

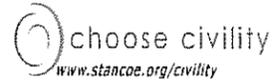
Oversight Board (to the Successor Agency to the Turlock Redevelopment Agency) Special Meeting Agenda

JANUARY 15, 2013

2:00 p.m.

City of Turlock Mariposa Conference Room (Engineering)

156 S. Broadway, Turlock, California



NOTICE REGARDING NON-ENGLISH SPEAKERS: The Board meetings are conducted in English and translation to other languages is not provided. Please make arrangements for an interpreter if necessary.

EQUAL ACCESS POLICY: If you have a disability which affects your access to public facilities or services, please contact the Board Secretary's Office at (209) 668-5540. The Board is committed to taking all reasonable measures to provide access to its facilities and services. Please allow sufficient time for the Board to process and respond to your request.

NOTICE: Pursuant to California Government Code Section 54954.3, any member of the public may directly address the Board on any item appearing on the agenda, including Consent Calendar and Public Hearing items, before or during the Board's consideration of the item; however, no action may be taken on matters that are not part of the posted agenda.

CHALLENGING BOARD DECISIONS: If a person wishes to challenge the nature of the above actions in court, they may be limited to raising only those issues they or someone else raised at the meeting described in this notice, or in written correspondence delivered to the Board, at or prior to the meeting. In addition, judicial challenge may be limited or barred where the interested party has not sought and exhausted all available administrative remedies.

AGENDA PACKETS: Prior to the Board meeting, a complete Agenda Packet is available for review on the City of Turlock's website at www.cityofturlock.org and in the Board Secretary's Office at 156 S. Broadway, Suite 230, Turlock, during normal business hours. Materials related to an item on this Agenda submitted to the Agency after distribution of the Agenda Packet are also available for public inspection in the Board Secretary's Office. Such documents may be available on the City's website subject to staff's ability to post the documents before the meeting.

1. A. CALL TO ORDER

B. SALUTE TO THE FLAG

2. CITIZEN PARTICIPATION:

This is the time set aside for citizens to address the Board concerning any item that has been described in the notice for the meeting before or during consideration of that item. You will be allowed three (3) minutes for your comments. If you wish to speak regarding an item on the agenda, you may be asked to defer your remarks until the Board addresses the matter.

3. STAFF UPDATES: None

4. DECLARATION OF CONFLICTS OF INTEREST AND DISQUALIFICATIONS

5. **CONSENT CALENDAR:**

Information concerning the consent items listed hereinbelow has been forwarded to each Board Member prior to this meeting for study. Unless the Chairman, a Board Member or member of the audience has questions concerning the Consent Calendar, the items are approved at one time by the Board. The action taken by the Board in approving the consent items is set forth in the explanation of the individual items.

- A. Motion: Accepting Minutes of the January 7, 2013 Special Meeting of the Oversight Board to the Successor Agency to the Turlock Redevelopment Agency

6. **SCHEDULED MATTERS:**

- A. Request to approve the Due Diligence Review for fund and account balances of the Former Turlock Redevelopment Agency conducted pursuant to Health and Safety Code Section 34179.5 and taking certain other actions in connection therewith. (*Lorenzi*)

Recommended Action:

Resolution: Approving the Due Diligence Review for Fund and Account Balances of the Former Turlock Redevelopment Agency Conducted Pursuant to Health and Safety Code Section 34179.5 and Taking Certain Other Actions in Connection Therewith

7. **BOARD ITEMS FOR FUTURE CONSIDERATION**

8. **BOARD COMMENTS**

Board Members may provide a brief report on notable topics of interest. The Brown Act does not allow discussion or action by the legislative body.

9. **ADJOURNMENT**

The foregoing meeting is hereby called by Chairman Curt Andre at the above mentioned date and time pursuant to California Government Code §54956.



CURT ANDRE, Chairman

January 7, 2013
2:00 p.m.

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MINUTES
Special Meeting
Oversight Board to the
Successor Agency to the
Turlock Redevelopment Agency

City of Turlock Yosemite Room
156 S. Broadway, Turlock, California

1. A. **CALL TO ORDER** – Vice-Chairman Boyd the meeting to order at 2:01 p.m.
PRESENT: Board Members Vito Chiesa, Sonny Da Marto, John Lazar (left at 2:21 p.m.),
Abe Rojas, Roy Wasden and Vice-Chairman Steve Boyd
ABSENT: Chairman Andre

B. **SALUTE TO THE FLAG**

2. **CITIZEN PARTICIPATION:** None

3. **STAFF UPDATES:** None

4. **DECLARATION OF CONFLICTS OF INTEREST AND DISQUALIFICATIONS:** None

5. **CONSENT CALENDAR**

Action: Motion by Board Member Wasden, seconded by Board Member Rojas, and carried with Chairman Andre absent and Vice-Chairman Boyd not participating, to adopt the consent calendar as follows:

- A. Motion: Accepting Minutes of the October 18, 2012 Special Meeting of the Oversight Board to the Successor Agency to the Turlock Redevelopment Agency

6. **SCHEDULED MATTERS:**

- A. City of Turlock Sr. Accountant Marie Lorenzi presented the staff report on the request to acknowledge the receipt of the review for fund and account balances of the former Turlock Redevelopment Agency conducted pursuant to Health and Safety Code Section 34179.5, and commencement of the five-business day public comment session.

Board discussion included a staff update of the California Department of Finance's decision regarding retaining low/mod funds related to Avena Bella funding.

Vice-Chairman Boyd opened the public comment session at 2:20 p.m. No one spoke. Vice-Chairman Boyd noted the public comment period will close at the January 15, 2013 Special Oversight Board Meeting scheduled to begin at 2:00 p.m.

Action: **Resolution No. OB-2013-001** Acknowledging the Receipt of the Review for Fund and Account Balances of the former Turlock Redevelopment Agency Conducted Pursuant to Health and Safety Code Section 34179.5, and Commencement of the Five-Business Day Public Comment Session was introduced by Board Member John Lazar, seconded by Board Member Chiesa, and carried with Chairman Andre absent.

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Note: Board Member Lazar left the meeting at 2:21 p.m.

- B. City of Turlock Housing Program Services Manager Maryn Pitt presented the staff report on the request to direct the transfer of housing assets to the Housing Successor Agency.

Board Discussion included the property located at 301 Starr Avenue and the potential and/or legality for the state to call for Housing related loans.

Vice-Chairman Boyd asked for public comment. No one spoke. Vice-Chairman Boyd closed public comment.

Action: **Resolution No. OB-2013-002** Directing the transfer of functions and assets to the Housing Successor Agency as depicted in Exhibit A was introduced by Board Member Rojas, seconded by Wasden, and carried with Board Member Lazar and Chairman Andre absent.

