



**Successor Agency of the Former
Glendora Community
Redevelopment Agency**

**Due Diligence Review
of the Other Redevelopment Agency Funds
Pursuant to Sections 34179.5(c)(1) through 34179.5(c)(6)
of Assembly Bill No. 1484 of 2012**

Lance Soll & Lunghard, LLP

Orange County
Silicon Valley
Temecula Valley

www.lslcpas.com

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of Assembly Bill No. 1484 of 2012



CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Successor Agency of the
Former Glendora Community Redevelopment Agency
City of Glendora, California

We have performed the procedures enumerated in Attachment A for the Other Redevelopment Agency Funds, which were agreed to by the California State Controller's Office and the State of California Department of Finance (State Agencies) solely to assist you in ensuring that the dissolved redevelopment agency is complying with Assembly Bill 1484, Chapter 26, Section 17's amendment to health and safety code 34179.5. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Management of the successor agency is responsible for providing all the information obtained in performing these procedures. The sufficiency of these procedures is solely the responsibility of those parties specified in 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.

As stated above, the scope of this engagement was limited to performing the procedures identified in Attachment A, which specified the "List of Procedures for the Due Diligence Review" obtained from the California Department of Finance Website.

The results of the procedures performed are identified in Attachment B1 through B11.

We were not engaged to and did not conduct an audit, the objective of which would be the expression of a certified opinion as to the appropriateness of the results of the procedures performed. 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 the Successor Agency.

This report is intended solely for the information and use of the Successor Agency Oversight Board, the Successor Agency and the applicable State Agencies, and is not intended to be, and should not be used by anyone other than these specified parties. This restriction is not intended to limit distribution of this report, which is a matter of public record.

Lance, Soll & Lunghard, LLP

Brea, California

November 20, 2012 (Except for the adjustments noted in Procedure 5 (Attachment B5) and Procedure 10 (Attachment B10 which is as of October 7, 2013))

List of Procedures for Due Diligence Review of the Other Redevelopment Agency Funds

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

List of Procedures for Due Diligence Review for the Other Redevelopment Agency Funds (Continued)

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.
5. Obtain from the Successor Agency a listing of all assets of the Low and Moderate Income Housing Fund as of June 30, 2012 for the report that is due October 1, 2012 and a listing of all assets of all other funds of the Successor Agency as of June 30, 2012 (excluding the previously reported assets of the Low and Moderate Income Housing Fund) for the report that is due December 15, 2012. When this procedure is applied to the Low and Moderate Income Housing Fund, the schedule attached as an exhibit will include only those assets of the Low and Moderate Income Housing Fund that were held by the Successor Agency as of June 30, 2012 and will exclude all assets held by the entity that assumed the housing function previously performed by the former redevelopment agency. Agree the assets so listed to recorded balances reflected in the accounting records of the Successor Agency. The listing should be attached as an exhibit to the appropriate AUP report.
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).

List of Procedures for Due Diligence Review for the Other Redevelopment Agency Funds (Continued)

- iii. Obtain from the Successor Agency a copy of the grant agreement that sets forth the restriction pertaining to these balances. Note in the AUP report the absence of language restricting the use of the balances that were identified by the Successor Agency as restricted.
 - c. Other assets considered to be legally restricted:
 - i. Obtain the Successor Agency's computation of the restricted balances (e.g., total proceeds less eligible project expenditures).
 - ii. Trace individual components of this computation to related account balances in the accounting records, or to other supporting documentation (specify in the AUP report a description of such documentation).
 - iii. Obtain from the Successor Agency a copy of the legal document that sets forth the restriction pertaining to these balances. Note in the AUP report the absence of language restricting the use of the balances that were identified by Successor the Agency as restricted.
 - d. Attach the above mentioned Successor Agency prepared schedule(s) as an exhibit to the AUP report. For each restriction identified on these schedules, indicate in the report the period of time for which the restrictions are in effect. If the restrictions are in effect until the related assets are expended for their intended purpose, this should be indicated in the report.
7. Perform the following:
- 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.
8. Perform the following:
- 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.

List of Procedures for Due Diligence Review for the Other Redevelopment Agency Funds (Continued)

- iii. Compare the specified enforceable obligations to those that were included in the final Recognized Obligation Payment Schedule approved by the California Department of Finance.
 - iv. Attach as an exhibit to the report the listing obtained from the Successor Agency. Identify in the report any listed balances for which the Successor Agency was unable to provide appropriate restricting language in the legal document associated with the enforceable obligation.
- 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.
- 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.

List of Procedures for Due Diligence Review for the Other Redevelopment Agency Funds (Continued)

- 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.
9. If the Successor Agency believes that cash balances as of June 30, 2012 need to be retained to satisfy obligations on the Recognized Obligation Payment Schedule (ROPS) for the period of July 1, 2012 through June 30, 2013, obtain a copy of the final ROPS for the period of July 1, 2012 through December 31, 2012 and a copy of the final ROPS for the period January 1, 2013 through June 30, 2013. For each obligation listed on the ROPS, the Successor Agency should add columns identifying (1) any dollar amounts of existing cash that are needed to satisfy that obligation and (2) the Successor Agency's explanation as to why the Successor Agency believes that such balances are needed to satisfy the obligation. Include this schedule as an attachment to the AUP report.
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).
11. Obtain a representation letter from Successor Agency management acknowledging their responsibility for the data provided to the practitioner and the data presented in the report or in any attachments to the report. Included in the representations should be an acknowledgment that management is not aware of any transfers (as defined by Section 34179.5) from either the former redevelopment agency or the Successor Agency to other parties for the period from January 1, 2011 through June 30, 2012 that have not been properly identified in the AUP report and its related exhibits. Management's refusal to sign the representation letter should be noted in the AUP report as required by attestation standards.

Procedure 1

List of Assets Transferred from the Former Redevelopment Agency to the Successor Agency
Other Redevelopment Agency Funds
As of February 1, 2012

ATTACHMENT B1

<u>Asset</u>	<u>Balance at 2/1/2012</u>
Cash	\$ 13,967,377
Cash with fiscal agent	2
Interest Receivable	6,272
Accounts Receivable	10,010
Land Held for Resale	5,488,528
	<u><u>Total Assets Transferred: \$ 19,472,189</u></u>

Procedure 2
 Listing of Transfers (Excluding Payments for Goods and Services) to the City
 Other Redevelopment Agency Funds
 For the Period from January 1, 2011 through June 30, 2012

Describe Purpose of Transfer	Enforceable Obligation (EO)/ Other Legal Requirement (LR)	Amount	Legal Documentation Obtained? (Y/N)
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From former Redevelopment Agency to City for January 1, 2011 through January 31, 2012

NO TRANSFERS TO THE CITY

From Successor Agency to City for February 1, 2012 through June 30, 2012

NO TRANSFERS TO THE CITY

Procedure 3
 Listing of Transfers (Excluding Payments for Goods and Services) to Other Public Agencies or Private Parties
 Other Redevelopment Agency Funds
 For the Period from January 1, 2011 through June 30, 2012

Describe Purpose of Transfer	Enforceable Obligation (EO)/ Other Legal Requirement (LR)	Amount	Legal Documentation Obtained? (Y/N)
<u>From former Redevelopment Agency to other public agencies or private parties for January 1, 2011 through January 31, 2012</u>			
2003 TAB, Series B - principal and interest	EO	\$ 507,386	Y
1998 Revenue TAB, Series A - principal and interest	EO	273,478	Y
2006 TAB, Series A - principal and interest	EO	505,856	Y
Sub-total:		1,286,720	
<u>From Successor Agency to other public agencies or private parties for February 1, 2012 through June 30, 2012</u>			
2003 TAB, Series B - interest	EO	88,287	Y
1998 Revenue TAB, Series A - interest	EO	35,193	Y
2006 TAB, Series A - interest	EO	128,128	Y
Sub-total:		251,608	
Total Transfers to other public agencies or private parties for 1/1/2011 through 6/30/2012:		\$ 1,538,328	

