | \$ | 4,256,153 | \$ | 14,414,872 | \$ | 3,010,795 | \$ | 15,256,787 |
| Total Liabilities + Equity | \$ | 27,696,136 | \$ | 37,351,636 | \$ | 13,706,141 | \$ | 22,877,000 | \$ | 15,641,435 | \$ | 23,447,581 |
| Total Revenues: | \$ | 5,890,048 | \$ | 8,224,059 | \$ | 1,356,268 | \$ | 3,534,941 | \$ | 2,296,831 | \$ | 2,087,288 |
| Total Expenditures/Expenses: | \$ | 11,217,878 | \$ | 17,157,621 | \$ | 1,276,573 | \$ | 4,500,588 | \$ | 4,311,758 | \$ | 1,245,373 |
| Total Transfers: | \$ | | \$ | 4,650,400 | \$ | - | \$ | - | \$ | 5,025,722 | \$ | 14,414,872 |
| Net change in equity | \$ | (5,327,830) | \$ | (4,283,162) | \$ | 79,695 | \$ | (965,647) | \$ | 3,010,795 | \$ | 15,256,787 |
| Beginning Equity: Ending Equity: | \$ | 29,167,969 23,840,139 | \$ | 23,840,139 19,556,977 | \$ | 4,176,458 4,256,153 | \$ | 15,380,519 14,414,872 | \$ | 3,010,795 | \$ | 15,256,787 |
| Other Information (show year end balances for all three years p Capital Assets as of end of year, net Long term debt as of end of year Deferred charges | s \$ \$ | 23,400,937 28,679,824 | \$ \$ | 20,017,182 28,227,767 | | | | | \$ \$ | 816,164 6,592,005 | \$ \$ \$ | 16,207,116 20,338,159 875,368 |

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

| | Total value as |
|-------------------------------------|------------------|
| Asset | of June 30, 2012 |
| Cash in Treasury | \$ 15,314,175 |
| Cash - RDA Wells Fargo | 17,300 |
| Cash - Market Value Gains/Losses | 42,000 |
| Interest receivable | 18,204 |
| Notes receivable, net of discount | 5,043,874 |
| Due from other funds | 3,000,000 |
| Due from other governments | 12,027 |
| Deferred charges (bond issuance) | 875,368 |
| Capital Assets (net): | |
| Land | 6,489,265 |
| Land Improvements | 978,057 |
| Construction in Progress | 1,090,398 |
| Infrastructure | 6,779,802 |
| Equipment | 14,871 |
| Intangible Assets - Non Depreciable | 854,723 |
| Total Assets | \$ 40,530,064 |

COUNTY OF PLACER, SUCCESSOR AGENCY TO THE COUNTY OF PLACER REDEVELOPMENT AGENCY EXHIBIT C - SUCCESSOR AGENCY RESTRICTED ASSETS 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 in 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 |
| Series A Bonds (105/600) | 7,952,730 | Bond proceeds | Bond proceeds | Accounting records | The Tax Allocation Bonds, Series A Official Statements requires the restriction. The restriction is in effect until all the bond proceeds are expended for their intended purpose. |
| Series B Bonds (105/700) | 516,017 | Bond proceeds | Bond proceeds | Accounting records | The Tax Allocation Bonds, Series B Official Statements requires the restriction. The restriction is in effect until all the bond proceeds are expended for their intended purpose. |
| Total Unspent Bond Proceeds | 8,468,747 | | | | |
| 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 in 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. | of Julie 30, 2012 | Computation of the Restricted Barance | Source of Funds | documentation) | expended for their intended purpose |
| C. Other Assets Considered Legally Restricted 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 in 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 |
| Balance of interest/investment earnings on the Series A S bonds proceeds (505/600 & 105/600) | 5 2,377,881 | Interest/Investment Revenue \$ 2,417,930 Miscellaneous Revenue 38 Add Payables (AP & Salaries) 128 Less Cash - Market Value Gains (28,000) Less Investment Interest Receivable (12,215) Series A Interest/Investment Earnings \$ 2,377,881 | Investment earnings on bond proceeds | Accounting records | The Tax Allocation Bonds, Series A Official Statements requires the restriction. The restriction is in effect until all the bond proceeds are expended for their intended purpose. |
| Balance of interest/investment earnings on the Series B bonds proceeds (505/700 & 105/700) | 465,128 | Interest/Investment Revenue \$ 468,289 Miscellaneous Revenue 1,000 Less Cash - Market Value Gains (3,000) Less Investment Interest Receivable (1,161) Series B Interest/Investment Earnings \$ 465,128 | Investment earnings on bond proceeds | Accounting records | The Tax Allocation Bonds, Series B Official Statements requires the restriction. The restriction is in effect until all the bond proceeds are expended for their intended purpose. |
| Total Other Assets Considered Legally Restricted | 2,843,009 | | | | |
| Total Restricted Assets | 11,311,756 | | | | |

