



**TULARE COUNTY
REDEVELOPMENT
AGENCY
COUNTY OF TULARE
AGENDA ITEM**

BOARD OF DIRECTORS

ALLEN ISHIDA
District One
PETE VANDER POEL
District Two
PHILLIP A. COX
District Three
J. STEVEN WORTHLEY
District Four
MIKE ENNIS
District Five

AGENDA DATE: January 25, 2011

Public Hearing Required	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	N/A <input type="checkbox"/>
Scheduled Public Hearing w/Clerk	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	N/A <input type="checkbox"/>
Published Notice Required	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	N/A <input type="checkbox"/>
Advertised Published Notice	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	N/A <input type="checkbox"/>
Meet & Confer Required	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	N/A <input type="checkbox"/>
Electronic file(s) has been sent	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Budget Transfer (Aud 308) attached	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	N/A <input type="checkbox"/>
Personnel Resolution attached	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	N/A <input type="checkbox"/>
Resolution, Ordinance or Agreements are attached and signature line for Chairman is marked with tab(s)/flag(s) Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>			
CONTACT PERSON: Celeste Perez PHONE: (559) 624-7000			

SUBJECT: Review and accept the Annual Audit Report, State Controllers Report, Housing Report and Blight Report for the Fiscal Year ending June 30, 2010

REQUEST(S):
That the Board of Directors:

1. Review and accept the following documents as complete and adequate for each of the Tulare County Redevelopment Agency's eight project areas, including Cutler-Orosi, Earlimart, Goshen, Ivanhoe, Pixley, Poplar-Cotton Center, Richgrove and Traver, for the fiscal year ending June 30, 2010:
 - a. Annual Audit Report of financial activities of the Tulare County Redevelopment Agency;
 - b. Annual State Controllers Report;
 - c. Annual Housing Report to the California Department of Housing and Community Development; and
 - d. Annual Blight Report.
2. Direct that these reports be submitted by the Executive Director, as required by the California Health and Safety Code, to the Office of the State Controller and the California Department of Housing and Community Development.

SUMMARY:
California Redevelopment Law requires the legislative body to review and accept annual reports for: (a) financial activities (annual audit) of the Tulare County Redevelopment Agency (TCRA), (b) the State Controllers Report, (c) the California

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Department of Housing and Community Development (HCD) Housing Report, and (d) the Blight Report. The State Controllers Report includes the Financial Transactions Report and the Statement of Indebtedness and require individual signatures. Attached are reports for the fiscal year ended June 30, 2010, for each of the Agency's eight project areas including Cutler-Orosi, Earlimart, Goshen, Ivanhoe, Pixley, Poplar-Cotton Center, Richgrove and Traver.

The Annual TCRA audit was prepared by Pressley & Associates, Inc. The auditor issued unqualified opinions concerning the Agency's (1) financial statements and (2) compliance and internal controls. These opinions are part of the Component Unit Audit Report attached as Exhibit A.

There were two findings by the auditor:

1. The update and adoption of the Five-Year Implementation Plan due December 31, 2009, was not completed until December 7, 2010, for the Cutler-Orosi, Earlimart, Goshen, Richgrove and Traver Project Areas.
2. The annual reports for Fiscal Year 2008/2009 due December 31, 2009, were not submitted until March 11, 2010.

In response to both findings, staff will develop and implement procedures, including an annual calendar, for ensuring compliance.

The reports to the State Controller and to the Department of Housing and Community Development, and the Blight Report are attached as Exhibits B, C, and D respectively. These reports are prepared based on the Annual Audit of Financial Activities on forms provided and required by those agencies. Activity descriptions included in the reports are drawn from the periodic reports, prepared as part of the annual budgeting process, and provided to your Board by the Executive Director. The community improvements funds, housing funds and special revenue funds have been combined on the State Controllers Report as required by State regulations. The financial information and explanations of activities provided in these reports are compiled on a statewide basis by these agencies and are used by them and the California Legislature to monitor financial and activity compliance with California Community Redevelopment Law.