Procedure 4
 Summary of the Financial Transactions of Redevelopment Agency and Successor Agency
 All Funds
 Per schedule attached to List of Procedures for Due Diligence Review

	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
Assets (modified accrual basis)				
Cash and Investments	\$ 22,744,992	\$ 17,493,357	\$ 16,262,632	\$ 17,215,745
Cash and Investments with trustee	162,802	3	3	2
Accounts Receivable	16,150	16,150	10,011	16,150
Tax Increment Receivable	423,016	68,604	-	-
Accrued Interest Receivable	46,045	22,228	7,254	14,879
Loans Receivable	4,392,089	4,684,741	5,012,530	5,056,460
Due from other Funds	88,202	-	-	-
Land Held for Resale	2,871,803	5,751,667	5,488,528	5,488,528
Total Assets	\$ 30,745,099	\$ 28,036,750	\$ 26,780,958	\$ 27,791,764
Liabilities (modified accrual basis)				
Accounts Payable	\$ 48,271	\$ 40,937	\$ 140	\$ 20,878
Accrued Liabilities	32,902	26,901	18,986	18,719
Due to L/M Housing Funds	88,202	-	-	-
Due to other Governments	204,898	211,205	111,854	-
Deferred Revenue	4,392,089	4,684,741	5,012,530	5,056,460
Due to City	-	64,307	27,019	-
Total Liabilities	4,766,362	5,028,091	5,170,529	5,096,057
Equity	25,978,737	23,008,659	21,610,429	22,695,707
Total Liabilities + Equity	\$ 30,745,099	\$ 28,036,750	\$ 26,780,958	\$ 27,791,764
Total Revenues	\$ 6,597,696	\$ 5,417,649	\$ 2,482,096	\$ 711,605
Total Expenditures	10,390,667	7,393,928	4,157,365	3,804,824
Transfers	(1,407,219)	(922,416)	540,178	21,283,510
Net change in equity	(5,200,190)	(2,898,695)	(1,135,091)	18,190,291
Beginning Equity	31,178,927	25,907,354	23,008,659	-
Restatements	-	-	(263,139)	-
Ending Equity	\$ 25,978,737	\$ 23,008,659	\$ 21,610,429	\$ 18,190,291
Other Information (show year end balances for all four periods presented)				
Capital assets as of end of year	\$ -	\$ -	\$ -	\$ -
Long-term debt as of end of year	30,581,600	28,376,809	20,785,985	20,788,826

**Procedure 5
Listing of All Assets
Other Redevelopment Agency Funds
As of June 30, 2012**

ATTACHMENT B5

<u>Asset</u>	<u>Amount</u>
Cash	
391.10001	179,072
392.10001	116,047
393.10001	613,139
491.10001	5,701,979
492.10001	343,111
493.10001	6,095,265
	<u>\$ 13,048,614</u>
Total cash:	\$ 13,048,614
Unrealized gains/losses	
391.10109	7,612
392.10109	588
393.10109	8,672
	<u>16,872</u>
Total unrealized gains/losses:	16,872
Cash with fiscal agent	
491.10200	3
493.10200	(1)
	<u>2</u>
Total cash with fiscal agent:	2
Investments	
391.10004.01	243,464
391.10004.02	1,942,160
	<u>2,185,624</u>
Total investments:	2,185,624
Interest receivable	
391.11300	7,018
392.11300	400
393.11300	5,819
	<u>13,237</u>
Total interest receivable:	13,237
Accounts Receivables	
492.11000	2,876
493.11000	13,274
	<u>16,150</u>
Total accounts receivable:	16,150
Land Held for Resale	
391.18112	2,350,000
393.18112	3,138,528
	<u>5,488,528</u>
Total land held for resale:	5,488,528
Total assets at June 30, 2012:	\$ 20,769,026

Procedure 6
 Listing of Assets that are Restricted
 Other Redevelopment Agency Funds
 As of June 30, 2012

Item #	Description	Documentation Referenced	Amount	Purpose	Legal Documentation Obtained? (Y/N)
1	Cash with fiscal Agent a) Residual debt service payment b) Residual debt service payment	General Ledger General Ledger	\$ 3 (1)	Held in trust by fiduciary per bond restrictions Held in trust by fiduciary per bond restrictions	Y Y
2	Investments a) 2003 unspent bond proceeds b) 2006 unspent bond proceeds	General Ledger General Ledger	243,464 1,942,160	Held in trust by fiduciary per bond restrictions Held in trust by fiduciary per bond restrictions	Y Y
Total restricted assets:			<u>\$ 2,185,626</u>		

* Restricted assets are pre-2010 bond proceeds, which according to AB1484 can be retained by Successor Agency.

Procedure 7
 Listing of Assets That Are Not Liquid or Otherwise Available for Distribution
 Other Redevelopment Agency Funds
 As of June 30, 2012

Item #	Description	Reference	Amount	Value Method	Variance Noted? (Y/N)
1	Land Held for Resale	Acct # 391.18112	\$ 2,350,000	Fair Market Value	N
2	Land Held for Resale	Acct # 391.18112	3,138,528	Fair Market Value	N
3	Unrealized Gains/losses	Acct # 391.10109	7,612	Fair Market Value	N
4	Unrealized Gains/losses	Acct # 392.10109	588	Fair Market Value	N
5	Unrealized Gains/losses	Acct # 393.10109	8,672	Fair Market Value	N
Total assets that are not liquid or otherwise available for distribution:			\$ 5,505,400		

Procedure 8a

ATTACHMENT B8a

Listing of Assets (resources) that are dedicated or restricted for the funding of enforceable obligations
Other Redevelopment Agency Funds
As of June 30, 2012

Item #	Project Name	Reference	Approved Obligation Amount	Amount Paid in Period Ending June 30, 2012	Amount Restricted for Obligation for June 30, 2012 Balance	Legal Documentation Obtained? (Y/N)
1	1998A Bonds	ROPS II, Form A, Line #2	240,193		240,193	Y a
2	2003 Series A Bonds	ROPS II, Form A, Line #3	547,796		547,796	Y a
3	2003 Series B Bonds	ROPS II, Form A, Line #4	423,287		423,287	Y a
4	2006 TABs	ROPS II, Form A, Line #5	378,128		378,128	Y a
5	Contract for services	ROPS II, Form A, Line #6	5,000		5,000	Y a
6	OPA	ROPS II, Form A, Line #7	-		-	Y a
7	OPA	ROPS II, Form A, Line #8	50,000		50,000	Y a
8	Trustee Fees	ROPS II, Form A, Line #9	6,100		6,100	Y a
9	Pass-through payments	ROPS II, Form D, Lines 1-19	292,309		292,309	Y a
10	Administration	ROPS II, Form C, Line 1	124,998		124,998	Y b
11	Contract for consulting services	ROPS II, Form C, Line 2	14,700		14,700	Y b
12	contract for audit service	ROPS II, Form C, Line 3	4,060		4,060	Y b
13	contract for financial services	ROPS II, Form C, Line 4	7,500		7,500	Y b
14	contract for services	ROPS II, Form C, Line 5	5,010		5,010	Y b
15	contract for property tax services	ROPS II, Form C, Line 6	3,964		3,964	Y b
16	County Adjustment for Administration Cost Allocation		(139,045)		(139,045)	Y c
			\$ 1,964,000	\$ -	\$ 1,964,000	

a) Approved by DOF on May 25, 2012 under RPTTF funds. (see exhibit C)

b) Approved by DOF on May 25, 2012 under Administrative Cost Allocation funds. (see exhibit C)

c) County only paid \$21,187 of the approved Administrative Cost Allocation funds. (see exhibit D, reconciliation prepared by City of Glendora Finance)