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

Description of the records provided supporting the

| | | | book value listed (i.e. previously audited financial |
|-------------------------------------|-------------------|-------------------|---|
| | | | statements or the accounting records) and any |
| | | Dagia (i.a. Dagis | 2 , |
| | | Basis (i.e. Book | differences noted. If differences pertain to disposal |
| | Total value as of | Value/Fair | of assets, note whether the proceeds were deposited |
| Asset | June 30, 2012 | Market Value) | into the Successor Agency. |
| Cash - Market Value Gains/Losses | \$ 42,000 | Book Value | Accounting records |
| Interest receivable | 18,204 | Book Value | Accounting records |
| Due from other governments | 12,027 | Book Value | Accounting records |
| Due from other funds | 3,000,000 | Book Value | Accounting records |
| Notes Receivable, net of discount | 5,043,874 | Book Value | Accounting records |
| Deferred charges (bond issuance) | 875,368 | Book Value | Accounting records |
| Capital Assets (net): | | | |
| Land | 6,489,265 | Book Value | Accounting records |
| Land Improvements | 978,057 | Book Value | Accounting records |
| Construction in Progress | 1,090,398 | Book Value | Accounting records |
| Infrastructure | 6,779,802 | Book Value | Accounting records |
| Equipment | 14,871 | Book Value | Accounting records |
| Intangible Assets - Non Depreciable | 854,723 | Book Value | Accounting records |
| Total Assets | \$ 25,198,589 | | |

