

Honorable Mayor and Members
of the City Council
City Hall
Torrance, California

Members of the Council:

SUBJECT: Community Development – Approve the report on the Due Diligence Review for the former Redevelopment Agency of the City of Torrance and forward to the Oversight Board pursuant to ABX1-26 and AB 1484.

RECOMMENDATION

Recommendation of the Community Development Director that City Council, acting as the Successor Agency to the former Redevelopment Agency of the City of Torrance, approve the report on the Due Diligence Review to be forwarded to the Oversight Board for review and public comment on October 3rd, 2012 as required by ABX1-26 and AB 1484.

BACKGROUND AND ANALYSIS

According to California Health and Safety Code Section 34179.5, which was added by State Assembly Bill 1484 (AB 1484), each successor agency shall employ an approved licensed accountant to conduct a Due Diligence Review (DDR), or audit of the Low and Moderate Income Housing Fund (LMIHF). The purpose of the report will be to determine the unobligated balances available to be transferred to taxing entities as part of the dissolution of former Redevelopment Agency of the City of Torrance. The audit will review: the dollar value of assets transferred from the former Redevelopment Agency to the Successor Agency on or about February 1, 2012; the purpose and dollar value of assets, cash, and cash equivalents transferred by the Agency to the City after January 1, 2011 through June 30, 2012; expenditure and revenue accounting information for fiscal year 2010-2011 and 2011-2012; and an accounting of the balance for the Low and Moderate Income Housing Fund. Currently, there is \$7,060,274 of unencumbered low mod funds of which \$2,514,325 has been identified to be transferred to the taxing entities.

The timeline set forth in AB 1484 requires the results of this review to be submitted to the Oversight Board to the City of Torrance as Successor Agency to the Redevelopment Agency of the City of Torrance (Oversight Board), County Auditor-Controller, State Controller, and Department of Finance (DOF) by October 1, 2012. In addition, AB 1484 also requires that the Oversight Board review, approve, and transmit the approved DDR to the DOF and County Auditor Controller by October 15, 2012 following a public session to consider the report no less than five business days prior to the meeting at which the DDR will be approved. As such, the purpose of this submission is for the City Council, acting as the Successor Agency, to approve the DDR and submit to the Oversight Board. The Oversight Board will conduct the initial review and public comment, at the October 3rd, 2012 meeting in satisfaction of the guidelines laid out within the timeline of AB 1484. A subsequent Oversight Board meeting has been scheduled for Thursday, October 11th, 2012 at 3 pm in order to meet the timing set forth in AB 1484.

Staff recommends the City Council, acting as the Successor Agency to the former Redevelopment Agency of the City of Torrance approve the report on the Due Diligence Review to be forwarded to the Oversight Board for review and public comment on October 3rd, 2012 as required by ABX1-26 and AB 1484. The report will be then be brought before the Oversight Board for final approval on Thursday, October 11th, 2012 at 3 pm, in accordance with the timelines set forth in AB 1484.

Respectfully submitted,

JEFFERY W. GIBSON
COMMUNITY DEVELOPMENT DIRECTOR

CONCUR:



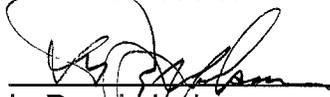
Jeffery W. Gibson
Community Development Director

By 

Gregg Lodan, AICP
Planning Manager



Eric Tsao
Finance Director



LeRoy J. Jackson
City Manager

Attachment:

- A) Report on the Due Diligence Review



Mayer Hoffman McCann P.C.