Procedure 8b
 Listing of Assets (resources) that need to be retained due to insufficient funding for the funding of enforceable obligations
 Other Redevelopment Agency Funds
 As of June 30, 2012

Item #	Project Name	Reference	Approved Obligation Amount	Designated Amount Plus Estimated Future Revenues	Revenue Source	Amount Needed to be Retained from June 30, 2012 Balance	Legal Documentation Obtained? (Y/N)
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NO RESOURCES NOTED THAT ARE NEEDED TO BE RETAINED DUE TO INSUFFICIENT FUNDING

Procedure 8c

Listing of Assets (resources) that need to be retained due to projected insufficient property tax revenues for bond debt payments
Other Redevelopment Agency Funds
As of June 30, 2012

ATTACHMENT B8c

NO RESOURCES NOTED THAT NEED TO BE RETAINED DUE TO PROJECTED INSUFFICIENT PROPERTY TAX REVENUES FOR BOND PAYMENTS

NO RESOURCES NOTED THAT NEED TO BE RETAINED DUE TO PROJECTED INSUFFICIENT PROPERTY TAX REVENUES FOR FUTURE ROPS

Procedure 10

ATTACHMENT B10

Summary of Other Redevelopment Agency Funds Available for Allocation to Affected Taxing Entities

Total amount of assets held by the successor agency as of June 30, 2012 (procedure 5), as Originally reported in November 20, 2012	\$	20,769,026
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)		
		-
	To City	-
	To other parties	-
Less assets legally restricted for uses specified by debt covenants, grant restrictions, or restrictions imposed by other governments (procedure 6)		(2,185,626)
Less assets that are not cash or cash equivalents (e.g., physical assets) - (procedure 7)		(5,505,400)
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) **		(1,964,000)
Less the amount of payments made on July 12, 2012 to the County Auditor-Controller as directed by the California Department of Finance		-
Amount to be remitted to county for disbursement to taxing entities	\$	11,114,001
Amount remitted on March 6, 2013 (Exhibit B)		(13,078,001)
Reimbursement amount requested **	\$	(1,964,000)

* It was noted by the Glendora Finance Department and LSL CPAs LLP during the FY 2012-2013 audit that the RPTTF Funds received in June 2012 was erroneously included as the "Other Redevelopment Agency Funds" during the Due Diligence Report. These funds were to be reported in a separate RORF fund for the approved enforceable obligations (ROPSII). These funds were incorrectly allocated and commingled with the "Other Revenue Funds" which overstated the excess available cash to be disbursed to other taxing agencies by \$1,963,999. The support has been provided in Exhibit A.

** This was adjusted from the prior DDR submitted. See procedure 8 (Attachment B8a) for breakdown.



November 20, 2012

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203 North Brea Boulevard, Suite 203
Brea, CA 92821-4056


We are providing this letter in connection with your performance of the Due Diligence Review of the Other Redevelopment Agency Funds in accordance with Assembly Bill 1484 for the Successor Agency of the former Glendora Community Redevelopment Agency. We confirm that we are responsible for the complete and fair presentation of the previously mentioned review in conformity with the listed procedures of the Assembly Bill 1484 Due Diligence Review as published by the State Department of Finance on August 27, 2012. We are also responsible for adopting sound accounting policies, establishing and maintaining effective internal control over financial reporting, and preventing and detecting fraud.

We confirm, to the best of our knowledge and belief, as of the date of this letter, the following representations made to you during your review:

1. We have made available to you:
 - a. In accordance with 34179.5(c)(1), the dollar value of all assets transferred from the former redevelopment agency to the successor agency on or about February 1, 2012.
 - b. In accordance with 34179.5(c)(2), the dollar value of all 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. We have also provided the documentation of any enforceable obligation that required the transfer.
 - c. In accordance with 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. We have also provided documentation of any enforceable obligation that required the transfer.
 - d. In accordance with 34179.5(c)(4), the expenditure and revenue accounting information and have identified 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.
 - e. In accordance with 34179.5(c)(5) a listing of all assets of the Low and Moderate Income Housing Fund as of June 30, 2012 for the report that is due October 1, 2012 and a listing of all assets of all other funds of the Successor Agency as of June 30, 2012 (excluding the previously reported assets of the Low and Moderate Income Housing Fund) for the report that is due December 15, 2012.

- f. In accordance with 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.
 - g. In accordance with 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.
 - h. In accordance with 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, we have provided 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.
 - i. In accordance with 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.
2. There are no material transactions that have not been properly recorded in the accounting records underlying this Due Diligence Review.
 3. Management is not aware of any transfers (as defined by Section 34179.5) from either the former Redevelopment Agency or the Successor Agency to the City, other agencies or private parties for the period January 1, 2011 through June 30, 2012 that have not been identified in this report and related exhibits.
 4. We acknowledge our responsibility for the design and implementation of programs and controls to prevent and detect fraud.
 5. We have no knowledge of any fraud or suspected fraud affecting this Due Diligence Review involving:
 - a. Management,
 - b. Employees who have significant roles in internal control, or
 - c. Others where the fraud could have a material effect on this Due Diligence Review.
 6. We have no knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, analysts, regulators, or others.
 7. When applicable, we have taken timely and appropriate steps to remedy fraud, illegal acts, violations of provisions of contracts or grant agreements, or abuse that you have reported to us.
 8. We have identified to you any previous audits, attestation engagements, performance audits, state controller reports or other studies related to the objectives of this Due Diligence Review and whether related recommendations have been implemented.
 9. The Successor Agency of the former Glendora Community Redevelopment Agency has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or fund equity.

10. We are responsible for compliance with the laws, regulations, provisions of contracts and grant agreements applicable to us, and all provisions related to the dissolution of the Redevelopment Agency in accordance with ABx1 26 and AB 1484.
11. There are no known violations of:
 - a. Laws and regulations,
 - b. Provisions of contracts and grant agreements,
 - c. Provisions related to the dissolution of the Redevelopment Agency in ABx1 26 and AB 1484 whose effects should be considered for disclosure in this Due Diligence Review.
12. All bank accounts and investments associated with this review have been properly reflected in the general ledger accounting records.
13. No events, including instances of noncompliance, have occurred subsequent to the performance of this Due Diligence Review and through the date of this letter that would require adjustment to or disclosure in the aforementioned Due Diligence Review.