7. **BOARD ITEMS FOR FUTURE CONSIDERATION:** None

8. **BOARD COMMENTS:** None

9. **ADJOURNMENT**

Motion by Board Member Wasden, seconded by Board Member Rojas, to adjourn the meeting at 2:32 p.m.

RESPECTFULLY SUBMITTED

Kellie E. Weaver
City Clerk/Board Secretary

DRAFT

CA

OVERSIGHT BOARD

TO SUCCESSOR AGENCY TO THE
TURLOCK REDEVELOPMENT AGENCY

SYNOPSIS

January 15, 2013

TITLE: APPROVAL AND TRANSMITTAL OF THE DUE DILIGENCE REVIEW FOR THE NON-HOUSING FUND AND ACCOUNT BALANCE OF THE FORMER TURLOCK REDEVELOPMENT AGENCY IN ACCORDANCE WITH HEALTH AND SAFETY CODE SECTION 34179.5

REPORT PREPARED BY: Marie Lorenzi, Senior Accountant, as Successor Agency Staff

ACTION RECOMMENDED:

Resolution: **Approving the Due Diligence Review for Fund and Account Balances of the Former Turlock Redevelopment Agency Conducted Pursuant to Health and Safety Code Section 34179.5 and Taking Certain Other Actions in Connection Therewith**

EXECUTIVE SUMMARY

Pursuant to Health and Safety Code Section 34179.5, each successor agency must employ a licensed accountant, approved by the county auditor-controller and with experience and expertise in local government accounting, to conduct two due diligence reviews, one for the Low and Moderate Income Housing Fund (the "LMIHF DDR") and one for the other funds and accounts of the former redevelopment agency (the "Other Funds DDR"); to determine the unobligated balances available for transfer to taxing entities.

The DDR for the Housing funds was approved by the Oversight Board in October 2012. The item currently before the Oversight Board relates to the DDR for the Non-Housing funds.

On January 7, 2013, the Oversight Board received the Other Funds DDR as required and conducted a public comment session.

At this time, Staff is asking the Board to approve the attached Resolution approving the report, authorizing the Successor Agency to retain assets and funds as delineated in the report, and providing direction to Successor Agency Staff regarding the submittal of the Report to the CA Department of Finance and other State and local agencies as outlined below and required by law.

DISCUSSION

The Other Funds DDR is a review of the cash and cash equivalents, as of June 30, 2012, in the successor agency's funds and accounts, other than the Low and Moderate Income Housing Fund, to determine the amount available for disbursement to taxing entities. In summary, such amount is determined to be the total value of assets and cash and cash equivalents in all funds and accounts of the former redevelopment agency, excluding the Low and Moderate Income Housing Fund, minus the following Restricted Assets: (1) restricted funds, (2) assets that are not cash or cash equivalents, (3) amounts that are legally or contractually dedicated or restricted for the funding of an enforceable obligation, and (4) amounts that are needed to satisfy obligations that will be put on the Recognized Obligation Payment Schedule ("ROPS") for the current fiscal year. Also, the amount determined to be available for allocation to taxing entities includes the value of assets, cash and cash equivalents transferred after January 1, 2011 through June 30, 2012 by the former redevelopment agency or the successor agency to the city, another public agency or private person if an enforceable obligation to make that transfer did not exist. The Other Funds DDR documents the Restricted Assets and provides the respective amounts, sources and purposes for which the Restricted Assets should be retained.

Health and Safety Code Section 34179.6 requires each successor agency to submit the Other Funds DDR to the oversight board for the oversight board's review and approval.

After receipt of the Other Funds DDR, the oversight board must convene a public comment session to take place at least five business days before the oversight board holds the approval vote. The oversight board also must consider any opinions offered by the county auditor-controller on the review results submitted by the successor agency.

By January 15, 2013, the oversight board must review, approve, and transmit the Other Funds DDR to the State Department of Finance ("DOF") and the county auditor-controller. The oversight board may adjust any amount provided in the review to reflect additional information and analysis. The review and approval must occur in public sessions. The oversight board may request from the successor agency any materials it deems necessary to assist in its review and approval of the Other Funds DDR.

Section 34179.6 empowers the oversight board to authorize a successor agency to retain the Restricted Assets.

The DOF must complete its review of the Other Funds DDR no later than April 1, 2013, and must notify the oversight board and the successor agency of its decision to overturn any decision of the oversight board to authorize a successor agency to retain Restricted Assets. The DOF must provide the oversight board and the successor agency an explanation of its basis for overturning or modifying any findings, determinations, or authorizations of the oversight board. The successor agency then has the option to meet and confer with DOF to discuss any modifications.

By April 20, 2013, the county auditor-controller must provide DOF a report specifying the amount submitted by each successor agency, and specifically noting any successor agency that failed to remit the full required amount.

Upon full payment of the amounts determined pursuant to the LMIHF DDR and the Other Funds DDR, payment of the "surplus" tax revenues due on July 12, 2012, if any, and payment of any unpaid or underpaid pass through payments owed for fiscal year 2011-12, DOF will issue to the successor agency, within five business days, a finding of completion of the requirements of Section 34179.6.

JJACPA, Inc. was retained by the Successor Agency to conduct the Other Funds DDR. This is the same CPA firm which conducted the DDR for the Housing funds.

SUCCESSOR AGENCY RECOMMENDATION

As can be seen in the attached Report, the Non-Housing assets consist mainly of cash held by the Successor Agency and cash held by the fiscal agents employed by the Successor Agency (formerly the Redevelopment Agency) as required by the bond documents related to the outstanding 1999, 2006 and 2011 bond issuances.

The Report further shows (see Schedule 3) that of the \$13.7 million in cash held by the Successor Agency for non-housing purposes, \$7.5 million is unexpended bond proceeds for capital projects and \$3.6 million is held for the repayment of debt. The unexpended bond proceeds are from the 2011 bond issuance which was issued specifically to provide funding for the public safety facility currently under construction. The \$3.6 million is held by the fiscal agents as debt service reserve funds. The documents for each of the three outstanding bond issuances require the establishment of reserve funds to ensure that there are funds available to make the semi-annual debt service payments. These reserve funds can be drawn upon if cash is not immediately available to meet a semi-annual debt service payment, but the bond documents also provide for the replenishment of the reserve funds if they are drawn upon prior to the final debt service payment.

Staff believes that the remaining \$2.6 million is legally encumbered by the contracts entered into with the various construction trade contractors for construction of the public safety facility. When these contracts were entered into, the Redevelopment Agency was included as a named party to the contract. Therefore, we believe that the Successor Agency will be able to retain these funds to satisfy the terms of these contracts.