An Independent CPA Firm

2301 Dupont Drive, Suite 200
Irvine, California 92612
949-474-2020 ph
949-263-5520 fx
www.mhm-pc.com

Oversight Board of the Successor Agency of the former Redevelopment Agency
of the City of Torrance
3031 Torrance Blvd.
Torrance, CA 90503

INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES

We have performed the procedures enumerated below, which were agreed to by the Successor Agency of the former Redevelopment Agency of the City of Torrance (Successor Agency), the California Department of Finance, the California State Controller's Office, and the County Auditor-Controller's Office, solely to assist you in complying with the requirement for a due diligence review of the low and moderate income housing fund of the former Redevelopment Agency and the Successor Agency pursuant to Section 34179.5(c) of the California Health and Safety Code. Management of the Successor Agency is responsible for the Successor Agency's compliance with the California Health and Safety Code. This engagement to apply agreed-upon procedures was performed in accordance with the attestation standards established by the *American Institute of Public Accountants* for such engagements. The sufficiency of the procedures is solely the responsibility of the specified users of the report. Consequently, we make no representations regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on the specified items. 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.

Our procedures and results were as follows:

1. We obtained from the Successor Agency a listing of all assets (at their recorded book values) 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.

Results: On February 1, 2012, \$9,867,697 of low and moderate income housing fund assets were transferred to the Successor Agency. See additional asset detail on EXHIBIT B, for the low and moderate income housing fund, 7 months ended January 31, 2012.

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. We obtained 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.

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Results: The State Controller's Office has not completed the review of transfers. The low and moderate income housing fund transferred \$6,637,543 of land and buildings to the City of Torrance on March 8, 2011 for the purpose of conducting housing activities. Between January 1, 2011 and June 30, 2011 the low and moderate income housing fund transferred \$11,619 to the City of Torrance. Of the \$11,619 the City transferred \$2,293 to the PC Replacement fund for the purchase of a laptop and Microsoft user license for the Home Improvement Program (HIP). The remaining \$9,326 was transferred to the Rehab Housing Fund for future low moderate income loans. See EXHIBIT C for additional details.

- b. We obtained 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.

Results: The City of Torrance was designated as the Housing Successor Agency as of January 10, 2012 per the Oversight Board. The City officially transferred the \$6,637,543 of low and moderate income housing property of \$6,637,543 to the City of Torrance as the Housing Successor Agency as of February 1, 2012 for the purpose of conducting housing activities.

- c. For each transfer, we obtained the legal document that formed the basis for the enforceable obligation that required any transfer.

Results:

- For the transfer of \$11,619 made between January 1, 2011 and June 30, 2011, there is no legal document forming the basis for the transfer. However, the transfer was made prior to the dissolution of the redevelopment agency.
 - On March 8, 2011, \$6,637,543 of capital assets was transferred to the City of Torrance for the purpose of conducting housing activities per City Council item 12C and approved RDA resolution. These assets were then transferred on February 1, 2012, the date that the former RDA dissolved and any assets of the former RDA that were not previously transferred to the successor agency became vested in the successor agency by operation of law to the City of Torrance as the Housing Successor Agency for the purpose of conducting housing activities. On July 18, 2012, the oversight board adopted its resolution confirming the transfer of housing assets.
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. We obtained 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.

Results: No transfers were made from the low and moderate income housing fund to any other public agency or private parties for the period January 1, 2011 through January 31, 2012.

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- b. We obtained 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.

Results: No transfers were made from the low and moderate income housing fund to any other public agency or private parties for the period February 1, 2012 through June 30, 2012.

- c. For each transfer, we obtained the legal document that formed the basis for the enforceable obligation that required any transfer.

Results: No transfers were made to any other public agency or private parties.

4. We obtained 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 California State Controller's Office's procedures for the fiscal year ended June 30, 2010, the fiscal year ended June 30, 2011, the period July 1, 2011 through January 31, 2012, and the period February 1, 2012 through June 30, 2012. For each period presented, we determined that the total of revenues, expenditures, and transfers accounted fully for the changes in equity from the previous fiscal period. We compared 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: There were no exceptions as a result of our procedures. The schedule is presented at EXHIBIT B.

5. We obtained from the Successor Agency a listing of all assets of the Low and Moderate Income Housing Fund as of June 30, 2012. We also agreed the assets so listed to recorded balances reflected in the accounting records of the Successor Agency.

