

Pursuant to the Redevelopment Agency
Trailer Bill (AB1484) of 2012 (Health and Safety §34179.5)

***Successor Agency to the
Chino Redevelopment Agency – All other funds***

Independent Accountant's Report on
Applying Agreed-upon Procedures

**Successor Agency to the Chino
Redevelopment Agency
Due Diligence Review (AB1484) (Health and Safety §34179.5)**

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

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We have performed the minimum required agreed-upon procedures enumerated in Attachment A, which were agreed to by the California State Controller's Office, the State of California Department of Finance (Agencies) and the Successor Agency to the Chino Redevelopment Agency (Successor Agency) solely to assist them in ensuring that the dissolved redevelopment agency is complying with its statutory requirements with respect to AB1484 (Health and Safety §34179.5(a)). Management of the Successor Agency is responsible for the accounting records pertaining to statutory compliance pursuant to Health and Safety §34719.5(a).

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 along with 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 after each procedure 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 applicable 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.

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Rogers Anderson Malody & Scott, LLP

November 30, 2012

Our procedures and results are as follows:

Citation:

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

Procedure:

1. 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.

No exceptions noted were noted as a result of this procedure. The total amount of assets transferred to the Successor Agency from the Redevelopment Agency was \$72,381,202 (including \$35,923,554 in net capital assets).

Citation:

34179.5(c)(2) The dollar value of assets and cash and cash equivalents transferred after January 1, 2011, through June 30, 2012, by the redevelopment agency or the successor agency to the city, county, or city and county that formed the redevelopment agency and the purpose of each transfer. The review shall provide documentation of any enforceable obligation that required the transfer.

Procedure(s):

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. For each transfer, the Successor Agency described the purpose of the transfer and described in what sense the transfer was required by one of the Agency's enforceable obligations or other legal requirements. See Attachment 2A.

No exceptions were noted as a result of this procedure. Per Agency management, the transfers were for pass-through payments either required by SB211 or a valid pass-through agreement.

- 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. For each transfer, the Successor Agency described the purpose of the transfer and described in what sense the transfer was required by one of the Agency's enforceable obligations or other legal requirements. See Attachment 2B.

Not applicable – Per Agency management there were no transfers by the Successor Agency to the city, county or city and county from February 1, 2012 through June 30, 2012 that were not for goods or services.

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

No exceptions were noted as a result of this procedure. Per Agency management, the transfers were for pass-through payments either required by SB211 or a valid pass-through agreement.

Citation:

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

Procedure(s):

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. For each transfer, the Successor Agency described the purpose of the transfer and described in what sense the transfer was required by one of the Agency's enforceable obligations or other legal requirements. See Attachment 3A.

No exceptions were noted as a result of this procedure. Per Agency management, the transfers were for pass-through payments either required by SB211 or a valid pass-through agreement.

- 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. See Attachment 3B.

No exceptions noted. There were transfers of assets to private parties from the former redevelopment agency from February 1, 2012 through June 30, 2012. Per Agency management, the transfers were for debt service payments.

- 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.

No exceptions were noted as a result of this procedure. Per Agency management, the transfers were for pass-through payments either required by SB211, a valid pass-through agreement or an official statement.

Citation:

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

Procedure(s):

4. We performed the following procedures:

- A. 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 attached schedule (see Attachment 4A and 4C) for the fiscal periods indicated in the schedule. For purposes of this summary, the financial transactions were presented using the modified accrual basis of accounting. End of year balances for capital assets (in total) and long-term liabilities (in total) were presented at the bottom of this summary schedule for information purposes.

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

- B. We ascertained that for each period presented, the total of revenues, expenditures, and transfers accounted fully for the changes in equity from the previous fiscal period.

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

- C. We compared 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.

Exception noted:

We noted there was a difference in the "cash" balance between the 2010 financial statement and the 2010 statement of indebtedness. This difference was offset by an almost equal amount in "other assets". The net difference is \$3.