Therefore, Staff is asking the Oversight Board to approve the attached Resolution, inclusive of any changes as deemed necessary from the comments received.

**BEFORE THE OVERSIGHT BOARD TO THE
SUCCESSOR AGENCY TO THE TURLOCK REDEVELOPMENT AGENCY**

**IN THE MATTER OF APPROVING THE DUE } RESOLUTION NO. OB-2013-____
DILIGENCE REVIEW FOR FUND AND }
ACCOUNT BALANCES OF THE FORMER }
TURLOCK REDEVELOPMENT AGENCY }
CONDUCTED PURSUANT TO HEALTH AND }
SAFETY CODE SECTION 34179.5 AND }
TAKING CERTAIN OTHER ACTIONS IN }
CONNECTION THEREWITH }
_____ }**

WHEREAS, Pursuant to Health and Safety Code Section 34175(b) and the California Supreme Court's decision in *California Redevelopment Association, et al. v. Ana Matosantos, et al.* (53 Cal.4th 231(2011)), on February 1, 2012, all assets, properties, contracts, leases, books and records, buildings, and equipment of the former Turlock Redevelopment Agency transferred to the control of the Successor Agency to the Turlock Redevelopment Agency (the "Successor Agency") by operation of law.

WHEREAS, Health and Safety Code Section 34179.5 requires the Successor Agency to employ a licensed accountant, approved by the county auditor-controller, to conduct a due diligence review to determine the unobligated balances available for transfer to taxing entities.

WHEREAS, Pursuant to Health and Safety Code Section 34179.6, on October 18, 2012, the Oversight Board of the Successor Agency (the "Oversight Board") approved the results of the due diligence review conducted pursuant to Section 34179.5 for the Low and Moderate Income Housing Fund (the "LMIHF") and specifically the amount of cash and cash equivalents determined to be available for allocation to taxing entities.

WHEREAS, Health and Safety Code Section 34179.6 also requires the Successor Agency to submit to the Oversight Board for the Oversight Board's review and approval the results of the due diligence review conducted pursuant to Section 34179.5 for all other fund and account balances of the former Turlock Redevelopment Agency, excluding the LMIHF, and specifically the amount of cash and cash equivalents determined to be available for allocation to taxing entities (the "Other Funds DDR").

WHEREAS, Pursuant to Health and Safety Code Sections 34179.6 and 34180(j), the Successor Agency submitted to the Oversight Board, the county administrative officer, the county auditor-controller, the State Controller and the Department of Finance ("DOF") the Other Funds DDR and a copy of the Recognized Obligation Payment Schedule ("ROPS").

WHEREAS, Pursuant to Health and Safety Code Section 34179.6(b), upon receipt of the Other Funds DDR, and at least five business days before the Oversight Board considers the approval of the Other Funds DDR, the Oversight Board must hold a

public comment session (the "Public Comment Session") at which time the public has an opportunity to hear and be heard on the results of the Other Funds DDR and at which time the Oversight Board shall consider the opinions, if any, offered by the county auditor-controller on the results of the Other Funds DDR.

WHEREAS, On January 7, 2013 , the Oversight Board held the Public Comment Session pursuant to Health and Safety Code Section 34179.6 (b).

WHEREAS, Pursuant to Health and Safety Code Section 34179.6(c), the Oversight Board must review, approve and transmit to DOF and the county auditor-controller, the determination of the amount of cash and cash equivalents available for disbursement to taxing entities as determined according to the method provided in Section 34179.5. Section 34179.6 (c) provides that the Oversight Board may adjust any amount provided in the Other Funds DDR to reflect additional information and analysis.

WHEREAS, Section 34179.6(c) empowers the Oversight Board to authorize the Successor Agency to retain assets or funds identified in subparagraphs (B) to (E), inclusive, of paragraph (5) of subdivision(c) of Section 34179.5. If the Oversight Board makes this authorization, the Oversight Board must identify to DOF the amount of funds authorized for retention, the source of those funds, and the purposes for which those funds are being retained. The determination and authorization to retain funds and assets shall be subject to the review and approval of DOF pursuant to Health and Safety Code Section 34179.6(d).

WHEREAS, Pursuant to Health and Safety Code Section 34179.6(c), the Oversight Board desires to approve the Other Funds DDR and to authorize the Successor Agency to retain the assets and funds, if any, identified pursuant to subparagraphs (B) to (E), inclusive, of paragraph (5) of subdivision(c) of Section 34179.5, as documented in the Other Funds DDR.

NOW, THEREFORE, BE IT RESOLVED, that the Oversight Board to the Successor Agency to the Turlock Redevelopment Agency does hereby find, determine, resolve, and order:

Section 1. The above recitals are true and correct and are a substantive part of this Resolution.

Section 2. This Resolution is adopted pursuant to Health and Safety Code Section 34179.6(c).

Section 3. The Oversight Board hereby approves the Other Funds DDR as presented and on file with the Secretary.

Section 4. The staff of the Successor Agency is hereby directed to transmit to DOF and the county auditor-controller written notice and information regarding the

actions taken by this Resolution and specifically the determination of the amount of cash and cash equivalents that are available for disbursement to taxing entities as determined according to the method provided in Health and Safety Code Section 34179.5. Such notice to DOF shall be provided by electronic means and in a manner of DOF's choosing.

Section 5. The staff and the Board of the Successor Agency are hereby authorized and directed, jointly and severally, to execute such documents and instruments and to do any and all other things which they may deem necessary or advisable to effectuate this Resolution and any such actions previously taken are hereby ratified.

PASSED AND ADOPTED by the Oversight Board to the Successor Agency to the Turlock Redevelopment Agency at a special meeting held on January 15, 2013, by the following vote:

AYES:
NOES:
NOT PARTICIPATING:
ABSENT:

ATTEST:

Kellie E. Weaver, Secretary

SUCCESSOR AGENCY TO THE REDEVELOPMENT

AGENCY OF THE CITY OF TURLOCK

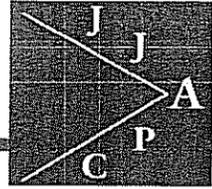
NON-HOUSING DUE DILIGENCE REPORT

APPROVED BY OVERSIGHT BOARD ON

SUCCESSOR AGENCY TO THE REDEVELOPMENT
AGENCY OF THE CITY OF TURLOCK
Non-Housing Due Diligence Report

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JJACPA, Inc.

A Professional Accounting Services Corp.