Signed: 
Title: City Manager


Signed: 
Title: Interim Finance Director

EXHIBIT A

ACCOUNTING PERIODS: 1/12 THRU 13/12

(INACTIVE ACCOUNTS EXCLUDED)

SELECTION CRITERIA: ALL
 TOTALED ON: FUND,ACCOUNT,PERIOD

FUND - 491 - OBLIGATION PAYMENTS CRA#1

ACCOUNT	DATE	T/C	REFERENCE	VENDOR/PAYER	DEBIT	CREDIT	DESCRIPTION	NET
10001	CASH				.00		BEGINNING BALANCE	.00
10001	CASH				.00			
	TOTAL PERIOD 1							
	03/06/12	19-8	121909			489,403.38	BOND INT PYMT	
	03/08/12	19-8	121931		4,443,508.47		OPEN SUCCESSOR AGENCY	
	TOTAL PERIOD 8				4,443,508.47	489,403.38		3,954,105.09
	06/05/12	19-11	122687		83,642.00		TRF PART OF DEBT SVC PYMT	
	TOTAL PERIOD 11				83,642.00			83,642.00
	06/05/12	24-12			1,925,727.90		CASH RECEIPTS INTERFACE	
	06/05/12	24-12			11,497.46		CASH RECEIPTS INTERFACE	
	06/05/12	24-12				7,494.48	CASH RECEIPTS INTERFACE	
	06/05/12	24-12				171,364.12	CASH RECEIPTS INTERFACE	
	06/12/12	19-12	VENCHK5			69,725.78	VENDOR CHECKS	
	TOTAL PERIOD 12				1,937,225.36	248,584.38		1,688,640.98
	07/06/12	19-13	122916			24,409.09	BOOK FINAL PASSS THRU	
	TOTAL PERIOD 13				.00	24,409.09		-24,409.09
TOTAL	CASH				5,701,978.98			
10200	CASH WITH FISCAL AGENT				.00		BEGINNING BALANCE	
	03/08/12	19-8	121931		2.62		OPEN SUCCESSOR AGENCY	
	TOTAL PERIOD 8				2.62	.00		2.62
	06/05/12	19-11	122687		.01		ADJ SA BONDS TO CWFA	
	TOTAL PERIOD 11				.01	.00		.01
	07/06/12	19-13	122916		.01		RECORD INTEREST-CWFA	
	08/16/12	19-13	122975			.01	MISC. CASH REC. ADJ.	
	TOTAL PERIOD 13				.01	.01		.00
TOTAL	CASH WITH FISCAL AGENT				2.63			
20010	ACCOUNTS PAYABLE					.00	BEGINNING BALANCE	

* THERE IS A NOTE ASSOCIATED WITH THIS TRANSACTION

SUNGARD PENTAMATION
 DATE: 09/11/2012
 TIME: 10:10:51

CITY OF GLENDORA
 REVENUE AUDIT TRAIL

PAGE NUMBER: 242
 AUDIT41

SELECTION CRITERIA: ALL
 ACCOUNTING PERIODS: 1/12 THRU 13/12

(INACTIVE ACCOUNTS EXCLUDED)
 SORTED BY: FUND, FUNCTION, DEPARTMENT, DIVISION, KEY ORG, ACCOUNT, 1ST SUBTOTAL, ACCOUNT, PERIOD
 TOTALED ON: FUND, FUNCTION, DEPARTMENT, DIVISION, ACCOUNT

PAGE BREAKS ON: FUND

ACCOUNT DATE	T/C	RECEIVE REFERENCE	PAYER/VENDOR	BUDGET	RECEIPTS	RECEIVABLES DESCRIPTION	CUMULATIVE BALANCE
31108		REDEMPTION SUPPLEMENTAL					
491-4-00-90-4910090		- GENERAL GOVERNMENT					
31108		REDEMPTION SUPPLEMENTAL		.00	.00	.00 BEGINNING BALANCE	
		06/05/12 12-12		.00		NEW S. A. ACCOUNT	
		06/05/12 24-12		.00	11,497.46	.00 CASH RECEIPTS INTERFACE	
TOTAL		REDEMPTION SUPPLEMENTAL		.00	11,497.46	.00	-11,497.46
31140		TAX INCREMENT SECURED		.00	.00	.00 BEGINNING BALANCE	
		06/05/12 12-12		.00		SECURED, UNSEC'D, UNITARY	
		06/05/12 24-12		.00	1,925,727.90	.00 CASH RECEIPTS INTERFACE	
TOTAL		TAX INCREMENT SECURED		.00	1,925,727.90	.00	-1,925,727.90
34101		INTEREST EARNINGS		.00	.00	.00 BEGINNING BALANCE	
		06/05/12 19-11	122687	.00	.01	ADJ SA BONDS TO CWFA	
		06/05/12 12-12		.00		NEW S. A. FUND	
		07/06/12 19-13	122916	.01	.01	RECORD INTEREST-CWFA	
		08/16/12 19-13	122975	.01	- .01	MISC. CASH REC. ADJ.	
TOTAL		INTEREST EARNINGS		.00	.01	.00	- .01
TOTAL DIVISION - GENERAL GOVERNMENT				.00	1,937,225.37	.00	-1,937,225.37
TOTAL DEPARTMENT - GENERAL GOVERNMENT				.00	1,937,225.37	.00	-1,937,225.37
TOTAL FUNCTION - GENERAL GOVERNMENT				.00	1,937,225.37	.00	-1,937,225.37
491-9-90-98-4919098		- TRANSFERS					
39290		T/I - HOUSING AUTHORITY		.00	.00	.00 BEGINNING BALANCE	
		06/05/12 19-11	122687	.00	83,642.00	TRF PART OF DEBT SVC PYMT	
		06/05/12 12-12		.00		NEW S. A. ACCOUNT NEEDED	
TOTAL		T/I - HOUSING AUTHORITY		.00	83,642.00	.00	-83,642.00
TOTAL DIVISION - OTHER FINANCING USES				.00	83,642.00	.00	-83,642.00
TOTAL DEPARTMENT - TRANSFERS				.00	83,642.00	.00	-83,642.00
TOTAL FUNCTION - OPERATING TRANSFERS				.00	83,642.00	.00	-83,642.00

* THERE IS A NOTE ASSOCIATED WITH THIS TRANSACTION

SUNGARD PENTAMATION
 DATE: 09/11/2012
 TIME: 10:07:06

CITY OF GLENDORA
 EXPENDITURE AUDIT TRAIL

PAGE NUMBER: 1068
 AUDIT21

SELECTION CRITERIA: 1=1 1=1
 ACCOUNTING PERIODS: 1/12 THRU 13/12

SORTED BY: FUND, FUNCTION, DEPARTMENT, DIVISION, KEY ORG, ACCOUNT, 1ST SUBTOTAL
 TOTALED ON: FUND, FUNCTION, DEPARTMENT, DIVISION

PAGE BREAKS ON: FUND

FUND - 491 - OBLIGATION PAYMENTS CRA#1
 KEY ORG - 4914306 - NON DEPARTMENTAL

ACCOUNT DATE	T/C	PURCHASE O REFERENCE	VENDOR	BUDGET	EXPENDITURES	ENCUMBRANCES	DESCRIPTION	CUMULATIVE BALANCE
81000		INTEREST EXPENSE						
491-4-43-06-4914306		- NON DEPARTMENTAL						
81000		INTEREST EXPENSE		.00	.00		.00 BEGINNING BALANCE	
03/06/12	19-8	121909			489,403.38		BOND INT PYMT	
03/05/12	11-9			.00			NEW SUCCESSOR AGENCY	
04/04/12	13-10			489,403.37			TRANSFER SUC AGENCY	
04/09/12	13-10			-489,403.37			REV TRANSFER TO SUC AGY	
TOTAL				.00	489,403.38			-489,403.38
81050		INTEREST ON CITY ADVANCE		.00	.00		.00 BEGINNING BALANCE	
04/02/12	11-10			.00			TRANSFER TO SUC AGENCY	
04/04/12	13-10			95,500.00			TRANSFER SUC AGENCY	
04/09/12	13-10			-95,500.00			REV TRANSFER TO SUC AGY	
TOTAL				.00	.00			.00
TOTAL DIVISION - NON-DEPARTMENTAL				.00	489,403.38			-489,403.38
TOTAL DEPARTMENT - NON-DEPARTMENTAL				.00	489,403.38			-489,403.38
TOTAL FUNCTION - GENERAL GOVERNMENT				.00	489,403.38			-489,403.38
491-6-60-52-4916052		- REDEVLPMNT						
57210		CNTY ADM COST - PROP TAX		.00	.00		.00 BEGINNING BALANCE	
04/02/12	11-10			.00			TRANSFER TO SUC AGENCY	
04/04/12	13-10			-45,706.99			TRANSFER SUC AGENCY	
04/09/12	13-10			45,706.99			REV TRANSFER TO SUC AGY	
06/05/12	24-12				7,494.48		CASH RECEIPTS INTERFACE	
TOTAL		CNTY ADM COST - PROP TAX		.00	7,494.48			-7,494.48
85010		PASS THROUGH PAYMENTS		.00	.00		.00 BEGINNING BALANCE	
04/24/12	19-8	122364			24,409.09		MOVE CRA DEBT	
04/24/12	19-8	122364			94,159.31		MOVE CRA DEBT	
04/02/12	11-10			.00			TRANSFER TO SUC AGENCY	
04/04/12	13-10			453,436.31			TRANSFER SUC AGENCY	