- D. We compared amounts in the schedule for the other fiscal periods presented to account balances in the accounting records or other supporting schedules.

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

Citation:

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

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

Procedure:

5. We obtained from the Successor Agency a listing of all assets of all other funds of the Successor Agency (excluding the previously reported assets of the Low and Moderate Income Housing Fund) as of June 30, 2012. The attached schedule includes only those assets held by the Successor Agency. We agreed the assets so listed to recorded balances reflected in the accounting records of the Successor Agency. See Attachment 5.

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

Citation:

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

Procedure(s):

6. We obtained from the Successor Agency a listing of asset balances held on June 30, 2012 that were restricted for the following purposes:

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.) See attachment 6A.

No exceptions noted. Per Agency management, unspent bond proceeds were to maintain required bond reserve accounts and residual amounts remaining for project costs.

- ii. We traced individual components of this computation to related account balances in the accounting records, or to other supporting documentation.

No exceptions noted as a result of this procedure.

- iii. We obtained from the Successor Agency a copy of the legal document that sets forth the restriction pertaining to these balances (If applicable, we noted in our report the absence of language restricting the use of the balances that were identified by the Successor Agency as restricted).

No exceptions noted as a result of this procedure. We were provided copies of the official statements for each issued bond and determined a debt service reserve was required.

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

- i. We obtained the Successor Agency's computation of the restricted balances (e.g., total proceeds less eligible project expenditures). See attachment 6B.

Not applicable – Per Agency management there were no grant proceeds or program income.

- ii. We traced individual components of this computation to related account balances in the accounting records, or to other supporting documentation.

Not applicable – Per Agency management there were no grant proceeds or program income.

- iii. We obtained from the Successor Agency a copy of the grant agreement that sets forth the restriction pertaining to these balances (if applicable, we noted in our report the absence of language restricting the use of the balances that were identified by the Successor Agency as restricted).

Not applicable – Per Agency management there were no 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). See attachment 6C.

No exceptions noted – Per Agency management, the Agency has cash balances which have been restricted for the payment of pass through payable amounts accrued along with administrative costs due to the City of Chino at June 30, 2012, payable for the fiscal year ended June 30, 2012. The Successor Agency provided documents supporting the payments in July 2012.

- ii. We traced individual components of this computation to related account balances in the accounting records, or to other supporting documentation.

No exceptions noted – Per Agency management, the amounts were accrued as of June 30, 2012. The Successor Agency provided documents supporting the payments in July 2012.

- iii. We obtained from the Successor Agency a copy of the legal document that sets forth the restriction pertaining to these balances (if applicable, we noted in our report the absence of language restricting the use of the balances that were identified by Successor the Agency as restricted).

No exceptions noted – Per Agency management the Successor Agency, the amounts are restricted due to pass through agreements entered into in previous years and for administrative costs due to the City of Chino. In addition, the amounts are being restricted to pay debt service. Management provided us with the agreements.

- D. We attached the above mentioned Successor Agency prepared schedule(s) as an exhibit to our report. For each restriction identified on these schedules, the period of time for which the restrictions are in effect is noted. Restrictions in effect until the related assets are expended for their intended purpose are indicated in the schedules.

See attachments 6A, 6B, and 6C.

Citation:

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

Procedure(s):

7. We performed the following procedures:

- A. 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 we 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. See attachment 7.

No exceptions were noted as a result of this procedure. Assets are valued at purchased cost.

- B. If the assets listed at 7(A) 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.

No exceptions were noted as a result of this procedure.

- C. For any differences noted in 7(B), we inspected evidence of disposal of the asset and ascertained that the proceeds were deposited into the Successor Agency trust fund. If the differences were due to additions (this generally is not expected to occur), we inspected the supporting documentation and note the circumstances.

Not applicable – Per Agency management, there were no disposals.

- D. 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. If no evidence is available to support the value and/or methodology, we noted the lack of evidence.

Not applicable – Per Agency management, all non-liquid assets are valued at cost.