Results: The listing of assets is included in EXHIBIT B. The assets listed are cash, advance to other funds and other immaterial assets. We obtained the bank reconciliation at June 30, 2012 and traced the cash balance for the low and moderate income housing fund to the City's schedule of the cash balances of all funds of the City that agree in total to the reconciled bank balance. The advance to the RDA Skypark Debt Service Successor agency has been determined to be uncollectable as of June 30, 2012. All land and buildings involved in the transfers noted in previous procedures and on Exhibit C were traced and reconciled to prior year audited RDA financial statements and current year capital asset records. Capital assets are to be reported as assets of the City of Torrance as the Housing Successor Agency.

6. Obtain from the Successor Agency a listing of asset balances held on June 30, 2012 that are restricted for specific purposes and performed the following procedures:
- a. Unspent bond proceeds:
- i. We obtained 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.

Results: There are no low and moderate income housing unspent bond proceeds.

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

- i. We obtained the Successor Agency's computation of the restricted balances.
- ii. We traced individual components of this computation to related account balances in the accounting records, or to other supporting documentation.
- iii. We obtained from the Successor Agency a copy of the grant agreement that sets forth the restriction pertaining to these balances.

Results: There are no low and moderate income housing grant proceeds or program income.

c. Other assets considered to be legally restricted:

- i. We obtained the Successor Agency's computation of the restricted balances (e.g., total proceeds less eligible project expenditures).
- ii. We traced individual components of this computation to related account balances in the accounting records, or to other supporting documentation.
- iii. We obtained from the Successor Agency a copy of the legal document that sets forth the restriction pertaining to these balances.

Results: There are no other assets considered to be legally restricted.

d. We attached the above mentioned Successor Agency prepared schedule(s) as an exhibit to the AUP report. For each restriction identified on these schedules, we indicated in the report the period of time for which the restrictions are in effect.

Results: This procedure is not applicable.

7. We obtained 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 ascertained 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.

- a. If the assets were listed at purchase cost, we traced the amounts to a previously audited financial statement (or to the accounting records of the Successor Agency) and noted any differences.

- b. For any differences noted in 7(a), we inspected evidence of disposal of the asset and ascertained that the proceeds were deposited into the Successor Agency trust fund.
- c. If the assets listed at 7(a) were listed at recently estimated market value, we inspected the evidence (if any) supporting the value and noted the methodology used.

Results: The advance from other funds was traced to the prior year audited Redevelopment Agency's audited financial statements. Per discussion with management the advance of \$1.8 million is considered uncollectable as of June 30, 2012. Other assets in the amount of \$3,724 were traced to accounting records. Capital assets were reconciled to RDA audited financial statements as of June 30, 2011, the Housing Asset listing prepared by the Community Development Department of the City as of August 1, 2012 and accounting records as of June 30, 2012.

8. We performed the following procedures:

- a. For assets balance needed to be retained to satisfy enforceable obligations, we obtained 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 performed the following procedures:
 - i. We compared 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. We compared all current balances to the amounts reported in the accounting records of the Successor Agency or to an alternative computation.
 - iii. We compared the specified enforceable obligations to those that were included in the final Recognized Obligation Payment Schedule approved by the California Department of Finance.
 - iv. We attached as an exhibit to the report the listing obtained from the Successor Agency. We also identified 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 Exhibit D that sets forth the projected cash flows of the Successor Agency. This Exhibit identifies the amount of funds that need to be temporarily retained to pay required bond debt service payments of the Successor Agency without default. As a result of this need for funds, the Debt Service Fund of the Successor Agency has temporarily borrowed funds from the Low and Moderate Income Housing Fund of the Successor Agency to pay such required bond debt service payments without default. These temporarily borrowed funds will be available for distribution after Fiscal Year 2013/14.

- b. If 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, we obtained from the Successor Agency a schedule of approved enforceable obligations that included a projection of the annual spending

requirements to satisfy each obligation and a projection of the annual revenues available to fund those requirements and performed the following procedures:

- i. We compared the enforceable obligations to those that were approved by the California Department of Finance.
- ii. We compared the forecasted annual spending requirements to the legal document supporting each enforceable obligation by obtaining 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, we obtained the assumptions for the forecasted annual revenues and disclosed the major assumptions associated with the projections.