* THERE IS A NOTE ASSOCIATED WITH THIS TRANSACTION

SUNGARD PENTAMATION
 DATE: 09/11/2012
 TIME: 10:07:06

CITY OF GLENDORA
 EXPENDITURE AUDIT TRAIL

PAGE NUMBER: 1069
 AUDIT21

SELECTION CRITERIA: 1=1 1=1
 ACCOUNTING PERIODS: 1/12 THRU 13/12

SORTED BY: FUND, FUNCTION, DEPARTMENT, DIVISION, KEY ORG, ACCOUNT, 1ST SUBTOTAL

TOTALED ON: FUND, FUNCTION, DEPARTMENT, DIVISION

PAGE BREAKS ON: FUND

FUND - 491 - OBLIGATION PAYMENTS CRA#1
 KEY ORG - 4916052 - REDEVLPMT

ACCOUNT DATE	T/C	PURCHASE O REFERENCE	VENDOR	BUDGET	EXPENDITURES	ENCUMBRANCES	DESCRIPTION	CUMULATIVE BALANCE
85010		PASS THROUGH PAYMENTS	(cont'd)				REV TRANSFER TO SUC AGY	
04/09/12 13-10				-453,436.31			CASH RECEIPTS INTERFACE	
06/05/12 24-12					171,364.12		RECLASS	
08/28/12 19-13		130384			-29,559.44			
TOTAL		PASS THROUGH PAYMENTS		.00	260,373.08			-260,373.08
TOTAL DIVISION - REDEVELOPMENT				.00	267,867.56			-267,867.56
TOTAL DEPARTMENT - PLANNING, CRA, HOUSING				.00	267,867.56			-267,867.56
TOTAL FUNCTION - PUBLIC SERVICES				.00	267,867.56			-267,867.56
491-9-90-98-4919098 - TRANSFERS								
90290		T/O 20% LOW MOD		.00	.00		BEGINNING BALANCE	
04/02/12 11-10				.00			NEEDED FOR SUC AGENCY	
04/04/12 13-10				516,382.49			TRANSFER SUC AGENCY	
04/09/12 13-10				-516,382.49			REV TRANSFER TO SUC AGY	
TOTAL		T/O 20% LOW MOD		.00	.00			.00
90391		T/O - PROJECT FUND		.00	.00		BEGINNING BALANCE	
04/02/12 11-10				.00			TRANSFER TO SUC AGENCY	
04/04/12 13-10				385,544.00			TRANSFER SUC AGENCY	
04/09/12 13-10				-385,544.00			REV TRANSFER TO SUC AGY	
TOTAL		T/O - PROJECT FUND		.00	.00			.00
TOTAL DIVISION - OTHER FINANCING USES				.00	.00			.00
TOTAL DEPARTMENT - TRANSFERS				.00	.00			.00
TOTAL FUNCTION - OPERATING TRANSFERS				.00	.00			.00
TOTAL FUND - OBLIGATION PAYMENTS CRA#1				.00	757,270.94			-757,270.94

* THERE IS A NOTE ASSOCIATED WITH THIS TRANSACTION

SUNGARD PENTAMATION
 DATE: 09/06/2012
 TIME: 09:43:42

CITY OF GLENDORA
 GENERAL LEDGER AUDIT TRAIL

PAGE NUMBER: 1093
 AUDIT221

ACCOUNTING PERIODS: 1/12 THRU 13/12

(INACTIVE ACCOUNTS EXCLUDED)

SELECTION CRITERIA: ALL
 TOTALED ON: FUND,ACCOUNT,PERIOD

FUND - 492 - OBLIGATION PAYMENTS-CRA#2

ACCOUNT	DATE	T/C	REFERENCE	VENDOR/PAYER	DEBIT	CREDIT	DESCRIPTION	NET
10001								
							BEGINNING BALANCE	
10001	03/08/12	19-8	121931		.00		OPEN SUCCESSOR AGENCY	
TOTAL	PERIOD 8				147,827.13	.00		147,827.13
	06/05/12	24-12			225,367.81		CASH RECEIPTS INTERFACE	
	06/05/12	24-12			3,412.42		CASH RECEIPTS INTERFACE	
	06/05/12	24-12				22,721.11	CASH RECEIPTS INTERFACE	
	06/05/12	24-12				426.40	CASH RECEIPTS INTERFACE	
	06/12/12	19-12	VENCHK5			7,739.25	VENDOR CHECKS	
TOTAL	PERIOD 12				228,780.23	30,886.76		197,893.47
	07/06/12	19-13	122916				BOOK FINAL PASSS THRU5	
TOTAL	PERIOD 13				.00	2,609.98		-2,609.98
TOTAL					343,110.62	2,609.98		
11000							BEGINNING BALANCE	
	03/08/12	19-8	121931		2,876.25		OPEN SUCCESSOR AGENCY	
TOTAL	PERIOD 8				2,876.25	.00		2,876.25
TOTAL					2,876.25			
20010							BEGINNING BALANCE	
	06/11/12	21-12					VENDOR CHECKS	
	06/12/12	19-12	VENCHK5		7,739.25		VENDOR CHECKS	
TOTAL	PERIOD 12				7,739.25	7,739.25		.00
TOTAL					.00	.00		
23001							BEGINNING BALANCE	
	04/24/12	19-8	122364		.00		MOVE CRA DEBT	
TOTAL	PERIOD 8				2,609.98	2,609.98		2,609.98
TOTAL					2,609.98		BOOK FINAL PASSS THRU5	
TOTAL					2,609.98	.00		-2,609.98
TOTAL					.00	.00		

* THERE IS A NOTE ASSOCIATED WITH THIS TRANSACTION

SUNGARD PENTAMATION
 DATE: 09/11/2012
 TIME: 10:10:51

PAGE NUMBER: 244
 AUDIT41

CITY OF GLENDORA
 REVENUE AUDIT TRAIL

SELECTION CRITERIA: ALL
 ACCOUNTING PERIODS: 1/12 THRU 13/12

(INACTIVE ACCOUNTS EXCLUDED)
 SORTED BY: FUND, FUNCTION, DEPARTMENT, DIVISION, KEY ORG, ACCOUNT, 1ST SUBTOTAL, ACCOUNT, PERIOD