Citation:

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

Procedure(s):

8. We performed the following procedures:

- A. If the Successor Agency believed that asset balances 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 perform the following procedures (the schedule identified 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.) See attachment 8A.

- 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.

Not applicable – Per Agency management, there were no asset balances to be retained.

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

Not applicable – Per Agency management, there were no asset balances to be retained.

- 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.

Not applicable – Per Agency management, there were no asset balances to be retained.

- 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.

Not applicable – Per Agency management, there were no asset balances to be retained.

- B. If the Successor Agency believed 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, we obtained 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:

Not applicable – Per Agency management, there is nothing to report under this section.

- 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.

Not applicable – Per Agency management, there is nothing to report under this section.

- 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.

Not applicable – Per Agency management, there is nothing to report under this section.

- 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.

Not applicable – Per Agency management, there is nothing to report under this section.

- 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), we obtained from the Successor Agency a schedule demonstrating this insufficiency and apply the following procedures to the information reflected in that schedule.

Not applicable, the Agency has reported these amounts on Schedule 9, "Cash balances as of June 30, 2012 needed to satisfy the ROPS for the period July 1, 2012 – June 30, 2013".

- i. Compare the timing and amounts of bond debt service payments to the related bond debt service schedules in the bond agreement.

Not applicable.

- ii. Obtain the assumptions for the forecasted property tax revenues and disclose major assumptions associated with the projections.

Not applicable.

- iii. Obtain the assumptions for the forecasted other general purpose revenues and disclose major assumptions associated with the projections.

Not applicable.

- 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.

Not applicable.

- 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.

Not applicable.

- 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.

Not applicable.

- iii. Include the calculation in the AUP report.

Not applicable.

Citation:

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

Procedure:

9. 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, so 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. 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. See attachment 9.

No exceptions were noted as a result of this procedure.

Procedure:

10. We included (prepared by the Successor Agency) a schedule detailing the computation of the Balance Available for Allocation to Affected Taxing Entities. We agreed amounts included in the calculation to the results of the procedures performed in each section above. The schedule included a deduction to recognize amounts already paid to the County Auditor-Controller on July 12, 2012 as directed by the California Department of Finance. See Attachment 10.

No exceptions were noted as a result of this procedure.

Procedure:

11. We obtained a representation letter dated November 30, 2012 from Successor Agency management acknowledging their responsibility for the data provided to us and the data presented in the report or in any attachments to the report.

No exceptions were noted as a result of this procedure.

2A. Transfers from former Redevelopment Agency to City/County January 1, 2011 through January 31, 2012

Transfer description	Transfer amount	No enforceable obligation	Transfer date	City/County	Enforceable obligation	
					Required by	If yes, date
SB 211 Pass through transfer to the City	\$ 4,838	\$ -	06/30/2011	City of Chino	SB 211, HSC 33607.7	n/a
Negotiated pass through payment	983,360	-	10/13/2011	SB County	HSC Section 33401	07/30/1992
Negotiated pass through payment	284,541	-	10/13/2011	SB County Flood Control	HSC Section 33401	07/30/1993
Negotiated pass through payment	146,178	-	10/13/2011	SB County Library	HSC Section 33401	07/30/1994
Totals	\$ 1,418,917	\$ -				

2B. Transfers from Successor Agency to City/County February 1, 2012 through June 30, 2012

Transfer description	Transfer amount	No enforceable obligation	Transfer date	City/County	Enforceable obligation	
					Required by	If yes, date
Nothing to report.	\$ -	\$ -				
Totals	\$ -	\$ -				

Schedules prepared by Successor Agency.

