

**Oversight Board Meeting
of the Successor Agency City of Foster City**

SPECIAL MEETING

January 2, 2013; 8:00 a.m.

Location:
Council Chambers – Conference Room
City of Foster City
620 Foster City Blvd
Foster City, CA

1. Call to Order
2. Public Comment
 - a. *This is an opportunity for the public to address the Oversight Board on any item that is not on the agenda. Time for public comment may be limited at the discretion of the Chair.*
3. Public Hearing
 - a. A Public Hearing to Consider Public Comment on the Independent Accountants' Report on Applying Agreed-Upon Procedures pursuant to AB 1484 (Other Funds) as of June 30, 2012
 - i. No action required
4. Member Statements and Requests
5. Adjournment

Any attendee requiring special accommodations should contact Steve Toler, Assistant City Manager, at 650-286-3214 or at SToler@fostercity.org at least 24 hours in advance of the meeting.

Note: Any writings or documents provided to a majority of the Oversight Board regarding any item on this agenda after the agenda packet was distributed will be made available for public inspection at the office of the Assistant City Manager located at Foster City City Hall, 610 Foster City Blvd., Foster City, during normal business hours and also made available in a marked binder at current and future meetings.



Oversight Board of the Successor Agency City of Foster City

Date: January 2, 2013
To: Chair and Members of the Oversight Board
Via: James C. Hardy, City Manager
From: Steve Toler, Assistant City Manager
Subject: A Public Hearing to Consider Public Comment on the Independent Accountants' Report on Applying Agreed-Upon Procedures pursuant to AB 1484 (Other Funds) as of June 30, 2012

RECOMMENDATION

It is recommended that the Oversight Board hold a public hearing to receive public comments on the Independent Accountants' Report on Applying Agreed-Upon Procedures pursuant to AB 1484 (Other Funds) as of June 30, 2012 ("Due Diligence Review"). No action is required.

EXECUTIVE SUMMARY

The enactment of AB 1484, the Redevelopment Dissolution Bill, created *California Health & Safety Code* §34179.5, which requires the Successor Agency to hire an independent certified public accountant to perform agreed-upon procedures relative to a report on unencumbered balances in all Other Funds other than Low and Moderate Income Housing Funds held by the Successor Agency as of June 30, 2012. The Oversight Board authorized staff to engage the services of Vavrinek, Trine, Day & Company, LLP to conduct the Due Diligence Review and issue a report thereon. Their report, dated December 12, 2012, was received by the Successor Agency on December 17, 2012 and is attached for your review and reference.

California Health & Safety Code §34179.6(b) requires that "Upon receipt of the review, the oversight board shall convene a public comment session to take place at least five business days before the oversight board holds the approval vote" which is scheduled for January 9, 2013.

This public hearing was noticed in accordance with State law in the San Mateo Daily Journal on December 19, 2012. The Oversight Board is requested to receive any public comment for its consideration in the review and approval of the Due Diligence Review report at its January 9, 2013 meeting.

Attachment:

- Independent Accountants' Report on Applying Agreed-Upon Procedures pursuant to AB 1484 (Other Funds) as of June 30, 2012

Successor Agency City of Foster City
Independent Accountants' Report on Applying
Agreed-Upon Procedures pursuant to
AB 1484 (All Other Funds)

June 30, 2012



VAVRINEK, TRINE, DAY
& COMPANY, LLP
Certified Public Accountants

VALUE THE DIFFERENCE

**INDEPENDENT ACCOUNTANTS' REPORT ON
APPLYING AGREED-UPON PROCEDURES**

Oversight Board of the
Successor Agency City of Foster City
City of Foster City, California

We have performed the Agreed-Upon Procedures enumerated in Exhibit A, which were agreed to by the California State Controller's Office, the California Department of Finance, the County Auditor-Controller, and the Successor Agency City of Foster City to determine the Successor Agency All Other Fund's unobligated balances that are available for transfer to taxing entities, solely to assist you in ensuring that the Successor Agency is complying with its statutory requirements with respect to *Health and Safety Code* Section 34179.5. Management of the Successor Agency is 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.

Exhibit A, B, and Exhibits C through C-3 identify the procedures and findings.

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 Exhibit A, B and Exhibits C through C-3. 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 Oversight Board, the Successor Agency, the California State Controller's Office, the California Department of Finance, the County Auditor-Controller, 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.

Vavrinek, Trine, Day & Co., LLP.

Pleasanton, California
December 12, 2012

SUCCESSOR AGENCY CITY OF FOSTER CITY

EXHIBIT A AGREED UPON PROCEDURES PURSUANT TO AB 1484 ALL OTHER FUNDS

Our procedures and findings are as follows:

A. All Other Funds of the Successor Agency

For each Successor Agency Fund, (excluding the Low and Moderate income Housing Fund) the following procedures were performed:

1. Obtain from the Successor Agency a listing of all assets that were transferred from the former redevelopment agency (RDA) 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.