County Auditor-Controller/Oversight Board of the Successor Agency
Stanislaus County/City of Turlock, California

INDEPENDENT ACCOUNTANTS' REPORT ON
APPLYING AGREED-UPON PROCEDURES

We have performed the minimum required agreed-upon procedures, enumerated in Attachment A, which were agreed to by the California State Controller's Office, Department of Finance, the Stanislaus County Auditor-Controller, and the California Society of CPAs, solely to assist you in ensuring that the dissolved Redevelopment Agency is complying with its statutory requirements with respect to AB1484. Management of the Successor Agency and the County are responsible for the accounting records pertaining to statutory compliance pursuant to Health and Safety Code Section 34179.5. 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 those parties specified in the report. 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 minimum required agreed-upon procedures as set forth in Attachment A. 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 as to the appropriateness of the results summarized in Attachment A. 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 Stanislaus County Auditor-Controller, the Successor Agency, and applicable State agencies, and 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.

JJACPA, Inc.
Pleasanton, California
December 14, 2012

**Attachment A – Agreed Upon Procedures Engagement
Pursuant to ABX1484, Community Redevelopment Dissolution**

Due Diligence Review – Non-Housing

Purpose: To establish each successor agency's assets available for distribution to affected agencies, amounts to be withheld by the successor agency for current recognized obligations, and to document and determine transfers from the former redevelopment agency and successor agency that met the criteria of recognized obligations. [Health and Safety Code section 34179.5]

1. 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: Net book value of assets transferred was \$18,272,228, see Schedule 2, no exceptions noted.

2. 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.

Results: No report has been completed by the State Controller's Office.

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.

Results: Not applicable, no transfers for the period.

- 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.

Results: Not applicable, no transfers for the period.

- 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: Not applicable, no transfers for the period.

**Attachment A – Agreed Upon Procedures Engagement
Pursuant to ABX1484, Community Redevelopment Dissolution**

Due Diligence Review – Non-Housing, Continued

3. 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.

Results: No report has been completed by the State Controller's Office.

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.

Results: Not applicable, no transfers for the period.

- 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.

Results: Not applicable, no transfers for the period.

- 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: Not applicable, no transfers for either period.

4. Perform the following 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 the 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.

Results: See Schedule 2.

**Attachment A – Agreed Upon Procedures Engagement
Pursuant to ABX1484, Community Redevelopment Dissolution**

Due Diligence Review – Non-Housing, Continued

- 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.

Results: No exceptions were noted.

- C. Compare amounts in the schedule relevant to the fiscal year ending June 30, 2010, to the State Controller's report filed for the Redevelopment Agency for that period.

Results: No exceptions were noted.

- 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: No exceptions were noted. Support provided included Annual Report of Financial Transactions for Redevelopment and Redevelopment financial audit reports as well as general ledger reports.

5. 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: See Schedule 1, no discrepancies identified.

6. 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).

**Attachment A – Agreed Upon Procedures Engagement
Pursuant to ABX1484, Community Redevelopment Dissolution**

Due Diligence Review – Non-Housing, Continued

- 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 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 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: See Schedule 3.

**Attachment A – Agreed Upon Procedures Engagement
Pursuant to ABX1484, Community Redevelopment Dissolution**

Due Diligence Review – Non-Housing, Continued

7. Perform the following 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.

Method used (Purchase cost or Market value): Purchase cost

Results: See Schedule 1.

- 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.

Results: No differences were noted.

- 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.

Results: Not applicable, no differences were noted in 7(B).

- 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: Not applicable – purchase cost was used.

8. Perform the following 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.

**Attachment A – Agreed Upon Procedures Engagement
Pursuant to ABX1484, Community Redevelopment Dissolution**

Due Diligence Review – Non-Housing, Continued

Results: No discrepancies noted.

- ii. Compare all current balances to the amounts reported in the accounting records of the Successor Agency or to an alternative computation.

Results: No discrepancies noted.

- 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.

Results: No discrepancies noted.

- iv. Attached 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.

Results: See Schedule 5, no discrepancies noted.

- 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:

**Attachment A – Agreed Upon Procedures Engagement
Pursuant to ABX1484, Community Redevelopment Dissolution**

Due Diligence Review – Non-Housing, Continued

- a. Obtain from the Successor Agency its assumptions for the forecasted annual revenues and disclose in the report major assumptions associated with the projections.

Results: See Schedule 5.

- 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.

Results: See Schedule 5.

- 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: See Schedule 5

**Attachment A – Agreed Upon Procedures Engagement
Pursuant to ABX1484, Community Redevelopment Dissolution**

Due Diligence Review – Non-Housing, Continued

9. 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: See Schedule 4.

10. 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: See Schedule 6.

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: Obtained signed representation letter without exception taken.

SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT
AGENCY OF THE CITY OF TURLOCK
Non-Housing Asset Listing as of June 30, 2012

Schedule 1

Assets:		
Cash and cash equivalents - non fiscal agents		\$ 2,612,372
Cash with fiscal agents		
Debt service reserve funds	\$ 3,562,922	
Project funds	<u>7,528,800</u>	11,091,722
Market value adjustment		2,462
Receivables:		
Interest	<u>7,191</u>	
Total receivables		<u>7,191</u>
Total assets		<u><u>\$ 13,713,747</u></u>

SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT
 AGENCY OF THE CITY OF TURLOCK

Schedule 2

Summary of Financial Transactions
 NON-HOUSING FUNDS

	Redevelopment Agency 12 Months Ending June 30, 2010	Redevelopment Agency 12 Months Ending June 30, 2011	Redevelopment Agency 7 Months Ending January 31, 2012	Successor Agency 5 Months Ending June 30, 2012
Assets:				
Cash and investments	\$ 10,262,847	\$ 2,180,194	\$ 1,499,236	\$ 2,614,834
Cash with fiscal agents				
Debt service reserve funds	2,296,624	3,637,205	3,599,393	3,562,922
Project funds	4,688,142	18,070,998	14,213,180	7,528,800
Intergovernmental receivable	200,571	221,624		-
Other receivable	536	400	-	-
Interest receivable	38,902	29,966	19,254	7,191
Loans receivable	-			
Total assets	\$ 17,487,622	\$ 24,140,387	\$ 19,331,063	\$ 13,713,747
Liabilities:				
Accounts and salaries payable	\$ 24,742	\$ 12,017	\$ 782	\$ 9,517
Other liabilities	1,269,754	1,058,053	1,058,053	1,058,053
Total liabilities	1,294,496	1,070,070	1,058,835	1,067,570
Fund Balance	16,193,126	23,070,317	18,272,228	12,646,177
Total liabilities and fund balance	\$ 17,487,622	\$ 24,140,387	\$ 19,331,063	\$ 13,713,747
Total revenues	\$ 4,833,372	\$ 19,051,159	\$ 2,838,734	\$ 1,788,007
Total expenditures/expenses	(14,445,972)	(12,173,968)	(7,636,823)	(7,414,058)
Total transfers	-	-	-	18,272,228^a
Net change in equity	(9,612,600)	6,877,191	(4,798,089)	12,646,177
Beginning equity	25,805,726	16,193,126	23,070,317	-
Ending equity	\$ 16,193,126	\$ 23,070,317	\$ 18,272,228^a	\$ 12,646,177