3A. Transfers from former Redevelopment Agency Other Public Agency/Private Parties January 1, 2011 through January 31, 2012

Transfer description	Transfer amount	No enforceable obligation	Transfer date	Other public agency or private parties	Enforceable obligation	
					Required by	If yes, date
SB 211 Pass through payment	\$ 2,906	\$ -	06/30/2011	Chino Valley Unified School District	SB 211, HSC 33607.7	n/a
SB 211 Pass through payment	126	-	06/30/2011	IERCD Inland Empire Conserv District	SB 211, HSC 33607.7	n/a
SB 211 Pass through payment	747	-	06/30/2011	CBWCD Chino Basin Water MWD Metropolitan Water District	SB 211, HSC 33607.7	n/a
SB 211 Pass through payment	195	-	06/30/2011	District	SB 211, HSC 33607.7	n/a
Negotiated pass through payment	586,293	-	07/06/2011	Inland Empire Utility Agency	HSC Section 33401	06/16/1991
Negotiated pass through payment	1,053,786	-	10/13/2011	Chino Valley Unified School District	HSC Section 33401	09/19/1989
Negotiated pass through payment	46,947	-	10/13/2011	San Bern County Superintendent of Schools	HSC Section 33401	12/18/1989
Negotiated pass through payment	218,333	-	10/13/2011	Chaffey Community College	HSC Section 33401	10/12/1989
Debt service - principal/interest	5,117,957	-	09/01/2011	Bond holders	Official statements	1998, 2001, 2006, 2008
Totals	\$ 7,027,290	\$ -				

3B. Transfers from Successor Agency to Other Public Agency/Private Parties February 1, 2012 through June 30, 2012

Transfer description	Transfer amount	No enforceable obligation	Transfer date	Other public agency or private parties	Enforceable obligation	
					Required by	If yes, date
Debt service - principal/interest	\$ 2,351,347	\$ -	03/01/2012	Bond holders	Bond document	1998, 2001, 2006, 2008
Totals	\$ 2,351,347	\$ -				

Schedules prepared by Successor Agency.

4A. Summary of financial transactions of the former Redevelopment Agency and Successor Agency

	Redevelopment Agency 12 Months Ended 6/30/2010	Redevelopment Agency 12 Months Ended 6/30/2011	Redevelopment Agency 7 Months Ended 1/31/2012	Successor Agency 5 Months Ended 6/30/2012	HA - LMIH Asset Fund 5 Months Ended 6/30/2012
Assets					
Current assets					
Cash	\$ 52,830,904	\$ 48,500,278	\$ 44,327,205	\$ 31,815,634	\$ 1,997,777
Cash and investments restricted with fiscal agent	3,529,835	3,499,908	3,499,988	3,497,201	-
Receivables					
Accounts	11,754	12,118	5,075	5,000	770
Taxes	547,777	989,090	188,323	-	-
Interest	89,197	49,741	-	19,679	1,236
Notes and loans	3,602,021	3,702,353	5,062,951	486,626	2,608,560
Note from City	2,608,560	2,608,560	-	-	-
Due from City	1,278,995	2,663,971	-	317,559	-
Due from other funds	4,983,019	8,099,128	2,176,074	-	2,550
Land held for resale	842,254	842,254	842,254	842,254	-
Capital assets	-	-	-	31,346,898	-
Total assets	\$ 70,324,316	\$ 70,967,401	\$ 56,101,870	\$ 68,330,851	\$ 4,610,893
Liabilities					
Current liabilities					
Accounts payable	\$ 651,607	\$ 1,442,306	\$ 1,866,703	\$ 2,470,852	\$ 272
Accrued liabilities	3,298,748	2,733,146	1,993,350	2,709,189	-
Due to City of Chino	8,920,994	2,026,748	1,755,883	7,160,492	-
Due to other funds	4,983,019	8,099,128	-	-	1,726
Deferred revenue	5,642,891	5,783,880	6,736,371	-	2,608,560
Long-term debt	-	-	-	102,355,882	-
Total liabilities	23,497,259	20,085,208	12,352,307	114,696,415	2,610,558
Equity	46,827,057	50,882,193	43,749,563	(46,365,564)	2,000,335
Total liabilities and fund balance	\$ 70,324,316	\$ 70,967,401	\$ 56,101,870	\$ 68,330,851	\$ 4,610,893
	6/30/2010	6/30/2011	1/31/2012	6/30/2012	6/30/2012
Taxes	\$ 19,663,531	\$ 19,276,193	\$ 11,180,890	\$ 5,402,045	\$ -
Other	1,240,029	552,532	133,860	410,390	43,129
Total revenues	20,903,560	19,828,725	11,314,750	5,812,435	43,129
Total expenses	24,145,384	18,508,680	18,447,380	9,416,270	10,952,114
Net other financing	(18,138,630)	2,735,091	-	-	-
Changes in net assets	(21,380,454)	4,055,136	(7,132,630)	(3,603,835)	(10,908,985)
Prior period adjustment	-	-	-	-	-
Gain/loss on dissolution	-	-	-	(42,761,729)	12,909,320
Beginning equity	68,207,511	46,827,057	50,882,193	-	-
Ending equity	\$ 46,827,057	\$ 50,882,193	\$ 43,749,563	\$ (46,365,564)	\$ 2,000,335
Other Information (show year end balances for all three years presented), net:					
Capital assets, end of year, net	\$ 14,293,676	\$ 15,705,602	\$ -	\$ 31,346,898	\$ -
Compensated absences	237,164	408,328	-	-	-
Long-term debt, end of year	107,910,988	104,819,742	-	102,355,882	-