Findings – We obtained 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. We agreed the amounts on this listing to account balances established in the accounting records of the Successor Agency noting the total balance of all assets that were transferred to the Successor Agency on February 1, 2012, was \$3,636,927, and consisted of cash and cash equivalents.

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. 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.

SUCCESSOR AGENCY CITY OF FOSTER CITY

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- 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.

Findings – The Successor Agency asserted the State Controller's Office has not indicated to the Successor Agency that they have completed a review of transfers required under both Sections 34167.5 and 34178.8.

A listing of the transfers for the period January 1, 2011 through June 30, 2012 is included as Exhibit C of the AUP report. We noted the assets transferred to the City included cash for funding of cooperative and reimbursement agreements.

The Successor Agency asserted that the former redevelopment agency's "Project Area One" project area reached its tax increment cap and dissolved in April 2011. The former redevelopment agency board executed three agreements prior to and in anticipation of that project area's dissolution, authorizing the City to 1) continue the affordable housing program, 2) manage the remaining capital improvements scheduled in the project area, and 3) monitor the outstanding obligation of the stipulated judgment with the San Mateo Union High School District by transferring the funds to the City. Those assets were maintained in three separate funds so as to not commingle them amongst one another nor commingle them with any other City assets. As a result of the enactment of ABx1 26 and the subsequent ruling by the California Supreme Court upholding the constitutionality of ABx1 26, these funds were transferred back to the Successor Agency as of February 1, 2012, net of any enforceable obligations that were legally obligated as of January 31, 2012 and paid prior to February 1, 2012. Any subsequent payments from those funds were subject to the Recognize Obligation Payment Schedules subsequently filed with and approved by the California Department of Finance.

Management asserted that the operating loan repayments of \$1,272,115 were legal obligations owed to the City. Such amounts have not been added to the Summary of Balances Available for Allocation to Affected Taxing Entities.

For each transfer listed on Exhibit C of the AUP report, we obtained the legal document that formed the basis for the obligation that required any transfer.

The Successor Agency asserted no transfers were made from the Successor Agency to the City for the period from February 1, 2012 through June 30, 2012.

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. 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.

SUCCESSOR AGENCY CITY OF FOSTER CITY

EXHIBIT A AGREED UPON PROCEDURES PURSUANT TO AB 1484 ALL OTHER FUNDS

- 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.

Findings – The Successor Agency asserted the State Controller's Office has not indicated to the Successor Agency that they have completed a review of transfers required under both Sections 34167.5 and 34178.8. The Successor Agency also asserted no transfers were made from the former redevelopment agency or the Successor Agency to any other public agency or to private parties for the period from January 1, 2011 through January 31, 2012, and the period February 1, 2012 through June 30, 2012, respectively.

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 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.

Findings – We obtained from the Successor Agency a summary of the financial transactions. We determined through recalculation that the total revenues, expenditures, and transfers fully accounts for the changes in equity from the previous fiscal periods. The amounts in the schedule for June 30, 2010 were agreed to the State Controllers Annual Financial Transactions filed by the Redevelopment Agency noting no exceptions. We agreed the fiscal year ended June 30, 2011 balances per the schedule to the Redevelopment Agency's audited financial statements and agreed the periods ended January 31, 2012 and June 30, 2012 balances to the accounting records of the former Redevelopment Agency and the Successor Agency, respectively, noting no exceptions. The summary of financial transactions is included in Exhibit B of the AUP report.

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5. Obtain from the Successor Agency a listing of all assets of other funds 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 All Other Successor Agency Funds, the schedule attached as an exhibit will include only those assets of the All Other Assets Funds 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 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.

Findings – For the Successor Agency All Other Funds, we agreed the assets listed to the recorded balances reflected in the Successor Agency's accounting records. We noted the asset balance of the Successor Agency All Other Funds as of June 30, 2012 was \$2,829,346. See Exhibit C-1 for the listing of these assets.

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).
 - iii. Obtain from the Successor Agency a copy of the legal document that sets forth the restriction pertaining to these balances. Note in the AUP report the absence of language restricting the use of the balances that were identified by the Successor Agency as restricted.
 - B. Grant proceeds and program income that are restricted by third parties:
 - i. Obtain the Successor Agency's computation of the restricted balances (e.g., total proceeds less eligible project expenditures).
 - ii. Trace individual components of this computation to related account balances in the accounting records, or to other supporting documentation (specify in the AUP report a description of such documentation).
 - iii. Obtain from the Successor Agency a copy of the grant agreement that sets forth the restriction pertaining to these balances. Note in the AUP report the absence of language restricting the use of the balances that were identified by the Successor Agency as restricted.
 - C. Other assets considered to be legally restricted:
 - i. 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 Obtain 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.