Notes:

^{a)} Represents amount transferred from former Agency to the Successor Agency

Other Information:

Capital assets as of end of year	\$ 9,080,821	\$ 9,261,745	\$ 9,261,745	\$ 8,583,379
Long-term debt as of end of year	27,825,000	42,600,000	41,760,000	41,760,000

SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT
 AGENCY OF THE CITY OF TURLOCK

Schedule 3

Non-Housing Restricted Asset Listing as of June 30, 2012

Assets:			
Cash and cash equivalents			\$ 13,706,556
Cash restricted for repayment of debt	\$ (3,562,922)		
Bond proceeds to be used on capital projects	<u>(7,528,800)</u>		
Total restricted balances			<u>(11,091,722)</u>
Total cash available not restricted by bond covenant			<u>\$ 2,614,834</u>

Nature of restriction: Bond covenant

Specific enforceable obligation: 1999 Tax Allocation Bonds
 2006 Tax Allocation Bonds
 2011 Tax Allocation Bonds

Language enforcing restriction:

1999 TABs

Special Redemption. The Bonds are subject to mandatory redemption in part, on any date, and shall be redeemed by the Trustee, from moneys deposited in the Redemption Fund pursuant to the Trust Agreement and derived from prepayments of Local Obligations from insurance or condemnation proceeds or other mandatory redemption or acceleration of Local Obligations at a redemption price equal to the principal amount thereof, without premium.

Optional Redemption. The Bonds maturing on and before September 1, 2009 are not subject to optional redemption. The Bonds maturing on and after September 1, 2010, are subject to optional redemption as a whole or in part on any date at the option of the Authority from any moneys deposited in the Redemption Fund (from any source other than those provided in the previous paragraph) for such purpose by the Authority, on and after September 1, 2009, at a redemption price equal to one hundred percent (100%) of the principal amount thereof together with the following redemption premium (computed upon the principal amount of the Bonds to be redeemed), plus accrued interest to the date fixed for redemption, namely:

Date fixed for Redemption (both dates inclusive)	Redemption Premium
September 1, 2009 through August 31, 2010	2%
September 1, 2010 through August 31, 2011	1
September 1, 2011 and thereafter	0

Mandatory Redemption from Sinking Fund Payments. The Bonds maturing on September 1, 2015, are subject to mandatory redemption from sinking fund payments made by the Authority on each September 1 beginning September 1, 2009, and will be redeemed on the dates set forth below at 100 percent of the principal amount of such Bonds called for redemption plus interest accrued and unpaid to the date fixed for redemption, without premium, according to the schedule set forth below which shall be the mandatory sinking fund payment schedule for such Bonds:

Date (September 1)	Principal Amount to be redeemed	Date (September 1)	Principal Amount to be redeemed
2009	\$145,000	2013	\$180,000
2010	150,000	2014	185,000
2011	160,000	2015(Maturity)	195,000
2012	170,000		

Non-Housing Restricted Asset Listing as of June 30, 2012. continued

Language enforcing restriction, continued:

1999 TABs, continued

The Bonds maturing on September 1, 2024, are subject to mandatory redemption from sinking fund payments made by the Authority on each September 1 beginning September 1, 2016, and will be redeemed on the dates set forth below at 100 percent of the principal amount of such Bonds called for redemption plus interest accrued and unpaid to the date fixed for redemption, without premium, according to the schedule set forth below which shall be the mandatory sinking fund payment schedule for such Bonds:

Date (September 1)	Principal Amount to be redeemed	Date (September 1)	Principal Amount to be redeemed
2016	\$210,000	2021	\$275,000
2017	220,000	2022	290,000
2018	230,000	2023	305,000
2019	245,000	2024 (maturity)	3,200
2020	260,000		

2006 TABs

Optional Redemption from Prepayment of Loan . In the event that the Agency exercises its option to prepay principal installments of the Loan pursuant to the Loan Agreement, the Revenues derived from such prepayment will be applied to the redemption of the Bonds maturing on or after September 1, 2017 as a whole, or in part among maturities as designated in a Written Order of the Authority or the Agency and by lot within a maturity, in integral multiples of \$5,000 principal amount, on any date on or after September 1, 2016, at a redemption price equal to 100% of the principal amount of the Bonds to be redeemed, plus accrued interest to the date of redemption, without premium.

Mandatory Redemption from Sinking Fund Payments . The Bonds maturing on September 1, 2030, are subject to mandatory redemption from sinking fund payments made by the Authority on each September 1 beginning September 1, 2025, and will be redeemed on the dates set forth below at 100% of the principal amount of such Bonds called for redemption plus interest accrued and unpaid to the date fixed for redemption, without premium, according to the schedule set forth below.

Date (September 1)	Principal Amount to be redeemed	Date (September 1)	Principal Amount to be redeemed
2025	\$1,050,000	2028	\$1,215,000
2026	1,100,000	2029	1,275,000
2027	1,155,000	2030 (maturity)	1,340,000

The Bonds maturing on September 1, 2036, are subject to mandatory redemption from sinking fund payments made by the Authority on each September 1 beginning September 1, 2031, and will be redeemed on the dates set forth below at 100% of the principal amount of such Bonds called for redemption plus interest accrued and unpaid to the date fixed for redemption, without premium, according to the schedule set forth below.

Date (September 1)	Principal Amount to be redeemed	Date (September 1)	Principal Amount to be redeemed
2031	\$1,405,000	2034	\$1,630,000
2032	1,475,000	2035	1,710,000
2033	1,550,000	2036 (maturity)	1,795,000

Non-Housing Restricted Asset Listing as of June 30, 2012. continued

Language enforcing restriction, continued:

2011 TABS

Optional Redemption from Prepayment of Loan. In the event that the Agency exercises its option to prepay principal installments of the loan made with the proceeds of the 2011 Bonds (the "2011 Loan") pursuant to the Loan Agreement, the Revenues derived from such prepayment will be applied to the redemption of the 2011 Bonds maturing on or after September 1, 2021 as a whole, or in part among maturities as designated in a Written Order of the Authority or the Agency and by lot within a maturity, in integral multiples of \$5,000 principal amount, on any date on or after March 1, 2021, at a redemption price equal to 100% of the principal amount of the 2011 Bonds to be redeemed, plus accrued interest to the date of redemption, without premium.