Schedule prepared by Successor Agency.

4C. Summary comparison of financial statements to the State Controllers Report

	Redevelopment Agency FS 6/30/2010	Redevelopment Agency SCR 6/30/2010	Difference
Assets			
Current assets			
Cash	\$ 52,830,904	\$ 52,768,495	\$ 62,409
Cash and investments restricted with fiscal agent	3,529,834	3,529,834	-
Receivables			
Taxes	547,777	547,777	-
Accounts	11,754	11,754	-
Interest	89,197	89,197	-
Loans and notes	6,210,582	6,210,582	-
Other assets	1,278,994	1,341,406	(62,412)
Due from other funds	4,983,019	4,983,019	-
Land held for resale	842,254	842,254	-
Total assets	\$ 70,324,315	\$ 70,324,318	\$ (3)
Liabilities			
Current liabilities			
Accounts payable	\$ 651,607	\$ 651,607	\$ -
Other liabilities	17,862,632	17,862,632	-
Due to other funds	4,983,019	4,983,019	-
Total liabilities	23,497,258	23,497,258	-
Equity	46,827,057	46,827,060	(3)
Total liabilities and fund balance	\$ 70,324,315	\$ 70,324,318	\$ (3)
Total revenues	\$ 20,903,560	\$ 20,903,558	\$ 2
Total expenses	24,145,384	42,380,042	(18,234,658)
Net other financing	(18,138,630)	96,033	(18,234,663)
Changes in net assets	(21,380,454)	(21,380,451)	(3)
Prior period adjustment	-	-	-
Beginning equity	68,207,511	68,207,511	-
Ending equity	\$ 46,827,057	\$ 46,827,060	\$ (3)

Other Information (show year end balances for all three years presented):

Capital assets as of end of year	\$ 14,293,676	\$ 15,881,472	\$ (1,587,796)
Compensated absences	-	-	-
Long-term debt as of end of year	106,732,467	106,730,923	1,544

Schedule prepared by Successor Agency.