TOTALED ON: FUND, FUNCTION, DEPARTMENT, DIVISION, ACCOUNT

PAGE BREAKS ON: FUND

ACCOUNT DATE	T/C	RECEIVE REFERENCE	PAYER/VENDOR	BUDGET	RECEIPTS	RECEIVABLES DESCRIPTION	CUMULATIVE BALANCE
31108		REDEMPTION SUPPLEMENTAL					
492-4-00-90-4920090		- GENERAL GOVERNMENT					
31108		REDEMPTION SUPPLEMENTAL		.00	.00	.00 BEGINNING BALANCE	
		06/05/12 12-12		.00	3,412.42	NEW S. A. ACCOUNT	
		06/05/12 24-12		.00	3,412.42	.00 CASH RECEIPTS INTERFACE	
TOTAL		REDEMPTION SUPPLEMENTAL		.00	3,412.42	.00	-3,412.42
31140		TAX INCREMENT SECURED		.00	.00	.00 BEGINNING BALANCE	
		06/05/12 12-12		.00	225,367.81	NEW S. A. ACCOUNT	
		06/05/12 24-12		.00	225,367.81	.00 CASH RECEIPTS INTERFACE	
TOTAL		TAX INCREMENT SECURED		.00	225,367.81	.00	-225,367.81
TOTAL DIVISION - GENERAL GOVERNMENT				.00	228,780.23	.00	-228,780.23
TOTAL DEPARTMENT - GENERAL GOVERNMENT				.00	228,780.23	.00	-228,780.23
TOTAL FUNCTION - GENERAL GOVERNMENT				.00	228,780.23	.00	-228,780.23
TOTAL FUND - OBLIGATION PAYMENTS-CRA#2				.00	228,780.23	.00	-228,780.23

* THERE IS A NOTE ASSOCIATED WITH THIS TRANSACTION

SUNGARD PENTAMATION
 DATE: 09/11/2012
 TIME: 10:07:06

CITY OF GLENDORA
 EXPENDITURE AUDIT TRAIL

PAGE NUMBER: 1070
 AUDIT21

SELECTION CRITERIA: 1=1 1=1
 ACCOUNTING PERIODS: 1/12 THRU 13/12

SORTED BY: FUND, FUNCTION, DEPARTMENT, DIVISION, KEY ORG, ACCOUNT, 1ST SUBTOTAL

TOTALED ON: FUND, FUNCTION, DEPARTMENT, DIVISION

PAGE BREAKS ON: FUND

FUND - 492 - OBLIGATION PAYMENTS-CRA#2
 KEY ORG - 4924306 - NON-DEPARTMENTAL

ACCOUNT DATE	T/C	PURCHASE O REFERENCE	VENDOR	BUDGET	EXPENDITURES	ENCUMBRANCES	DESCRIPTION	CUMULATIVE BALANCE
81050		INTEREST ON CITY ADVANCE						
492-4-43-06-4924306		- NON-DEPARTMENTAL						
81050		INTEREST ON CITY ADVANCE		.00	.00		.00 BEGINNING BALANCE	
04/02/12		11-10		.00			NEEDED FOR SUC AGENCY	
04/04/12		13-10		118,200.00			TRANSFER SUC AGENCY	
04/09/12		13-10		-118,200.00			REV TRANSFER TO SUC AGY	
TOTAL		INTEREST ON CITY ADVANCE		.00	.00			.00
TOTAL DIVISION - NON-DEPARTMENTAL				.00	.00			.00
TOTAL DEPARTMENT - NON-DEPARTMENTAL				.00	.00			.00
TOTAL FUNCTION - GENERAL GOVERNMENT				.00	.00			.00
492-6-60-52-4926052		- REDEVLPMNT						
57210		CNTY ADM COST - PROP TAX		.00	.00		.00 BEGINNING BALANCE	
04/02/12		11-10		.00			NEEDED FOR SUC AGENCY	
04/04/12		13-10		-3,757.58			TRANSFER SUC AGENCY	
04/09/12		13-10		3,757.58			REV TRANSFER TO SUC AGY	
06/05/12		24-12			426.40		CASH RECEIPTS INTERFACE	
TOTAL		CNTY ADM COST - PROP TAX		.00	426.40			-426.40
85010		PASS THROUGH PAYMENTS		.00	.00		.00 BEGINNING BALANCE	
04/24/12		19-8	122364		2,609.98		MOVE CRA DEBT	
04/24/12		19-8	122364		10,324.79		MOVE CRA DEBT	
04/02/12		11-10		.00			NEEDED FOR SUC AGENCY	
04/04/12		13-10		39,119.42			TRANSFER SUC AGENCY	
04/09/12		13-10		-39,119.42			REV TRANSFER TO SUC AGY	
06/05/12		24-12			22,721.11		CASH RECEIPTS INTERFACE	
08/28/12		19-13	130384		-4,827.90		RECLASS	
TOTAL		PASS THROUGH PAYMENTS		.00	30,827.98			-30,827.98
TOTAL DIVISION - REDEVELOPMENT				.00	31,254.38			-31,254.38
TOTAL DEPARTMENT - PLANNING, CRA, HOUSING				.00	31,254.38			-31,254.38

* THERE IS A NOTE ASSOCIATED WITH THIS TRANSACTION

EXHIBIT B



March 5, 2013

Mr. Tom Kanarr, Interim Finance Director
City of Glendora
116 East Foothill Blvd.
Glendora, CA 91741

Dear Mr. Kanarr:

Subject: Other Funds and Accounts Due Diligence Review

Pursuant to Health and Safety Code (HSC) section 34179.6 (c), the City of Glendora, successor agency (Agency) submitted an oversight board approved Other Funds and Accounts (OFA) Due Diligence Review (DDR) to the California Department of Finance (Finance) on January 11, 2013. The purpose of the review was to determine the amount of cash and cash equivalents available for distribution to the affected taxing entities. Pursuant to HSC section 34179.6 (d), Finance has completed its review of your DDR, which may have included obtaining clarification for various items.

HSC section 34179.6 (d) authorizes Finance to adjust the DDR's stated balance of OFA available for distribution to the taxing entities. Based on our review of your DDR, interest receivable in the amount of \$5,819 are considered assets held as of June 30, 2012. The Agency's trial balance disclosed \$5,819 of interest receivable was omitted from the total assets reported in the DDR. Further, Agency staff concurred the interest receivable should have been included in total assets held as of June 30, 2012. As such, the OFA balance available for distribution to the taxing entities has been adjusted by \$5,819.

If you disagree with Finance's adjusted amount of OFA balances available for distribution to the taxing entities, you may request a Meet and Confer within five business days of the date of this letter. The Meet and Confer process and guidelines are available at Finance's website below:

http://www.dof.ca.gov/redevelopment/meet_and_confer/

The Agency's OFA balance available for distribution to the affected taxing entities is approximately \$13,078,001 (see table at the next page).

OFA Balances Available For Distribution To Taxing Entities	
Available Balance per DDR:	\$ 13,072,182
Finance Adjustments	
Add:	
Adjustment to the June 30, 2012 balance:	5,819
Total OFA available to be distributed: \$ 13,078,001	

Mr. Kanarr
March 5, 2013
Page 2

- ✓ HSC section 34179.6 (f) requires successor agencies to transmit to the county auditor-controller the amount of funds identified above within five working days, plus any interest those sums accumulated while in the possession of the recipient.

If funds identified for transmission are in the possession of the successor agency, and if the successor agency is operated by the city or county that created the former redevelopment agency, then failure to transmit the identified funds may result in offsets to the city's or the county's sales and use tax allocation, as well as its property tax allocation. If funds identified for transmission are in the possession of another taxing entity, the successor agency is required to take diligent efforts to recover such funds. A failure to recover and remit those funds may result in offsets to the other taxing entity's sales and use tax allocation or to its property tax allocation. If funds identified for transmission are in the possession of a private entity, HSC 34179.6 (h) (1) (B) states that any remittance related to unallowable transfers to a private party may also be subject to a 10 percent penalty if not remitted within 60 days.