Mandatory Redemption from Sinking Fund Payments The 2011 Bonds maturing on September 1, 2025, are subject to mandatory redemption from sinking fund payments made by the Authority on each September 1 beginning September 1, 2022, and will be redeemed on the dates set forth below at 100% of the principal amount of such 2011 Bonds called for redemption plus interest accrued and unpaid to the date fixed for redemption, without premium, according to the schedule set forth below.

Date (September 1)	Principal Amount to be redeemed	Date (September 1)	Principal Amount to be redeemed
2022	\$390,000	2024	\$335,000
2023	310,000	2025 (maturity)	235,000

The 2011 Bonds maturing on September 1, 2029, are subject to mandatory redemption from sinking fund payments made by the Authority on each September 1 beginning September 1, 2026, and will be redeemed on the dates set forth below at 100% of the principal amount of such 2011 Bonds called for redemption plus interest accrued and unpaid to the date fixed for redemption, without premium, according to the schedule set forth below.

Date (September 1)	Principal Amount to be redeemed	Date (September 1)	Principal Amount to be redeemed
2026	\$250,000	2028	\$290,000
2027	270,000	2029 (maturity)	310,000

The 2011 Bonds maturing on September 1, 2039, are subject to mandatory redemption from sinking fund payments made by the Authority on each September 1 beginning September 1, 2030, and will be redeemed on the dates set forth below at 100% of the principal amount of such 2011 Bonds called for redemption plus interest accrued and unpaid to the date fixed for redemption, without premium, according to the schedule set forth below.

Date (September 1)	Principal Amount to be redeemed	Date (September 1)	Principal Amount to be redeemed
2030	\$330,000	2035	\$780,000
2031	355,000	2036	835,000
2032	380,000	2037	2,780,000
2033	410,000	2038	2,985,000
2034	460,000	2039 (maturity)	850,000

Period of time restriction remains in effect: Restrictions remain in effect until maturity of the bonds.

SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT
 AGENCY OF THE CITY OF TURLOCK
 SCHEDULE OF CASH BALANCE RETENTION
 NON-HOUSING FUNDS

Schedule 4

Assets:		
Cash and cash equivalents available - Schedule 4		\$ 2,614,834
Interest receivable		7,191
Liabilities:		
Accounts payable	\$ (9,517)	
Other liabilities - included on approved ROPS	(1,058,053)	
Other enforceable obligations as approved by DOF	(12,359,372)	
Total balances needed for enforceable obligations	(13,426,942)	
July payment to Auditor-Controller	-	
Total restricted balances	-	(13,426,942)
Total cash required (deficit)		<u>\$ (10,804,917)</u>

Per Approved ROPS:	Payee	Total Due 2012-13
Form A:		
Line 1: 1999 Tax Allocation Bonds	US Bank	\$ 337,748
Line 2: 2006 Tax Allocation Bonds	US Bank	1,546,616
Line 3: 2011 Tax Allocation Bonds	US Bank	1,069,144
Line 4:		-
Line 5: Public Safety Facility	Ross F Carroll, Inc	89,044
Line 6: Public Safety Facility	Diede Construction, Inc	1,269,772
Line 7: Public Safety Facility	Diede Construcion, Inc	685,203
Line 8: Public Safety Facility	Bank of Ag & Commerce	217,219
Line 9: Public Safety Facility	George Reed, Inc	586,091
Line 10: Public Safety Facility	Modern Building Co	156,276
Line 11: Public Safety Facility	Duley's Landscaping, Inc	104,346
Line 12: Public Safety Facility	Frazier Masonry	593,448
Line 13: Public Safety Facility	Golden State Steel	131,010
Line 14: Public Safety Facility	Central Valley Comm Bank	14,080
Line 15: Public Safety Facility	Tarlton & Son	900,874
Line 16: Public Safety Facility	Graham/Prewett	285,392
Line 17: Public Safety Facility	LVE Faculty Services	128,039
Line 18: Public Safety Facility	DC Vincent, Inc	189,159
Line 19: Public Safety Facility	Bobo Construction	768,941
Line 20: Public Safety Facility	Darrale Patrias Elec.	1,673,950
Line 21: Public Safety Facility	Mark III Construction	164,219
Line 22: Public Safety Facility	Kone Elevators	137,950
Line 23: Public Safety Facility	Cen-Cal Fire Systems	72,039
Line 24: Public Safety Facility	WLC	690,320
Line 25: Public Safety Facility	Koehn Engineering & Design	1,099
Line 26: Public Safety Facility	Kleinfeler West, Inc	27,274
Line 27: Public Safety Facility	Neil O Anderson & Assoc.	12,156
Line 28: Public Safety Facility	City of Turlock	92,707
Line 29: Public Safety Facility	Forward Inc/Republic Svcs	2,756
Line 30: Public Safety Facility	Furnishings	412,500
Total approved enforceable obligations per ROPS		<u>\$ 12,359,372</u>
Monthly amount needed to satisfy obligation		<u>\$ 1,029,948</u>

Note: Obligations identified on the ROPS which are not anticipated to be funded using RPTTF nor Bond proceed funds.

Explanation for retention: In order to pay the enforceable obligations and the outstanding payable balances, the cash needs to be retained.

SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT
 AGENCY OF THE CITY OF TURLOCK
 SCHEDULE OF CASH FLOW REQUIREMENTS
 NON-HOUSING FUNDS

Schedule 5

RPTTF Receipts						
	June 2012	December 2012	June 2013	December 2013	June 2014	December 2014
Known amounts	1,784,944	2,592,370				
Estimated amounts			1,800,000	2,600,000	1,836,000	2,652,000
	Based on ROPS for....	Jan - June 2013	July - Dec 2013	Jan - June 2014	July - Dec 2014	Jan - June 2015
Debt Payments						
	Due March 2013	Due Sept 2013	Due March 2014	Due Sept 2014	Due March 2015	Due Sept 2015
1999 bonds	78,874	258,874	74,149	259,149	69,293	264,292
2006 bonds	558,308	988,308	548,633	998,633	538,508	1,008,508
2011 bonds	534,572	534,572	534,572	794,572	529,047	799,047
Total	1,171,754	1,781,754	1,157,354	2,052,354	1,136,848	2,071,847
On which ROPS.....		Jan - June 2013	July - Dec 2013	Jan - June 2014	July - Dec 2014	Jan - June 2015
Project ROPS			July - Dec 2013	Jan - June 2014	July - Dec 2014	Jan - June 2015
Revenue			1,800,000	2,600,000	1,836,000	2,652,000
Debt Service			(1,157,354)	(2,052,354)	(1,136,848)	(2,071,847)
Admin Allowance			(125,000)	(125,000)	(125,000)	(125,000)
Mobile Home Subsidy Program			(36,600)	(36,600)	(36,600)	(36,600)
Trustee Services			(6,000)	(6,000)	(6,000)	(6,000)
Arbitrage Rebate Services			(3,750)	(3,750)	(3,750)	(3,750)
Amount available for additional projects			471,296	376,296	527,802	408,803
Public Safety Facility contracts			\$ 471,296			
Available for Avena Bella			\$ -	\$ 376,296	\$ 527,802	\$ 408,803