Results: See Exhibit D that sets forth the projected cash flows of the Successor Agency. This Exhibit identifies the amount of funds that need to be temporarily retained to pay required bond debt service payments of the Successor Agency without default. As a result of this need for funds, the Debt Service Fund of the Successor Agency has temporarily borrowed funds from the Low and Moderate Income Housing Fund of the Successor Agency to pay such required bond debt service payments without default. These temporarily borrowed funds will be available for distribution after Fiscal Year 2013/14.

- c. If projected property tax revenues and other general purpose revenues that were received by the Successor Agency are insufficient to pay bond debt service payments, we obtained from the Successor Agency a schedule demonstrating this insufficiency and applied the following procedures to the information reflected in that schedule:
 - i. We compared the timing and amounts of bond debt service payments to the related bond debt service schedules in the bond agreement.
 - ii. We obtained the assumptions for the forecasted property tax revenues and disclose major assumptions associated with the projections.
 - iii. We obtained the assumptions for the forecasted other general purpose revenues and disclose major assumptions associated with the projections.

Results: See Exhibit D that sets forth the projected cash flows of the Successor Agency. This Exhibit identifies the amount of funds that need to be temporarily retained to pay required bond debt service payments of the Successor Agency without default. As a result of this need for funds, the Debt Service Fund of the Successor Agency has temporarily borrowed funds from the Low and Moderate Income Housing Fund of the Successor Agency to pay such required bond debt service payments without default. These temporarily borrowed funds will be available for distribution after Fiscal Year 2013/14.

- d. If procedures, A, B, or C were performed, we calculated the amount of current unrestricted balances necessary for retention in order to meet the enforceable obligations by performing the following procedures:

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- i. We combined 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. We reduced the amount of total resources available by the amount forecasted for the annual spending requirements.

Results: See Exhibit D that sets forth the projected cash flows of the Successor Agency. This Exhibit identifies the amount of funds that need to be temporarily retained to pay required bond debt service payments of the Successor Agency without default. As a result of this need for funds, the Debt Service Fund of the Successor Agency has temporarily borrowed funds from the Low and Moderate Income Housing Fund of the Successor Agency to pay such required bond debt service payments without default. These temporarily borrowed funds will be available for distribution after Fiscal Year 2013/14.

9. For cash balances as of June 30, 2012 that 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, we obtained 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.

Results: There are no enforceable obligations noted in the ROPS associated with the low and moderate income housing fund or Torrance Housing Authority activities for which there is expected to be an insufficiency of tax increment.

10. We have included a schedule detailing the computation of the Balance Available for Allocation to Affected Taxing Entities.

Results: See EXHIBIT A.

11. We obtained a representation letter from 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.

Results: Required representations were obtained from management.

This letter is intended solely for the information and use of the Oversight Board of the Successor Agency of the former Redevelopment Agency of the City of Torrance, the Successor Agency of the former Redevelopment Agency of the City of Torrance, the California Department of Finance, the California State Controller's Office, and the County of Los Angeles's Auditor-Controller's Office and is not intended to be and should not be used by anyone other than those specified parties.

Mayor Hoffman McCann P.C.

Irvine, California
October 1, 2012

CITY OF TORRANCE
Summary of Balances Available for Allocation of Affected Taxing Entities
June 30, 2012