COUNTY OF PLACER, SUCCESSOR AGENCY TO THE COUNTY OF PLACER 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

| | | Contract | Contract | | |
|--------------------------|---|------------|-------------|-------------------------------|---|
| Project Name/ | | Execution | Termination | | |
| Debt Obligation | Item # | Date | Date | Payee | Description |
| Lease | ROPS II, Page 1, Line 1 | 10/24/2003 | 8/31/2036 | H J Cassidy | 30 year ground lease - Jackpine |
| | ROPS III, Page 1, Line 1 | | | | |
| Bond Payments | ROPS II, Page 1, Line 2 | 8/8/2006 | 6/8/2036 | Bank of NY | 2006 Series A |
| | ROPS III, Page 1, Line 2 | | | | |
| Bond Payments | ROPS II, Page 1, Line 3 | 8/8/2006 | 6/8/2036 | Bank of NY | 2006 Series B |
| | ROPS III, Page 1, Line 3 | | | | |
| Bond Payments | ROPS II, Page 1, Line 4 | 8/8/2006 | 6/8/2036 | Bank of NY | 2006 Series C |
| | ROPS III, Page 1, Line 4 | | | | _ |
| Bond Program | ROPS II, Page 3, Line 10 | N/A | N/A | Bank of NY | Trustee Costs |
| | ROPS III, Page 1, Line 5 | | | | |
| Bond Program | ROPS II, Page 3, Line 11 | N/A | N/A | AMTEC | Bond Rebate Calcu Rpt |
| D 10 | ROPS III, Page 1, Line 6 | TDD. | mp p | | B 111 11 11 11 |
| Bond Program | ROPS II, Page 3, Line 12 | TBD | TBD | Fraser & Associates | Bond Administration |
| G | ROPS III, Page 1, Line 7 | 24/2005 | 0/00/000 | arenn or oso | T 4 11 1 1 B 1 |
| State Loan | ROPS II, Page 1, Line 5 | 3/1/2005 | 2/28/2025 | CIEDB 04-059 | Loan for parking lot - Brook |
| G I | ROPS III, Page 1, Line 8 | 0/1/2007 | 0/21/2027 | CIEDO 05 050 | T 0 1: 1 × NC |
| State Loan | ROPS II, Page 1 , Line 6 | 9/1/2007 | 8/31/2027 | CIEDB 07-078 | Loan for parking lot - Minnow |
| State I and | ROPS III, Page 1, Line 10 | 7/1/2006 | (/20/2026 | CIEDD 05 067 | I and Com Andrews Diagram |
| State Loan | ROPS II, Page 1 , Line 7 | 7/1/2006 | 6/30/2026 | CIEDB 05-067 | Loan for Auburn Plaza |
| | ROPS III, Page 1, Line 9 | 10/2/2002 | | CALIEA | D: : 10 T |
| Loans | ROPS II, Page 1 , Line 8 | 10/2/2002 | 37/4 | CALHFA | Principal & Interest |
| State Loan | ROPS II, Page 1 , Line 9 | N/A | N/A | CIEDB | State Loan Administration |
| DDA - BBLLC | ROPS III, Page 1, Line 11 | 6/24/2008 | | BBLLC | Draw - Reimbursement for entitlement work - |
| DDA - BBLLC | ROPS II, Page 1, Line 10 | 6/24/2008 | | BBLLC | project |
| Agragment | DODG II. Dogg 1. Line 11 | 7/1/2011 | 9/31/2012 | NTBA (CN000836) | Marketing Business |
| Agreement | ROPS II, Page 1, Line 11 | //1/2011 | 9/31/2012 | NIBA (CN000830) | Marketing Business |
| Agreement | ROPS III, Page 1, Line 12 ROPS II, Page 1, Line 12 | 7/1/2011 | 9/31/2012 | TCDA (CN000837) | Marketing Business |
| Agreement | ROPS III, Page 1, Line 12 | //1/2011 | 9/31/2012 | TCDA (CN000837) | Marketing Business |
| Agreement | ROPS II, Page 1, Line 13 | 11/2/2009 | Until Clean | State Water Resources Control | Polanco Act - Tolling agreement |
| Agreement | ROPS III, Page 1, Line 17 | 11/2/2009 | Onth Clean | Board | Folanco Act - Tolling agreement |
| Property Management | ROPS II, Page 1, Line 17 | Various | Ongoing | Various | Maintenance, Utilities, Snow Removal |
| 1 Toperty Wanagement | ROPS III, Page 1, Line 14 | various | Oligoling | various | Manitenance, Othities, Snow Removar |
| Toxic Cleanup Obligation | ROPS II, Page 1, Line 15 | TBD | 6/30/2013 | Kleinfelder | Swiss Mart Decontamination |
| Toxic Cicanup Obligation | ROPS III, Page 1, Line 15 | TDD | 0/30/2013 | Kleinicidei | Swiss Wait Decontainmation |
| Toxic Cleanup Obligation | ROPS II, Page 1, Line 16 | TBD | 6/30/2013 | Kleinfelder | Ronning Decontamination |
| Toxic Cicanup Obligation | ROPS III, Pate 1, Line 16 | TDD | 0/30/2013 | Kleinicidei | Rolling Decontamination |
| Disposition of Property | ROPS II, Page 1, Line 17 | TBD | 6/30/2013 | Johnson-Perkins | Appraiser |
| 2.5position of Freperty | ROPS III, Page 1, Line 19 | 100 | 0/30/2013 | Johnson Teranis | - Appraises |
| Disposition of Property | ROPS II, Page 1, Line 18 | TBD | 6/30/2013 | Andregg Geometrics | Survey |
| 2.5position of Freperty | ROPS III, Page 1, Line 20 | 100 | 0/30/2013 | i maregg econicates | Survey |
| Disposition of Property | ROPS II, Page 1, Line 19 | TBD | 6/30/2013 | Core Logic | Geographic Software |
| | ROPS III, Page 1, Line 21 | | 0,50,2015 | | 0 |
| Oversight Board | ROPS II, Page 1, Line 20 | | 3/1/2013 | Various | Sale of Properties |
| 3 | ROPS III, Page 1, Line 22 | | | | r |
| | , - Lgo 1, Line 22 | | | | |