Assumptions used for schedule:

- 1 - Revenue estimated for June and December 2013 is based on amounts received or projected to be received in June and December 2012.
- 2 - Revenue estimated for June and December 2014 is 2% higher than the same periods in 2013.
- 3 - Debt payments are from the amortization schedules for the three bond issuances.
- 4 - Administrative allowance is projected at the minimum level allowed by law.
- 5 - Amounts for Mobile Home Subsidy Program, Trustee Services and Arbitrage Rebate Services are based on amounts currently being incurred.

SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT
AGENCY OF THE CITY OF TURLOCK

Schedule 6

SUMMARY OF BALANCES AVAILABLE FOR ALLOCATION TO AFFECTED TAXING ENTITIES
NON-HOUSING FUNDS

Total amount of assets held by the successor agency as of June 30, 2012 (Procedure 5 - Schedule 1)	\$ 13,713,747
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 - Schedule 3)	-
Less assets legally restricted for uses specified by debt covenants, grant restrictions, or restrictions imposed by other governments (Procedure 6, Schedule 3)	(11,091,722)
Less assets that are not cash or cash equivalents (e.g., physical assets) (Procedure 7 - Schedule 1)	-
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 - Schedule 5)	-
Less balances needed to satisfy ROPS for the 2012-13 fiscal year (Procedure 9 - Schedule 4)	(13,426,942)
Less the amount of payments made on July 12, 2012, to the County Auditor-Controller as directed by the California Department of Finance (Procedure 10)	-
Amount to be remitted to County for disbursement to taxing entities	<u>\$ (10,804,917)</u>

BEFORE THE OVERSIGHT BOARD TO THE
SUCCESSOR AGENCY TO THE TURLOCK REDEVELOPMENT AGENCY

IN THE MATTER OF APPROVING THE }
RECOGNIZED OBLIGATION PAYMENT } RESOLUTION NO. OB-2012-007
SCHEDULE FOR JANUARY – JUNE 2013 }
AND AUTHORIZING THE SUCCESSOR }
AGENCY TO MAKE APPROPRIATE }
MODIFICATIONS TO THE FORMAT }
SUBMITTED TO THE DEPARTMENT OF }
FINANCE TO COMPLY WITH THEIR }
DIRECTIONS }
_____ }

WHEREAS, the Oversight Board to the Successor Agency to the Turlock Redevelopment Agency has been appointed pursuant to the provisions of Health and Safety Code Section 34179 and

WHEREAS, Health and Safety Code Sections 34177 (l) (2) (B) and 34180 (g) require the approval of the Recognized Obligation Payment Schedule by the Oversight Board; and

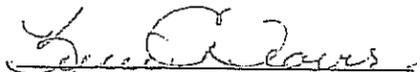
WHEREAS, a Recognized Obligation Payment Schedule for the period January – June 2013 has been prepared and approved by the Successor Agency to the Turlock Redevelopment Agency on August 14, 2012.

NOW, THEREFORE, BE IT RESOLVED, that the Oversight Board to the Successor Agency to the Turlock Redevelopment Agency does hereby approve the Recognized Obligation Payment Schedule for January – June 2013 as adopted by the Successor Agency to the Turlock Redevelopment Agency and authorize the Successor Agency to make appropriate modifications to the format submitted to the Department of Finance to comply with their directions.

PASSED AND ADOPTED by the Oversight Board to the Successor Agency to the Turlock Redevelopment Agency at its special meeting held on August 15, 2012, by the following vote:

AYES: Agency Members Boyd, Chiesa, Da Marto, Lazar, Rojas, Wasden
and Chairman Andre
NOES: None
NOT PARTICIPATING: None
ABSENT: None

ATTEST:


Kellie E. Weaver, Secretary

Successor Agency Contact Information

Name of Successor Agency:
County:

Successor Agency to Turlock Redevelopment Agency
Stanislaus

Primary Contact Name:
Primary Contact Title:
Address
Contact Phone Number:
Contact E-Mail Address:

Marie Lorenzi
Senior Accountant
156 South Broadway, Suite 110, Turlock CA 95380
209-668-5542 ext 1318
mlorenzi@turlock.ca.us

Secondary Contact Name:
Secondary Contact Title:
Secondary Contact Phone Number:
Secondary Contact E-Mail Address:

Kellie Weaver
City Clerk
209-668-5542 ext 1110
kweaver@turlock.ca.us

SUMMARY OF RECOGNIZED OBLIGATION PAYMENT SCHEDULE
 Filed for the January 1, 2013 to June 30, 2013 Period

Name of Successor Agency: Successor Agency to Turlock Redevelopment Agency

	Total Outstanding Debt or Obligation
Outstanding Debt or Obligation	18,415,529.35
Current Period Outstanding Debt or Obligation	Six-Month Total
A Available Revenues Other Than Anticipated RPTTF Funding	5,764,377.90
B Anticipated Enforceable Obligations Funded with RPTTF	2,960,000.61
C Anticipated Administrative Allowance Funded with RPTTF	118,500.00
D Total RPTTF Requested (B + C = D)	3,078,500.61
Total Current Period Outstanding Debt or Obligation (A + B + C = E) <i>Should be the same amount as ROPS form six-month total</i>	8,842,878.51
E Enter Total Six-Month Anticipated RPTTF Funding <i>(Obtain from county auditor-controller)</i>	3,100,000.00
F Variance (E - D = F) <i>Maximum RPTTF Allowable should not exceed Total Anticipated RPTTF Funding</i>	21,499.39
Prior Period (January 1, 2012 through June 30, 2012) Estimated vs. Actual Payments (as required in HSC section 34186 (a))	
G Enter Estimated Obligations Funded by RPTTF <i>(Should be the lesser of Finance's approved RPTTF amount including admin allowance or the actual amount distributed)</i>	1,784,943.61
H Enter Actual Obligations Paid with RPTTF	1,534,943.61
I Enter Actual Administrative Expenses Paid with RPTTF	250,000.00
J Adjustment to Redevelopment Obligation Retirement Fund (G - (H + I) = J)	0.00
K Adjusted RPTTF <i>(The total RPTTF requested shall be adjusted if actual obligations paid with RPTTF are less than the estimated obligation amount.)</i>	3,078,500.61

Certification of Oversight Board Chairman:
 Pursuant to Section 34177(m) of the Health and Safety code,
 I hereby certify that the above is a true and accurate Recognized
 Obligation Payment Schedule for the above named agency.