Failure to transmit the identified funds will also prevent the Agency from being able to receive a finding of completion from Finance. Without a finding of completion, the Agency will be unable to take advantage of the provisions detailed in HSC section 34191.4. Specifically, these provisions allow certain loan agreements between the former redevelopment agency (RDA) and the city, county, or city and county that created the RDA to be considered enforceable obligations. These provisions also allow certain bond proceeds to be used for the purposes in which they were sold and allows for the transfer of real property and interests into the Community Redevelopment Property Trust Fund once Finance approves the Agency's long-range property management plan.

In addition to the consequences above, willful failure to return assets that were deemed an unallowable transfer or failure to remit the funds identified above could expose certain individuals to criminal penalties under existing law.

Pursuant to HSC section 34167.5 and 34178.8, the California State Controller's Office (Controller) has the authority to claw back assets that were inappropriately transferred to the city, county, or any other public agency. Determinations outlined in this letter do not in any way eliminate the Controller's authority.

Please direct inquiries to Kylie Le, Supervisor or Brian Dunham, Lead Analyst at (916) 445-1546.

Sincerely,



STEVE SZALAY
Local Government Consultant

cc: Ms. Elizabeth Stoddard, Accounting Manager, City of Glendora
Ms. Kristina Burns, Manager, Los Angeles County Department of Auditor-Controller
California State Controller's Office

EXHIBIT C

May 25, 2012

Elizabeth Stoddard, Accounting Manager
City of Glendora
116 East Foothill Blvd.
Glendora, CA 91741-3380

Dear Ms. Stoddard:

Subject: Recognized Obligation Payment Schedule Approval Letter

Pursuant to Health and Safety Code (HSC) section 34177 (l) (2) (C), the City of Glendora Successor Agency submitted Recognized Obligation Payment Schedules (ROPS) to the California Department of Finance (Finance) on May 23, 2012 for period January to June 2012 and July to December 2012. Finance is assuming appropriate oversight board approval. Finance has completed its review of your ROPS, which may have included obtaining clarification for various items.

Except for items disallowed in whole or in part as enforceable obligations noted below, Finance is approving the remaining items listed in your ROPS for both periods. HSC section 34171 (d) lists enforceable obligation (EO) characteristics. The following are not EOs:

- Page 1, Line 1, City Loan for \$6,421,600 on the January through June ROPS and \$6,903,500 on the July through December ROPS. HSC section 34171 (d) (2) states that loans or advances from the City to its former RDA are not enforceable obligations.
- Administrative costs of \$469,706, the excess of the maximum amount on the January through June ROPS. HSC section 34171 (b) limits the 2011-12 administrative cost allowance to five percent of the property tax allocated or \$250,000, whichever is greater. Five percent of the property tax allocated equated to \$147,106, therefore \$250,000 is the maximum administrative cost allowance. The total administrative costs claimed from Page 1, lines 5 – 9, 12, 13 and Page 2, line 9 totaled \$719,706.

This is our determination with respect to any items funded from the Redevelopment Property Tax Trust Fund (RPTTF) for the June 1, 2012 property tax allocations. If your oversight board disagrees with our determination with respect to any items not funded with property tax, any future resolution of the disputed issue may be accommodated by amending the ROPS for the appropriate time period. Items not questioned during this review are subject to a subsequent review, if they are included on a future ROPS. If an item included on a future ROPS is not an enforceable obligation, Finance reserves the right to remove that item from the future ROPS, even if it was not removed from the preceding ROPS.

Please refer to Exhibit 12 at http://www.dof.ca.gov/assembly_bills_26-27/view.php for the amount of RPTTF that was approved by Finance based on the schedule submitted.

Ms. Stoddard
May 25, 2012
Page 2

As you are aware the amount of available RPTTF is the same as the property tax increment that was available prior to ABx1 26. This amount is not and never was an unlimited funding source. Therefore as a practical matter, the ability to fund the items on the ROPS with property tax is limited to the amount of funding available in the RPTTF.

Please direct inquiries to Robert Scott, Supervisor or Jenny DeAngelis, Lead Analyst at (916) 322-2985.

Sincerely,

A handwritten signature in cursive script that reads "Mark Hill".

MARK HILL
Program Budget Manager

cc: Ms. Kristina Burns, Program Specialist III, Los Angeles County

GLENDORA REDEVELOPMENT AGENCY
Project Areas #1, 2, 3

Name of Redevelopment Agency:
Project Area(s)

RECOGNIZED OBLIGATION PAYMENT SCHEDULE JANUARY 1, 2012 TO JULY 1, 2012
Per AB 26 - Section 34169

Project Name / Debt Obligation	Payee	Description	Total Outstanding Debt or Obligation	Total Due During Fiscal Year	Source of Payment	Payments by month						Total
						Jan	Feb	Mar	April	May	June	
1) Loan from City	City of Glendora	Loan for operating costs	6,421,600.00	6,303,400.00	RPTTF	525,283.00	525,283.00	525,283.00	525,283.00	525,283.00	525,283.00	3,151,698.00
2) 1988 A bonds	Union Bank	Public improvements	2,206,027.00	264,401.00	RPTTF			39,239.00				39,239.00
3) 2003 Series A & B Bonds	U.S. Bank	Public improvements	21,288,244.00	992,776.00	RPTTF			326,083.00				326,083.00
4) 2006 TAB's	U.S. Bank	Public improvements	5,021,776.00	690,450.00	RPTTF			128,128.00				128,128.00
5) Contract for consulting services	Robert Blackwood	Personnel administration	8,265.00	8,265.00	ACA	689.00	689.00	689.00	689.00	689.00	689.00	4,134.00
6) Contract for consulting services	Joe A. Gonsalves	Legislative consultation	29,400.00	29,400.00	ACA	2,450.00	2,450.00	2,450.00	2,450.00	2,450.00	2,450.00	14,700.00
7) Contract for audit services	Lance, Soli & Lurghard	CRA audit services	6,278.00	6,278.00	ACA					6,278.00		6,278.00
8) Contract for support services	City of Glendora	Departmental support services	2,317,250.00	28,417.00	ACA	28,417.00	28,417.00	28,417.00	28,417.00	28,417.00	28,417.00	170,502.00
9) Employee Costs	Employees of Agency	Payroll for Employees	920,257.51	920,257.51	ACA	76,688.00	76,688.00	76,688.00	76,688.00	76,688.00	76,688.00	460,128.00
10) OPA	Seidner Miller, Inc.	Tenant improvements	5,000,000.00	(1) 50,000.00	RPTTF							-
11) OPA	Dennis Siletto	Tenant improvements	546,100.00	(1) 50,000.00	RPTTF							-
12) Contract for legal services	SYCR	Legal services	50,000.00	50,000.00	RPTTF	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	30,000.00
13) Contract for financial services	Harell & Company	Financial services	50,000.00	50,000.00	ACA	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	30,000.00
14) LAC administration fee	Los Angeles County	Administrative fee	1,249,427.00	127,670.00	RPTTF							-
15) 1990 Bonds	U.S. Bank	Public improvements	287,416.00	241,116.00	RPTTF							-
16) 1993 Bonds	U.S. Bank	Public improvements	252,918.00	252,918.00	RPTTF							-
17) ERAF	State of California	School Revenue	2,448,685.00	2,448,685.00	RPTTF	1,224,343.00				1,224,342.00		2,448,685.00
18) 2003 A Series A Bonds (Low/Med)	Glendora CRA	low/mod debt service	1,207,264.46	83,648.82	LMHF			20,315.00				20,315.00
19) Los Angeles County Admin fee	Los Angeles County	Tax increment administration	94,400.00	94,400.00	RPTTF							-
20) Pass through payments	City of Glendora	Payments per CRL 33607.5 and .7	224,251.00	224,251.00	RPTTF							-
21) Pass through payments	LA County	Payments per CRL 33607.5 and .7	78,500.00	78,500.00	RPTTF							-
22) Pass through payments	Fire Protection Dist.LAC	Payments per CRL 33607.5 and .7	3,051.00	3,051.00	RPTTF							-
23) Pass through payments	LAC Flood Control	Payments per CRL 33607.5 and .7	8,023.00	8,023.00	RPTTF							-
24) Pass through payments	Sanit Dist #22	Payments per CRL 33607.5 and .7	7,619.00	7,619.00	RPTTF							-
25) Pass through payments	City of Glendora	Payments per CRL 33607.5 and .7	71,400.00	71,400.00	RPTTF							-
26) Pass through payments	Three Valleys WD	Payments per CRL 33607.5 and .7	2,070.00	2,070.00	RPTTF							-
27) Pass through payments	Three Valleys MWD	Payments per CRL 33607.5 and .7	2,527.00	2,527.00	RPTTF							-
28) Pass through payments	Upper SGV WD	Payments per CRL 33607.5 and .7	29.00	29.00	RPTTF							-
29) Pass through payments	County Schools	Payments per CRL 33607.5 and .7	633.00	633.00	RPTTF							-
30) Pass through payments	Children's Tuition Fund	Payments per CRL 33607.5 and .7	1,257.00	1,257.00	RPTTF							-
(1) Estimate												-
Totals - This Page			\$ 49,784,669.97	\$ 12,991,443.33	\$	1,867,870.00	643,527.00	1,157,292.00	643,527.00	1,874,147.00	643,527.00	6,829,890.00
Totals - Page 2			\$ 109,114.00	\$ 109,114.00	\$	-	-	1,982.00	-	-	1,982.00	3,964.00
Grand total - All Pages			\$ 49,893,783.97	\$ 13,100,557.33	\$	1,867,870.00	643,527.00	1,159,274.00	643,527.00	1,874,147.00	645,509.00	6,833,854.00