COUNTY OF PLACER, SUCCESSOR AGENCY TO THE COUNTY OF PLACER 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# | Contract Execution Date | Contract Termination Date | Payee | Description |
|----------------------------------|---------------------------|-------------------------------|---------------------------------|---------------------------|--|
| Liability as of 1/31/2012 | ROPS II, Page 1, Line 21 | PERS | 1/31/2022 | Fund Redev Agency PERS | Fund Redev Agency PERS |
| | ROPS III, Page 1, Line 25 | | | | a a carr go sy |
| Liability as of 1/31/2012 | ROPS II, Page 1, Line 22 | OPEB | 1/31/2022 | Fund Redev Agency OPEB | Fund Redev Agency OPEB |
| • | ROPS III, Page 1, Line 26 | | | 6 3 | , |
| Continued Administration | ROPS II, Page 3, Line 1 | N/A | N/A | Newspapers | Public Notices |
| | ROPS III, Page 1, Line 32 | | | * * | |
| Continued Administration | ROPS II, Page 3, Line 2 | N/A | N/A | Applied Business Software | Annual Mortgage Office Software Leases |
| Continued Administration | ROPS II, Page 3, Line 3 | N/A | N/A | Golden State | Printer maintenance |
| | ROPS III, Page 1, Line 33 | | | | |
| Continued Administration | ROPS II, Page 3, Line 4 | N/A | N/A | Nextel | Wireless phone |
| | ROPS III, Page 1, Line 34 | | | | |
| Continued Administration | ROPS II, Page 3, Line 5 | N/A | N/A | Various | Supplies |
| | ROPS III, Page 1, Line 35 | | | | |
| Continued Administration | ROPS II, Page 3, Line 6 | N/A | N/A | FedEx | Delivery charges |
| | ROPS III, Page 1, Line 36 | | | | |
| Continued Administration | ROPS II, Page 3, Line 7 | N/A | N/A | Placer County | Operations |
| | ROPS III, Page 1, Line 37 | | | | |
| Continued Administration | ROPS II, Page 3, Line 8 | N/A | N/A | Placer County | Legal Service |
| | ROPS III, Page 1, Line 38 | | | | |
| | | | | | |
| Continued Administration | ROPS II, Page 3, Line 9 | N/A | N/A | Employees of County | Employee Costs |
| | ROPS III, Page 1, Line 39 | | | | |
| Oversight Board support | ROPS II, Page 3, Line 13 | 7/1/2010 | 6/30/2013 | Meyers Nave Ridback | Legal Contract |
| | ROPS III, Page 1, Line 31 | | | | |
| Preparation of DOF Audits | ROPS III, Page 1, Line 23 | TBD | TBD | MGO | Due Diligence / Audit |
| KB Comm'l Core Improvement | ROPS III, Page 1, Line 28 | 6/27/2012 | N/A | Placer County | Amended/Restated Agreement |
| Hwy 49 Improvement Project | ROPS III, Page 1, Line 29 | 6/27/2012 | N/A | Placer County | Amended/Restated Agreement |

COUNTY OF PLACER, SUCCESSOR AGENCY TO THE COUNTY OF PLACER 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 (CONTINUED)