Curt Andre
 Name

See Attached Resolution
 Signature

Chairman
 Title

August 15, 2012
 Date

Pursuant to Health and Safety Code section 34186 (a)
 PRIOR PERIOD ESTIMATED OBLIGATIONS vs. ACTUAL PAYMENTS
 RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS I)
 January 1, 2012 through June 30, 2012

Page/Form	Line	Project Name / Debt Obligation	Payee	Description/Project Scope	Project Area	LMIHF		Bond Proceeds		Reserve Balance		Admin Allowance		RPTTF		Other	
						Estimate	Actual	Estimate	Actual	Estimate	Actual	Estimate	Actual	Estimate	Actual	Estimate	Actual
		Grand Total				0.00	4,095,887.93	8,188,777.73	6,966,528.33	6,885,094.51	304,563.32	250,000.00	250,000.00	2,950,882.52	1,534,943.61	0.00	0.00
1.00	1.00	1999 Tax Increment Bonds	US Bank	proceeds used for non-housing projects													
1.00	2.00	2006 Tax Increment Bonds	US Bank	proceeds used for non-housing projects										336,672.50	133,488.93		
1.00	3.00	2011 Tax Increment Bonds	US Bank	proceeds used for non-housing projects										1,545,066.26	761,054.23		
														1,069,143.76	640,400.45		
1.00	5.00	Public Safety Facility	Ross F Carroll, Inc	off-site improvements				236,664.25		77,869.97	267,458.12						
1.00	6.00	Public Safety Facility	Diiede Construction, Inc	general & specialties				451,456.62	222,840.00	148,543.38							
1.00	7.00	Public Safety Facility	Bank of Ag & Commerce	retention for Diiede Construction, Inc				50,161.85	24,760.00	16,504.82							
1.00	8.00	Public Safety Facility	George Reed Inc	demo, grading and paving				451,456.62		148,543.38							
1.00	9.00	Public Safety Facility	Modern Building Co	building structural concrete				752,427.70	939,567.90	247,572.30							
1.00	10.00	Public Safety Facility	Duley's Landscaping, Inc	landscaping				105,339.88	47,111.09	34,660.12							
1.00	11.00	Public Safety Facility	Frazier Masonry	masonry				477,791.59	295,869.14	157,208.41							
1.00	12.00	Public Safety Facility	Golden State Steel	structural steel				428,883.79	631,923.53	141,116.21							
1.00	13.00	Public Safety Facility	Central Valley Comm Bank	retention for Golden State Steel				47,653.76	70,213.72	15,679.58							
1.00	14.00	Public Safety Facility	Tarilton & Son	framing, drywall & plaster				1,226,457.15	1,084,419.00	403,542.85							
1.00	15.00	Public Safety Facility	Graham/Prewett	roofing and waterproofing				425,121.65	232,865.10	139,878.35							
1.00	16.00	Public Safety Facility	Diiede Construction, Inc	doors, windows & hardware				474,029.45	99,252.00	155,970.55							
1.00	17.00	Public Safety Facility	Bank of Ag & Commerce	retention for Diiede Construction, Inc				52,669.95	11,028.00	17,330.06							
1.00	18.00	Public Safety Facility	LVI Facility Services	fireproofing				115,121.44		37,878.56							
1.00	19.00	Public Safety Facility	DC Vient, Inc	painting & wall coverings				150,485.54		49,514.46							
1.00	20.00	Public Safety Facility	Bobo construction	mechanical & HVAC				752,427.70	579,731.66	247,572.30							
1.00	21.00	Public Safety Facility	Darrale Patrias Elec.	building and site electrical				884,102.55	1,381,547.80	290,897.45							
1.00	22.00	Public Safety Facility	Mark III Construction	building and site plumbing				124,150.57	339,534.00	40,849.43							
1.00	23.00	Public Safety Facility	Kone Elevators	elevators				112,864.15		37,135.85							
1.00	24.00	Public Safety Facility	Cen-Cal Fire Systems	fire protection				158,009.82	113,595.42	51,990.18							
1.00	25.00	Public Safety Facility	WLC	architect and construction management				519,175.11	667,502.27	170,824.89							
1.00	26.00	Public Safety Facility	Koehn Engineering & Design	parcel map/lot line adjustment				1,467.23		482.77							
1.00	27.00	Public Safety Facility	Kleinfelder West, Inc	testing				26,334.97	1,040.00	8,665.03							
1.00	28.00	Public Safety Facility	Neil O Anderson & Assoc.	testing				56,432.08	130,105.00	18,567.92							
1.00	29.00	Public Safety Facility	City of Turlock	contract mgmt & inspection				106,092.31	93,621.70	34,907.69							
2.00	1.00	mobile home rental subsidy	JCS Properties Inc	mobile home rental subsidy						10,200.00	10,288.98						
2.00	2.00	mobile home rental subsidy	Magic Sands Mobile Home	mobile home rental subsidy						3,000.00	1,579.08						
2.00	3.00	mobile home rental subsidy	Mulberry Mobile Park	mobile home rental subsidy						1,200.00	1,068.58						
2.00	4.00	mobile home rental subsidy	Western View Mobile Ranch	mobile home rental subsidy						18,000.00	17,809.21						
2.00	5.00	mobile home rental subsidy	Westfork Estates	mobile home rental subsidy						4,200.00	4,170.14						
2.00	8.00	Downtown Housing Plan	City of Turlock	downtown housing plan						58,900.00	2,189.21						
2.00	9.00	RDA Special Legal Counsel	Richards, Watson & Gershen	legal counsel								15,600.00	8,899.10				
2.00	10.00	Annual Audit	Caporicci & Larson	audit services								5,550.00	2,774.00				
2.00	11.00	DDA	Avena Bella - Phase I	low- & mod-income housing project			4,095,887.93			4,095,888.00							
2.00	12.00	DDA	Avena Bella - Phase II	low- & mod-income housing project						0.00							
2.00	13.00	Econ Dev Proj Funding Agmt	Stan Cty Econ Dev Land B	loan repayment						0.00							
2.00	15.00	Personnel Costs and other Agency administrative costs	various employees and benefit providers	salary and benefit costs for RDA paid employees								228,850.00	238,326.90				