SUCCESSOR AGENCY CITY OF FOSTER CITY

EXHIBIT A AGREED UPON PROCEDURES PURSUANT TO AB 1484 ALL OTHER FUNDS

- 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.

Findings - The Successor Agency asserted that the Successor Agency All Other Funds does not have any restricted balances for unspent bond proceeds, grant proceed or program income, or any other assets restricted by third parties. As such, the procedures in step 6 were not performed.

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.
- 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.
- 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.

Findings – The Successor Agency asserted that the Successor Agency All Other Funds does not have assets that are not liquid or otherwise available for distribution (such as capital assets, land held for resale, long-term receivables, etc.) as of June 30, 2012. As such, the procedures in step 7 were not performed.

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

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EXHIBIT A AGREED UPON PROCEDURES PURSUANT TO AB 1484 ALL OTHER FUNDS

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

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EXHIBIT A AGREED UPON PROCEDURES PURSUANT TO AB 1484 ALL OTHER FUNDS

- 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.

Findings – The Successor Agency asserted that \$2,020,053 of cash balances as of June 30, 2012, need to be retained to satisfy enforceable obligations of the Successor Agency All Other Funds. See Exhibit C-2 for additional details.

9. If the Successor Agency believes that cash balances as of June 30, 2012, need to be retained to satisfy obligations on the 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.

Findings – The Successor Agency asserted that the Successor Agency All Other Funds does not need to retain any additional funds to satisfy obligation on the ROPS for the period of July 1, 2012 through December 31, 2012 as of June 30, 2012. As such, the procedures in step 9 were not performed.

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).

Findings – The Successor Agency prepared a schedule detailing the computation of the Summary of Balances Available for Allocation to Affected Taxing Entities. (See Exhibit C-3.)

SUCCESSOR AGENCY CITY OF FOSTER CITY

**EXHIBIT A
AGREED UPON PROCEDURES
PURSUANT TO AB 1484 ALL OTHER FUNDS**

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 341795) 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.

Findings - We have obtained management's written representations acknowledging their responsibility as outlined in procedure #11.

Successor Agency City of Foster City
Pursuant To AB 1484 - All Other Funds
Summary of Financial Transactions

Exhibit B

	Redevelopment Agency 12 Months Ended 6/30/2010	Redevelopment Agency 12 Months Ended 6/30/2011	Unaudited Redevelopment Agency 7 Months Ended 1/31/2012	Unaudited Successor Agency 5 Months Ended 6/30/2012
Assets (modified accrual basis)				
Cash and investments	\$ 18,760,211	\$ 1,021,838	\$ 989,152	\$ 15,756,228
Due from other funds	5,639,604	-	-	-
Loans receivables, net of allowance	1,128,351	-	-	-
Total Assets	\$ 25,528,166	\$ 1,021,838	\$ 989,152	\$ 15,756,228
Liabilities (modified accrual basis)				
Accounts payable	\$ 960,929	\$ 504,092	\$ 71,323	\$ 190,565
Due to other funds	5,639,604	-	-	-
Refundable deposits	7,147	-	-	-
Refundable property tax revenue	-	-	50,568	-
Deferred revenue	1,128,351	-	-	-
Total Liabilities	\$ 7,736,031	\$ 504,092	\$ 121,891	\$ 190,565
Equity	17,792,135	517,746	867,261	15,565,663
Total Liabilities + Equity	\$ 25,528,166	\$ 1,021,838	\$ 989,152	\$ 15,756,228
Total Revenues:	\$ 15,804,302	\$ 10,740,112	\$ 440,937	\$ 5,539
Total Expenditures:	\$ 21,454,910	\$ 5,828,554	\$ 91,422	\$ 789,929
Total Transfers:	\$ -	\$ (22,185,947)	\$ (867,261)	\$ -
Extraordinary Gain:	\$ -	\$ -	\$ -	\$ 16,350,053
Net change in equity:	\$ (5,650,608)	\$ (17,274,389)	\$ (517,746)	\$ 15,565,663
Beginning Equity:	\$ 23,442,743	\$ 17,792,135	\$ 517,746	\$ -
Ending Equity:	\$ 17,792,135	\$ 517,746	\$ -	\$ 15,565,663
Other Information (show year end balances for all three years presented):				
Capital assets as of end of year	\$ -	\$ -	\$ -	\$ -
Long-term debt as of end of year	\$ 1,115,697	\$ -	\$ -	\$ -
1991 stipulated judgment-San Mateo Union High School District	\$ 2,934,000	\$ 2,467,000	\$ 2,229,500	\$ 1,992,000
1999 Disposition & Development Agreement-Marlin Cove Project	\$ 5,207,000	\$ 4,893,000	\$ 4,893,000	\$ 4,578,000
2000 Disposition & Development Agreement-Hillsdale/Gull Project	\$ 1,562,000	\$ 1,385,000	\$ 1,385,000	\$ 1,201,000