| | Total Outstanding | | the 6-month period | Total due for fiscal year | Dollar amount of | | |
|----------------------------------|---|-----------------------|------------------------|------------------------------|-------------------------|------------|---------------------------------|
| Project Name/ Debt Obligation | Debt or Obligation as of June 30, 2012 | ROPS II 12/31/2012 | ROPS III 06/30/2013 | ending June 30, 2013 | existing cash needed | | Explanation for retaining funds |
| Lease | \$ 1,490,566 | \$ 24,368 | \$ 24,368 | \$ 48,736 | \$ 24,368 | (I) | retaining funds |
| Bond Payments | 24,075,180 | 653,199 | 316,599 | 969,798 | 653,199 | (I) | |
| Bond Payments | 5,285,226 | 145,214 | 68,761 | 213,975 | 145,214 | (I) | |
| Bond Payments | 10,617,544 | 265,834 | 162,959 | 428,793 | 265,834 | (I) | |
| Bond Program | 129,600 | 5,400 | | 5,400 | 5,400 | (I) | |
| Bond Program | 4,000 | - | 1,000 | 1,000 | - | | |
| Bond Program | 14,000 | 7,000 | 14,000 | 21,000 | 7,000 | (I) | |
| State Loan | 372,249 | 12,281 | 3,957 | 16,238 | 12,281 | (I) | |
| State Loan | 636,314 | 18,226 | 6,327 | 24,553 | 18,226 | (I) | |
| State Loan | 1,884,626 | 59,471 | 19,302 | 78,773 | 59,471 | (I) | |
| Loans State Loan | 1,300,000 10,000 | 1,300,000 10,000 | | 1,300,000 10,000 | 10,000 | (I) | |
| DDA - BBLLC | 44,834 | 44,834 | - | 44,834 | 44,834 | (I) | |
| Agreement | 21,667 | 21,667 | - | 21,667 | 21,667 | (I) | |
| Agreement | 21,667 | 21,667 | - | 21,667 | 21,667 | (I) | |
| Agreement | 40,237 | - | - | - | - | | |
| Property Management | 81,038 | 39,419 | 41,616 | 81,035 | 39,419 | (I) | |
| Toxic Cleanup Obligation | 202,500 | 85,520 | 42,760 | 128,280 | 85,520 | (I) | |
| Toxic Cleanup Obligation | 502,500 | 129,372 | 64,686 | 194,058 | 129,372 | (I) | |
| Disposition of Property | 25,000 | 10,000 | 15,000 | 25,000 | 10,000 | (I) | |
| Disposition of Property | 25,000 | 12,500 | 12,498 | 24,998 | 12,500 | (I) | |
| Disposition of Property | 2,400 | 1,250 | 1,248 | 2,498 | 1,250 | (I) | |
| Oversight Board | 85,123 | 66,103 | 19,020 | 85,123 | 66,103 | (I) | |

COUNTY OF PLACER, SUCCESSOR AGENCY TO THE COUNTY OF PLACER 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 (CONTINUED)

| | | | Total Outstanding | То | end | he 6-month period | Total due for fiscal year | Do | llar amount of | | |
|-----|---|------------|---|-------|-----------------------|--|--------------------------------|-------|-----------------------------|-----|--|
| | Project Name/ Debt Obligation | | Debt or Obligation as of June 30, 2012 | | ROPS II 12/31/2012 | ROPS III 06/30/2013 | ending June 30, 2013 | 6 | existing cash needed | | Explanation for retaining funds |
| | Liability as of 1/31/2012 | | 1,871,000 | _ | 93,550 | 00/30/2013 | 93,550 | | 93,550 | _ | (I) |
| | Liability as of 1/31/2012 | | 860,000 | | 43,000 | - | 43,000 | | 43,000 | | (I) |
| | Continued Administration | | 650 | | 325 | 325 | 650 | | 325 | (a) | (I) |
| | Continued Administration Continued Administration | | 4,400 750 | | 4,400 375 | 375 | 4,400 750 | | 4,400 375 | | |
| | Continued Administration | | 160 | | 120 | 40 | 160 | | 120 | (a) | (I) |
| | Continued Administration | | 2,680 | | 2,010 | 670 | 2,680 | | 2,010 | (a) | (I) |
| | Continued Administration | | 530 | | 264 | 134 | 398 | | 264 | (a) | (I) |
| | Continued Administration | | 121,150 | | 60,576 | 11,429 | 72,005 | | 60,576 | (a) | (I) |
| | Continued Administration | | 112,000 | | 55,998 | 38,022 | 94,020 | | 55,998 | (a) | (I) |
| (I) | All ROPS II funding is included Continued Administration | in the cas | h balance as of June 30, 142,550 | 2012 | and must be re | tained to satisfy ROI | PS II (July through 142,550 | Decem | 131,895 | | |
| | Oversight Board support | | 150,000 | | 70,000 | 31,676 | 101,676 | | 70,000 | | (I) |
| | Preparation of DOF Audits KB Comm'l Core Improvement | | 12,000 10,603,218 | | | 12,000 10,330,611 | 12,000 10,330,611 | | 10,603,218 | (b) | Funds retained to pay January - June 2013 government purpose public improvements |
| | Hwy 49 Improvement Project | | 981,146 | | | 981,146 | 981,146 | | 981,145 | (b) | Funds retained to pay January - June 2013 government purpose public improvements |
| | | Total | \$ 61,733,505 | \$ | 3,395,838 | \$ 12,231,184 | \$ 15,627,022 | \$ | 13,680,201 | _ | |
| | | | R | OPS o | obligations satis | fied with bond proc | eeds (sum of (b)): | | 11,584,363 | _ | |
| | | | Total | amou | int to be satisfie | ed with cash other th | an bond proceeds: | | 2,095,838 | | |
| | | | Maximu | m adn | ninistrative cost | Total administrative is allowed by DOF p inistrative costs not | er HSC 34171 (b) | _ | 255,963 250,000 5,963 | | |
| | | | Total dollar a | moun | t of existing cas | sh needed to satisfy l | ROPS obligations: | \$ | 2,089,875 | - | |