5. Listing of assets of the Successor Agency as of June 30, 2012

			General ledger as of June 30, 2012			
<u>Fund</u>	<u>GL</u>	<u>Asset description</u>	<u>401</u>	<u>701</u>	<u>703</u>	<u>Total</u>
	<u>Account</u>		<u>Projects</u>	<u>Debt service</u>	<u>RPTTF</u>	
401	Various	Cash and investments	\$11,521,390	\$ -	\$ -	\$ 11,521,390
401	Various	Cash with fiscal agent	148,846	-	-	148,846
401	401-11250	Allowance for FMV	56,380	-	-	56,380
401	401-11710	Accounts receivable	5,000	-	-	5,000
401	401-11810	Interest receivable	7,150	-	-	7,150
		Loan receivable -				
401	401-11910	Tomlinson	467,194	-	-	467,194
		Loan receivable -				
401	401-11911	Owen's Bistro	19,432	-	-	19,432
401	401-13000	Due from City fund 232	317,559	-	-	317,559
401	401-13140	Land held for resale	842,254	-	-	842,254
701		Cash and investments	-	9,341,333	-	9,341,333
701	701-11250	Allowance for FMV	-	67,142	-	67,142
701	Various	Cash with fiscal agent	-	3,348,356	-	3,348,356
701	701-11810	Interest receivable	-	5,812	-	5,812
703	Various	Cash and investments	-	-	10,805,046	10,805,046
703	703-11250	Allowance for FMV	-	-	24,342	24,342
703	703-11810	Interest receivable	-	-	6,717	6,717
703	703-14110	Land	-	-	2,467,352	2,467,352
		Buildings and				
703	703-14120	improvements	-	-	8,651,979	8,651,979
		Improvements other				
703	703-14130	than buildings	-	-	3,830,064	3,830,064
703	703-14210	Construction in progress	-	-	18,317,522	18,317,522
703	703-14399	Accumulated depreciation	-	-	(1,920,019)	(1,920,019)
			<u>\$13,385,205</u>	<u>\$ 12,762,643</u>	<u>\$42,183,003</u>	<u>\$ 68,330,851</u>

Schedule prepared by Successor Agency.

6. Listing of restricted assets as of June 30, 2012

6A. Listing of unspent bond proceeds as of June 30, 2012

Account #	Account Name	Description	Amount
Various	Cash with fiscal agent - 98A refunding	Cash with fiscal agent	\$ 13,079
Various	Cash with fiscal agent - 01B refunding	Cash with fiscal agent	222
Various	Cash with fiscal agent - 91A exempt	Cash with fiscal agent	1
Various	Cash with fiscal agent - 98A refunding	Cash with fiscal agent - reserve	803,905
Various	Cash with fiscal agent - 98B refunding	Cash with fiscal agent - reserve	245,075
Various	Cash with fiscal agent - 01B refunding	Cash with fiscal agent - reserve	945,997
Various	Cash with fiscal agent - 91A exempt	Cash with fiscal agent - reserve	1,065,517
Various	Cash with fiscal agent - 03 refunding	Cash with fiscal agent - reserve	423,405
Various	Cash with City - 06 TAB	Cash and investments	6,226,814
Total unspent bond proceeds			\$ 9,724,015

Restriction: Per official statements, bond proceeds are to be spent on projects as listed in the official statements

Restriction: Per official statements, the trustee is to hold certain funds in reserve for debt service payments.

This ends upon payoff of the outstanding debt.

6B. Listing of grant proceeds and program income as of June 30, 2012

There are no grant proceeds or program income in the Successor Agency.

6C. Listing of other assets - restricted as of June 30, 2012

<u>Asset type</u>	<u>Reason for restriction</u>	<u>Payee</u>	<u>Amount</u>	<u>Date paid</u>
Cash	Per Agreement dated July 30, 1992	County of San Bernardino	\$ 507,463	07/10/12
Cash	Per Agreement dated July 30, 1993	County of San Bernardino	204,440	07/10/12
Cash	Per Agreement dated July 30, 1994	County of San Bernardino	105,027	07/10/12
Cash	Per Agreement dated 12/18/89	County of San Bernardino	27,377	07/10/12
Cash	Per Agreement dated 9/19/89	Chino Valley USD	608,444	07/10/12
Cash	Per Agreement dated 10/12/89	Chaffey Community College	127,324	07/10/12
Cash	Per Agreement dated July 16, 1991	IEUA	368,506	07/10/12
Cash	SB 211 Pass through payment	Chino Valley Independent FD	3,078	07/10/12
Cash	SB 211 Pass through payment	Chino Valley Independent FD	3,041	07/10/12
Cash	SB 211 Pass through payment	Inland Empire Joint RCD	209	07/10/12
Cash	SB 211 Pass through payment	Chino Basin WCD	1,236	07/10/12
Cash	SB 211 Pass through payment	Metropolitan Water Agency	352	07/10/12
Cash	SB 211 Pass through payment	City of Chino	10,186	07/10/12
Cash	TAB Sept '12 debt service payments	Wells Fargo	5,187,245	08/14/12
Cash	AB26 Sec. 34171(b)	City of Chino	282,312	10/23/12
Total other assets - restricted			\$ 7,436,240	

Schedules prepared by Successor Agency.