Successor Agency City of Foster City
Pursuant To AB 1484 - All Other Funds

Exhibit C

Schedule of Asset Transfers to the City, County, or City and County, and Other Public Agencies or Private Parties

DATE OF TRANSFER	DESCRIPTION OF ASSETS	RECIPIENT	\$ VALUE OF ASSETS TRANSFERRED	\$ VALUE OF ASSETS NOT SUPPORTED	PURPOSE OF TRANSFER	SOURCE DOC BASIS FOR TRANSFER
<i>Period of Jan 1, 2011 through Jan 31, 2012</i>						
2/27/2011	Cash and investments (b)	City of Foster City Public Improvements Reimbursement Agreement Fund	\$ 612,242.00		Project One area reached its tax increments cap in April 2011 and entered into a Public Improvements Reimbursement Agreement with the City to aid the Agency in monitoring capital improvement projects for the Benefit of the Agency's Project One area.	Adopted Budget
4/18/2011	Cash and investments (b)	City of Foster City Cooperative Service Agreement Fund	2,501,692.00		Project One area reached its tax increments cap in April 2011 and entered into a Cooperative Service Agreement with the City to aid the Agency in administering the Stipulated Judgment and making the required payments to the San Mateo Union High School District.	Stipulated Judgment with San Mateo Union High School District
6/29/2011	Cash and investments (b)	City of Foster City Loan Payment-Principal Loan Payment-Interest	1,115,697.00 156,418.00		Project One area reached its tax increments cap in April 2011 and paid off the outstanding loans from the City, which were borrowed in FY 1990/1991, FY 1991/1992, and FY 1996/1997	Loan Agreements (a)
<i>Period of Feb 1, 2012 through June 30, 2012</i>						
TOTAL			\$ 4,386,049.00	\$ -		

(a) Management asserted that the operating loans between the former RDA and City were legal obligations owed to the City and the amount has not been added to the Summary of Balances Available for Allocation to Affected Taxing Entities.

(b) Investments include a \$34,692 unrealized gain.

Successor Agency City of Foster City
Pursuant To AB 1484 - All Other Funds
Schedule of Balances for Funding Enforceable Obligations

ITEM	PROJECT NAME/DEBT OBLIGATION	ROPS LINE NO.	OBLIGATION AMOUNT AS APPROVED BY DOF	AMOUNT PAID IN PERIOD ENDING JUNE 30, 2012	AMOUNT FROM JUNE 30, 2012 BALANCE DEDICATED / RESTRICTED FOR FUNDING THE OBLIGATION	NATURE OF DEDICATION / RESTRICTION	LANGUAGE IN THE LEGAL DOC
<i>Note: Schedule should list only those assets that are dedicated or restricted for the funding of an enforceable obligation (example - funds have been received but enforceable obligation has not been paid)</i>							
1	San Mateo Union High School District	1	\$ 2,467,000	\$ 475,000	\$ 1,992,000	Redevelopment law	Stipulated judgement Enforceable obligation H&S
2	Verde Design Inc.	13	33,400	11,347	22,053	Redevelopment law	34171(d)(1)E Enforceable obligation H&S
3	Vavrinek, Trine, Day & Co., LLP	6	6,000	-	6,000	Professional Services	34171(d)(1)E
			<u>\$ 2,506,400</u>	<u>\$ 486,347</u>	<u>\$ 2,020,053</u>		

**Successor Agency City of Foster City
Pursuant To AB 1484 - All Other Funds
Summary of Balances Available for Allocation to Affected Taxing Entities**

Exhibit C-3

		<u>Reference:</u>
Total amount of assets held by the successor agency as of June 30, 2012 (procedure 5)	\$ 2,829,346	Exhibit C-1
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)	-	(a)
Less assets legally restricted for uses specified by debt covenants, grant restrictions, or restrictions imposed by other governments (procedure 6)	-	
Less assets that are not cash or cash equivalents (e.g., physical assets) - (procedure 7)	-	
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)	(2,020,053)	Exhibit C-2
Less balances needed to satisfy ROPS for the 2012-13 fiscal year (procedure 9)	-	
Less the amount of payments made on July 12, 2012 to the County Auditor-Controller as directed by the California Department of Finance	-	
	<hr/>	
Amount to be remitted to county for disbursement to taxing entities	<u>\$ 809,293</u>	

(a) As noted in procedure no. 2 and Exhibit C, Management asserted that the operating loans between the former RDA and City were legal obligations owed to the City and were not included on the Summary of Balance Available for Allocation to Affected Taxing Entities.