RPTTF = Redevelopment Property Tax Trust Fund
LMHF = Low and Moderate Income Housing Fund
ACA = Administrative Cost Allowance
(1) 72.3% RPTTF/27.7% LMHF
(2) 84.175% RPTTF/15.825% LMHF
(3) 69.09% RPTTF/30.91% LMHF

GLENDORA REDEVELOPMENT AGENCY

Project Areas #1, 2, 3

Name of Redevelopment Agency:
Project Area(s)

RECOGNIZED OBLIGATION PAYMENT SCHEDULE JANUARY 1, 2012 TO JULY 1, 2012
Per AB 26 - Section 34169

Project Name / Debt Obligation	Payee	Description	Total Outstanding Debt or Obligation	Total Due During Fiscal Year	Source of Payment	Payments by month					Total		
						Jan	Feb	Mar	April	May		June	
1) Pass through payments	Citrus CC	Payments per CRL 33607.5 and 7	5,628.00	5,628.00	RPTTF								
2) Pass through payments	Citrus Children's Center	Payments per CRL 33607.5 and 7	147.00	147.00	RPTTF								
3) Pass through payments	MI SAC CC	Payments per CRL 33607.5 and 7	6,694.00	6,694.00	RPTTF								
4) Pass through payments	MI SAC CC Children's Cts	Payments per CRL 33607.5 and 7	65.00	65.00	RPTTF								
5) Pass through payments	Azusa USD	Payments per CRL 33607.5 and 7	703.00	703.00	RPTTF								
6) Pass through payments	Bonita USD	Payments per CRL 33607.5 and 7	39,013.00	39,013.00	RPTTF								
7) Pass through payments	Charter Oak USD	Payments per CRL 33607.5 and 7	1,127.00	1,127.00	RPTTF								
8) Pass through payments	Glendora USD	Payments per CRL 33607.5 and 7	47,812.00	47,812.00	RPTTF			1,982				1,982	
9) Contract for property tax services	Hill Coren & Cone	Financial Services	7,925.00	7,925.00	ACA			1,982				1,982	
10)													
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Totals - This Page			109,114	109,114				1,982				1,982	3,964

RPTTF = Redevelopment Property Tax Trust Fund
LMIHF = Low and Moderate Income Housing Fund
ACA = Administrative Cost Allowance

Project Name / Debt Obligation

1	1)	Loan from City
1	2)	1998 A bonds
1	3)	2003 Series A & B Bonds
1	4)	2006 TAB's
1	12)	Contract for legal services
1	17)	ERAF
1	13)	Contract for financial services
1	5)	Contract for consulting services
1	6)	Contract for consulting services
1	7)	Contract for audit services
1	8)	Contract for support services
1	9)	Employee Costs
2		Contract for property tax services
1	18)	2003 A Series A Bonds (Low/Mod)

Payee	Description	Payment	Total
City of Glendora	Loan for operating costs	RPTTF	3,151,698.00
Union Bank	Public improvements	RPTTF	39,239.00
U.S. Bank	Public improvements	RPTTF	326,083.00
U.S. Bank	Public improvements	RPTTF	128,128.00
SYCR	Legal services	RPTTF	30,000.00
State of California	School Revenue	RPTTF	2,448,685.00
Harrell & Company	Financial services	ACA	30,000.00
Robert Blackwood	Personnel administration	ACA	4,134.00
Joe A. Gonsalves	Legislative consultation	ACA	14,700.00
Lance, Soll & Lunghard	CRA audit services	ACA	6,278.00
City of Glendora	Departmental support service	ACA	170,502.00
Employees of Agency	Payroll for Employees	ACA	460,128.00
HdL Coren & Cone	Financial Services	ACA	3,964.00
			6,813,539.00
Glendora CRA	low/mod debt service	LMIHF	20,315.00

EXHIBIT D

**GLENDORA SUCCESSOR AGENCY
RECONCILIATION OF OBLIGATIONS AND
PAYMENTS FOR ROPS II PERIOD**

2) 1998 A Bonds	240,193.00	
3) 2003 Series A Bonds	547,796.00	
4) 2003 Series B Bonds	423,287.00	
5) 2006 TABs	378,128.00	
11) Contract services - property maintenance	5,000.00	
12) OPA Tenant Improvements	50,000.00	
13) OPA Tenant Improvements	6,100.00	
Pass Throughs Paid in ROPS I Period ¹	<u>292,308.00</u>	Denied for ROPS I by County - see PPAs below
Subtotal - enforceable obligations	<u>1,942,812.00</u>	
ACA Paid by County on ROPS II	<u>21,187.48</u>	
Total ROPS II Advance ²	<u>1,963,999.48</u>	Received June 2012, Included in DDR
ROPS II PPA from ROPS IV ³	(346,560.00)	County Denied ROPS I Pass Throughs
ROPS II - Additional Admin Paid on ROPS IV	<u>95,074.00</u>	County advanced only \$21,187.48 for ACA
Subtotal - ROPS II adjustments	<u>(251,486.00)</u>	Deducted from ROPS IV advance
NET FOR ROPS II	<u>1,712,513.48</u>	

NOTES:

¹ ACTUAL PASS THROUGH PAYMENTS WERE \$104,484.10 AND GLENDORA SUCCESSOR AGENCY HAS NOT BEEN PAID FOR ACTUAL EXPENSE INCURRED IN THE ROPS I PERIOD

² The ROPS II Advance was erroneously included in the DDR and returned to the County in March 2013.

³ ROPS II PPA = \$292,308 [Pass Thrus] + \$50,000 [#A-8 Siletto OPA] + \$3,400 [#A-6 Contract Svcs] + \$850 [#A-9 Trustee Fees] = \$346,560