⁽I) All ROPS II funding is included in the cash balance as of June 30, 2012 and must be retained to satisfy ROPS II (July through December 2012) obligations.

⁽II) The DOF only approved administrative costs up to \$250,000 per Health and Safety Code section 34171 (b). The Placer Successor Agency has to cover administrative costs in excess of \$250,000

COUNTY OF PLACER, SUCCESSOR AGENCY TO THE COUNTY OF PLACER 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 | \$ 40,530,064 |
|--|-----------|------------------|
| 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 | 11,311,756 |
| Less assets that are not cash or cash equivalents (e.g., physical assets) - (procedure 7) | Exhibit D | 25,198,589 |
| 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 | 2,089,875 |
| Less the amount of payments made on July 12, 2012 to the County Auditor-Controller as directed by the California Department of Finance | | 2,001,727 |
| Amount to be remitted to county for disbursement to taxing entities | | \$ _ |

Note that separate computations are required for the Low and Moderate Income Housing Fund held by the Successor Agency and for all other funds held by the Successor Agency.

NOTES: For each line shown above, an exhibit should be attached showing the composition of the summarized amount.

If the review finds that there are insufficient funds available to provide the full amount due, the cause of the insufficiency should be demonstrated in a separate schedule.

Approval of Benefit Assessment District

PLACER COUNTY

SUCCESSOR AGENCY

MEMORANDUM

TO: Honorable Members of the Oversight Board

FROM: Rae James, Director **DATE:** December 10, 2012

SUBJECT: Approval of the Ballot for a Benefit Assessment District Annual Levy in the

Aggregate Annual Amount of \$5,619.60 on Certain Successor Agency Owned

Properties in Kings Beach

ISSUE

On October 23, 2012 the Placer County Board of Supervisors (BOS) conducted a public hearing and adopted a resolution approving the formation of a Benefit Assessment District (District) in Kings Beach which could include the levy of annual assessments on affected property owners to fund the maintenance of future streetscape improvements required by the Kings Beach Commercial Core Improvement Project (Project).

DISCUSSION / BACKGROUND

The Project is located within the former North Lake Tahoe Redevelopment Project Area in Kings Beach. The Project represents a public investment in excess of \$45 million to revitalize Kings Beach through constructing storm water drainage and treatment and rebuilding State Route 28, as well as creating sidewalks and other public improvements.

Article XIIID of the Constitution of the State of California and Proposition 218 of the Omnibus Implementation Act provide authority for public entities to levy and collect assessments to pay for the maintenance and services of public improvements and related facilities.