Exhibit A

SUMMARY OF BALANCES AVAILABLE FOR ALLOCATION TO AFFECTED TAXING ENTITIES

Total amount of assets held by the successor agency as of June 30, 2012 (procedure 5)	\$	9,849,198		<i>See Exhibit B</i>
Add the amount of any assets transferred to the City of Torrance (procedures 2 and 3)		6,649,162		<i>See Exhibit C</i>
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, long-term loans, etc.) - (procedure 7)				
Advance to Skypark		(1,873,725)		<i>See Exhibit B</i>
Other assets		(3,724)		<i>See Exhibit B</i>
Capital assets		(6,637,543)		<i>See Exhibit B</i>
Less insufficiency of cash flows to pay enforceable obligations through 2013/14 (procedure 8)		(1,353,449)		<i>See Exhibit D</i>
Less the amount paid to the RDA Debt Service Successor in August 2012 to pay back the 20% set aside funds transferred to Low Mod Housing from July 1, 2011 through January 31, 2012		(923,094)		<i>See Exhibit B & Exhibit C</i>
Less loan from successor low/mod fund to successor agency to provide funds for shortfall in available cash to allow for proper funding of bond payments due in fiscal year 2013		<u>(3,192,500)</u>		<i>See Exhibit D.</i>
Amount to be remitted to county for disbursement to taxing entities	\$	<u>2,514,325</u>		

CITY OF TORRANCE
Summary of Financial Transactions
6/30/2012

Exhibit B

	Fd 4605 Low Mod Fund 12 Months Ended 6/30/2010	Fd 4605 Low Mod Fund 12 Months Ended 6/30/2011	Fd 4605 Low Mod Fund 7 Months Ended 1/31/2012	Successor Agency - Low Mod Fund 5 Months Ended 6/30/2012
Assets (modified accrual basis)				
Pooled cash and investments	\$ 5,952,695	\$ 7,173,098	\$ 7,993,972	\$ 7,971,749
Accrued interest receivable	52,388	26,434	-	-
Advances to other funds (Skypark DS Fund)	1,633,409	1,873,725	1,873,725	1,873,725
Other assets	3,514	-	-	3,724
Total Assets	\$ 7,642,006	\$ 9,073,257	\$ 9,867,697	\$ 9,849,198
Liabilities (modified accrual basis)				
Accounts payable	\$ 250	\$ 2,970	\$ 386	\$ 135
Due to other funds (DS Successor Agency)	-	-	923,094	923,094
Advances from other funds	-	-	-	-
Total Liabilities	250	2,970	923,480	923,229
Equity				
Capital projects Reserved	7,641,756	9,070,287	8,944,217	8,925,969
Total Equity	7,641,756	9,070,287	8,944,217	8,925,969
Total Liabilities and Equity	\$ 7,642,006	\$ 9,073,257	\$ 9,867,697	\$ 9,849,198
Total Revenues:	\$ 259,114	\$ 73,874	\$ 42,500	\$ 5,175
Total Expenditures:	\$ 4,451,443	\$ 325,257	\$ 198,034	\$ 23,423
Transfers in	\$ 1,673,293	\$ 1,701,007	\$ 952,558	\$ -
Transfers out	-	(21,093)	(923,094)	-
Total Transfers:	\$ 1,673,293	\$ 1,679,914	\$ 29,464	\$ -
Net change in equity	\$ (2,519,036)	\$ 1,428,531	\$ (126,070)	\$ (18,248)
Beginning Equity:	\$ 10,160,792	\$ 7,641,756	\$ 9,070,287	\$ 8,944,217
Ending Equity:	\$ 7,641,756	\$ 9,070,287	\$ 8,944,217	\$ 8,925,969

Other Information for Low Mod:**Capital assets funded with Low Mod Funds:**

<i>Recorded in:</i>	12 Months Ended 6/30/2010	12 Months Ended 6/30/2011	7 Months Ended 1/31/2012	5 Months Ended 6/30/2012
<i>RDA</i>	\$ 5,991,730	\$ -	\$ -	\$ -
<i>City of Torrance</i>	\$ 815,000	\$ 6,637,543	\$ 6,637,543	\$ -
<i>City as Housing Successor Agency</i>	\$ -	\$ -	\$ -	\$ 6,637,543