7. Listing of assets not liquid or available for distribution as of June 30, 2012

Asset information			401	701	703	
Fund	GL	Description	Projects	Debt service	RPTTF	Total
401	401-11250	Allowance for FMV	\$ 56,380	\$ -	\$ -	\$ 56,380
401	11710	Accounts receivable	5,000	-	-	5,000
401	11810	Interest receivable	7,150	-	-	7,150
401	11910	Loans receivable - Tomlinson	467,194	-	-	467,194
401	11911	Loans receivable - Owen's Bistro	19,432	-	-	19,432
401	13000	Due from City fund 232	317,558	-	-	317,558
401	13140	Land held for resale	842,254	-	-	842,254
701	11250	Allowance for FMV	-	67,142	-	67,142
701	11810	Interest receivable	-	5,812	-	5,812
703	11250	Allowance for FMV	-	-	24,342	24,342
703	11810	Interest receivable	-	-	6,717	6,717
703	14110	Land	-	-	2,467,352	2,467,352
703	14120	Buildings and improvements	-	-	8,651,979	8,651,979
703	703-14130	Improvements other than buildings	-	-	3,830,064	3,830,064
703	14210	Construction in progress	-	-	18,317,522	18,317,522
703	14399	Accumulated depreciation	-	-	(1,920,019)	(1,920,019)
Total			\$ 1,714,968	\$ 72,954	\$ 31,377,957	\$ 33,165,879

Schedule prepared by Successor Agency.

8. Schedule of asset balances - restricted/dedicated as of June 30, 2012

8A. *Nothing to report.*

8B. *Nothing to report.*

8C. *Nothing to report.*

8D. *Nothing to report.*

Schedule prepared by Successor Agency.

9. Cash balances as of June 30, 2012 needed to satisfy ROPS for the period July 1, 2012 - June 30, 2013

ROPS #/ ROPS Ln#	Contract/agre e execution date	Contract/ agree term date	Payee	Description	Total outstanding debt or obligation	Total due in FY 2012-13	Amount needed to satisfy debt	ROPS		
								1/1-6/30/12 ROPS I	7/1-12/31/12 ROPS II	1/1-6/30/13 ROPS III
ROPS I,II, III - line 1	Off St. 6-29- 1998	09/01/22	Wells Fargo Bank	1998 TAB A	\$ 7,972,295	\$ 767,545	\$ 143,250	\$ -	\$ 143,250	\$ -
ROPS I,II, III - line 2	Off St. 6-29- 1998	09/01/22	Wells Fargo Bank	1998 TAB B	2,428,057	233,063	54,506	-	54,506	-
ROPS I,II, III - line 3	Off. St 3-20- 2001	09/01/30	Wells Fargo Bank	2001 A&B TAB	35,380,712	1,931,110	556,477	-	556,477	-
ROPS I,II, III - line 4	Off. St 7-15- 2003	09/01/22	Wells Fargo Bank	2003 TAB	4,557,995	418,320	69,322	-	69,322	-
ROPS I,II, III - line 5	Off. St. 11-7- 2006	09/01/38	Wells Fargo Bank	2006 TAB	81,626,244	3,699,725	1,038,962	-	1,038,962	-
ROPS II, III - line 6	Fiscal Agent Agreements	2038	Wells Fargo Bank	Trustee Fees	337,500	12,500	12,500	-	12,500	-
ROPS II, III - line 7	2011-045, 6- 2-11	2038	Webb Associates	Continuing Disclosure, Arbitrage	302,400	11,200	11,200	-	11,200	-
ROPS II, III - line 8	Off. St 7-15- 2003	TBD	HdL, Coren & Cone	Annual Calc of TI Revenue Limit	20,000	2,000	2,000	-	2,000	-
ROPS II, III - line 8, 9	RDA#57, 8- 20-90	12/31/13	PK I County Fair SC LP	Country Fair OPA	3,069,090	427,485	427,485	-	213,743	213,742
ROPS II, III - line 9	01/00/00	FY 12-13	City of Chino	Operation/maintenance of assets	25,000	25,000	25,000	-	25,000	-
ROPS II - line 11	2009-026,4-2- 09	04/02/29	Chong Su and Randy Yi	Chino Sign Agreement	600	600	600	-	600	-