Although properties owned by a government body are not subject to property taxes, governmental properties are subject to special assessments, and your vote would bind future property owners to an assessment. Based on the location of the property, the aggregate assessment for all twenty affected parcels currently owned by the Successor Agency would be \$5,619.60 per year. An exhibit showing the separate amounts by parcel is attached. The assessed amount would appear on an individual property tax bill but would not be imposed until the year that funding is needed, so that property owners would not be required to pay the assessment before realizing the benefits of the new improvements.

Your approval of this action would allow the Successor Agency Director to vote in favor of the District and the assessment on behalf of the Successor Agency. Based on the ballot results, the BOS will approve or disapprove the District formation at its January 2013 meeting.

ACTION REQUESTED

Adopt a resolution authorizing the Successor Agency Director to vote on behalf of the Successor Agency in favor of the formation of a Business Assessment District in Kings Beach to include identified applicable Successor Agency parcels.

Attachment: Placer County Kings Beach Benefit District No. 1 Assessment Roll

cc: Susan Bloch, Successor Agency Counsel

Before the Placer County Oversight Board, State of California

In the matter of:

| Adopting a resolution authorizing the Success Director to vote on behalf of the Successor Agency the formation of a Business Assessment Distri- Beach to include identified Successor Agency own | y in favor of ict in Kings | Resol. No: |
|---|----------------------------|----------------|
| | | First Reading: |
| The following <u>Resolution</u> was duly passed by | y the Oversight | Board |
| of the County of Placer at a regular meeting held | December 10, 20 | 12, |
| by the following vote on roll call: | | |
| Ayes: | | |
| Noes: | | |
| Absent: | | |
| Signed and approved by me after its passage. | | |
| Attest: Clerk of said Board | Chair, Oversigh | nt Board |
| | | |

WHEREAS, this resolution is adopted by the Placer County Oversight Board in conformance with Health and Safety Code §34180(i) which authorizes the Successor Agency to request Oversight Board approval for the entry into an agreement for the pledge of property tax revenue.

WHEREAS, on October 23, 2012, the Placer County Board of Supervisors approved the formation of a Business Assessment District (see attached Exhibit) in Kings Beach to pay for public water quality improvements which will benefit the valuation of affected properties.

WHEREAS, the Successor Agency owns twenty parcels that would be affected by inclusion in the Benefit Assessment District.

WHEREAS, the value of such parcels will be enhanced by the completion of the work contemplated to be funded by the assessment.

NOW THEREFORE BE IT RESOLVED, the Successor Agency Director is authorized to vote on behalf of the Successor Agency in favor of the inclusion of the identified Successor Agency owned parcels into the Business Assessment District in Kings Beach.

EXHIBIT

Placer County Kings Beach Benefit Assessment District No. 1 Assessment Roll

| Assessor's Parcel Number | Site Address | Fiscal Year 2014/16 Maximum Annual Assessment |
|-----------------------------|---------------------------|---|
| 090-370-005 | Not Available | 0.00 |
| 090-370-006 | Not Available | 119.79 |
| 090-221-012 | Chipmunk Street | 0.00 |
| 090-221-026 | 8796 North Lake Boulevard | 1,298.69 |
| 090-221-027 | 8798 North Lake Boulevard | 343.66 |
| 090-221-018 | 8790 North Lake Boulevard | 70.70 |
| 090-221-021 | 8788 North Lake Boulevard | 41.89 |
| 090-221-013 | 8776 North Lake Boulevard | 90.99 |
| 090-221-014 | North Lake Boulevard | 61.53 |
| 090-221-020 | 8784 North Lake Boulevard | 163.65 |
| 090-192-041 | 8797 North Lake Boulevard | 2,102.52 |
| 090-192-055 | 8793 North Lake Boulevard | 57.60 |
| 090-142-001 | 8716 North Lake Boulevard | 115.86 |
| 090-142-002 | 8720 North Lake Boulevard | 168.23 |
| 090-192-058 | Not Available | 51.71 |
| 090-192-059 | Not Available | 52.37 |
| 090-192-060 | Not Available | 51.06 |
| 090-126-020 | Salmon Avenue | 202.92 |
| 090-122-019 | 8445 Brook Avenue | 197.68 |
| 090-074-025 | 8334 Rainbow Avenue | 428.75 |

\$ 5,619.60