Long-term debt payable from Low Mod Fund as of end of year
None

CITY OF TORRANCE
Transfers of Low and Moderate Income Housing Assets
6/30/2012

Exhibit C

TRANSFERS TO THE CITY OF TORRANCE

<u>Asset Transferred</u>	<u>Transfers from 1/1/2011 to 1/31/2012</u>	<u>Transfers from 2/1/2012 to 6/30/2012</u>	<u>Total</u>	
Cash	\$ 11,619	-	11,619	<i>Transfer to the City to reimburse the PC Replacement fund for a laptop and Microsoft user license purchased for the Home Improvement Program (HIP) in the amount of \$2,293 and transfer funds to the Rehab Housing fund in the amount of \$9,326 for future low and moderate income loans.</i>
Capital assets	<u>6,637,543</u>	<u>-</u>	<u>6,637,543</u>	<i>Transfer to the City originally approved on March 8, 2011. The City was designated as the Housing Successor Agency on January 10, 2012. These assets were then legally transferred to the City as the Housing Successor Agency as of February 1, 2012 and City Council approved on July 18, 2012 to continue conducting Housing Activities.</i>
	<u>\$ 6,649,162</u>	<u>-</u>	<u>6,649,162</u>	
Other Transfer	<u>Transfers from 1/1/2011 to 1/31/2012</u>	<u>Transfers from 2/1/2012 to 6/30/2012</u>	<u>Total</u>	
Expense	-	923,094	923,094	<i>This transfer did not require the use of cash as of June 30, 2012, but was accrued as a liability to RDA Debt Service for the return of the 20% set aside that was erroneously recorded in the low and moderate income housing fund (based on guidance from DOF) from July 1, 2011 to January 31, 2012. The cash was returned to the Successor Agency debt service fund in August 2012.</i>

Exhibit D

CITY OF TORRANCE
Cash Flow Projection For Need to Temporarily Hold onto Low Mod Funds
June 30, 2012

	<u>FY12-13</u>	<u>FY13-14</u>	<u>FY14-15</u>	<u>FY15-16</u>	<u>FY16-17</u>
RPTTF Transfer from County, June 1 (a)	\$ 1,691,525	\$ 1,900,000	\$ 1,938,000	\$ 1,976,760	\$ 2,016,295
Cash balance at the beginning of fiscal year, July 1 (b)	166,829	2,193,815	2,023,213	3,672,308	5,403,775
Pay back the HSA loan (f)	(176,072)	(1,192,500)			
Debt Service due July 1 (c)	(879,393)				
County true up payment (d)	923,094				
Return from LMHF on extra 20% set-aside (e)	3,192,500				
Loan from HSA (f)					
Bond admin	(7,000)	(7,000)	(7,000)	(7,000)	(7,000)
Debt Service due September 1 (c)	(2,278,378)	(2,347,764)	(1,833,338)	(1,867,167)	(2,337,509)
Total Enforcable Obligation	(2,285,378)	(2,354,764)	(1,840,338)	(1,874,167)	(2,344,509)
Cash balance as of December 31	941,580	(1,353,449)	182,875	1,798,141	3,059,266
RPTTF Transfer from County, January 1 - estimate (g)	2,100,000	2,142,000	2,184,840	2,228,537	2,273,108
Pay back the HSA loan (f)	(2,000,000)				
Debt Service due March 1 (c)	(747,765)	(703,338)	(672,167)	(639,198)	(604,438)
Total Enforcable Obligation	(2,747,765)	(703,338)	(672,167)	(639,198)	(604,438)
Cash Balance at the end of fiscal year, June 30	\$293,815	\$85,213	\$1,695,548	\$3,387,480	\$4,727,936

(a) Property tax transfer for FY 2013 is based on actual receipt. FY 2014 is based on management's expectation. Further fiscal years based on a 2% growth.

(b) Cash balances include all RDA funds excluding the low and moderate income housing as of June 30, 2012 audited trial balances by fund per annual audit workpapers.

(c) Bond debt service payments were traced to official bond documents and agreed to ROPS.

(d) County true up traced to payment made on July 1, 2012 by debt service funds

(e) 20% set aside return of funds from July 1, 2011 to January 31, 2012 was traced to calculations and general ledger detail.

(f) Loan was approved by Oversight Board on August 14, 2012 to retain funds from low and moderate fund and pay back by December 31, 2013 per agreement.

(g) Property tax transfer for FY 2013 is based on the Department of Finance's rough estimate less estimated refunds. Further fiscal years based on a 2% growth.