ROPS II line 12	2008-12,9-7-08	Est. FY12-13	Noble Design Studios	Richard Gird Bust	2,860	2,860	2,860	-	2,860	-
ROPS II, III - line 17	2004-197,9-7-04	Est. 2017-18	City of Chino, Various	Project Mgmt & Legal Cost- College Park AH	53,722	19,693	24,847		24,847	-
ROPS II, III - line 18	R2010-019, 11-17-09	Est. 2012-13	City of Chino	Project Mgmt Cost - G St	6,258	6,258	6,258		3,129	3,129
ROPS II, III - line 19	R2-11-052, 4-5-11	Est. 2012-13	City of Chino	Project Mgmt Cost - Seasons Exp	1,877	1,877	1,877		939	939
ROPS II - line 15	2004-197,9-7-04	Conditional Based	LS College Park, LLC	2004 Development Agr-Coll. Park	5,500,000	1,500,000	1,500,000	-	1,500,000	-
*ROPS II - line 16	2011-193, 4-5-11	Est. 2012-13	RIC Construction Co.	Police Facility	1,931,110	1,931,110	1,931,110	-	1,931,110	-
ROPS II, III - line 36	R2011-028, 10-19-10	Est. 2012-13	Jaynes Corp of Calif.	Fire Station No. 7	420,560	420,560	420,560	-	420,560	-
ROPS II, III - line 37	R2011-026, 10-19-10	Est. 2012-13	Kemp Bros Construction	Fire Station No. 1 & Training Center	2,751,741	2,751,741	2,751,741	-	2,751,741	-
ROPS II, III - line 38	2011-193, 4-5-11	Est. 2012-13	RIC Construction Co.	Police Facility	7,275,197	7,275,197	7,275,197	-	7,275,197	-
ROPS II, III - line 39	2011-193, 4-5-11	Est. 2012-13	City of Chino	Project Management Costs/PD	300,343	300,343	300,343	-	150,172	150,172
Total cash balances retained					\$ 153,963,561	\$ 21,738,187	\$ 16,556,095	\$ -	\$ 16,188,114	\$ 367,982

Reasons for cash balances to be retained:

ROPS II installment is not sufficient to pay all obligations listed.

Schedule prepared by Successor Agency.

10. 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)	\$ 68,330,851
Add the amount of any assets transferred to the city or other parties for which an enforceable obligation with a third party requiring such transfer and obligating the use of the transferred assets did not exist (procedures 2 and 3)	-
Less assets legally restricted for uses specified by debt covenants, grant restrictions, or restrictions imposed by other governments (procedure 6)	(17,160,255)
Less assets that are not cash or cash equivalents (e.g., physical assets) - (procedure 7)	(33,165,879)
Less balances that are legally restricted for the funding of an enforceable obligation (net of projected annual revenues available to fund those obligations) - (procedure 8)	-
Less balances needed to satisfy ROPS for the 2012-13 fiscal year (procedure 9)	(16,556,095)
Less the amount of payments made on July 12, 2012 to the County Auditor-Controller as directed by the California Department of Finance	<u>(456,293)</u>
Amount to be remitted to county for disbursement to taxing entities	<u><u>\$ 992,329</u></u>

Schedule prepared by Successor Agency.