Copies of these reports are provided to the County Administrative Office, County Counsel and the County Auditor Controller. They are available for public review at the offices of the Tulare County Redevelopment Agency located at 5961 South Mooney Boulevard in Visalia, California 93277. Information relative to each Project Area is provided to each Project Area Advisory Committee. Questions concerning these reports can be directed to Agency staff at (559) 624-7000.

Highlights from the reports include:

- Property values declined in Fiscal Year 2009/2010 resulting in a 13% reduction overall in tax increment revenue.

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- The State received \$1,356,770 from TCRA in Fiscal Year 2009/2010 for the Supplemental Educational Revenue Augmentation Fund (SERAF). The State will receive an additional \$279,335 from TCRA in Fiscal Year 2010/2011.
- A total of \$16.4 million in various grants were reported as either awarded, scheduled to begin construction or completed in the current year.
- To properly reflect ownership, \$7.8 million in Capital Assets were transferred from TCRA to the County to properly reflect ownership. These assets include the Betty Drive Widening and Overcrossing Project in Goshen.
- Collectively for the 8 Project Areas, the fund balance ending June 30, 2010, was \$7.8 million: \$4.5 million in Capital Projects and \$3.3 million in Housing.

FISCAL IMPACT/FINANCING:

Costs of the audited annual report are distributed to TCRA's eight project areas through Budget No. RA3-RA3-2000. The reports to the Office of the State Controller and the California Department of Housing and Community Development are prepared internally by staff with the costs distributed appropriately to the project area budgets. There is no net County cost to the General Fund.

LINKAGE TO THE COUNTY OF TULARE STRATEGIC BUSINESS PLAN:

Safety and Security: TCRA continues to work collaboratively to improve and provide adequate infrastructure.

Economic Well-Being: TCRA continues to encourage growth, provide decent affordable housing, and attract and retain diverse businesses.

Quality of Life: TCRA continues to encourage and promote a broad range of services and eliminate inequities.

ALTERNATIVES:

None recommended. The annual audit and accompanying documents are required to be reviewed, approved and transmitted by your Board, to the State Controller and State Department of Housing and Community Development each year. This requirement is contained in the State of California Health and Safety Code, Section 33000 et seq., more commonly known as the California Community Redevelopment Law. The Agency Executive Director is subject to financial penalties if the reports are not submitted.

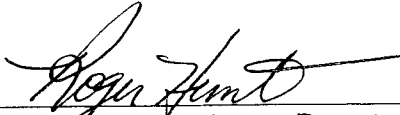
INVOLVEMENT OF OTHER DEPARTMENTS OR AGENCIES:

California State Controller's Office to review Annual Audit and State Controller's Reports; California Department of Housing and Community Development to review Housing Report; County Administrative Officer to review reports; County Counsel to review all documents; and Pressley & Associates to prepare the annual audit.

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ADMINISTRATIVE SIGN-OFF:



Roger Hunt, Assistant Deputy Director
Tulare County Redevelopment Agency

cc: Auditor/Controller
County Counsel
County Administrative Office (2)

Attachment(s) Annual Audit Report
Annual State Controllers Report
Annual Housing Report
Annual Blight Report

**BEFORE THE BOARD OF DIRECTORS
COUNTY OF TULARE, STATE OF CALIFORNIA**

IN THE MATTER OF REVIEW AND)
ACCEPTANCE OF THE ANNUAL AUDIT) RESOLUTION NO. _____
REPORT, STATE CONTROLLERS REPORT,) AGREEMENT NO. _____
HOUSING REPORT AND BLIGHT REPORT)
FOR THE FISCAL YEAR ENDING JUNE 30, 2010)

UPON MOTION OF DIRECTOR _____, SECONDED BY DIRECTOR _____,
_____, THE FOLLOWING WAS ADOPTED BY THE BOARD OF DIRECTORS, AT
AN OFFICIAL MEETING HELD JANUARY 25, 2011, BY THE FOLLOWING VOTE:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST: JEAN M. ROUSSEAU
EXECUTIVE DIRECTOR/SECRETARY
OF THE BOARD OF DIRECTORS

BY: _____
Deputy Clerk

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1. Reviewed and accepted the following documents as complete and adequate for each of the Tulare County Redevelopment Agency's eight project areas, including Cutler-Orosi, Earlimart, Goshen, Ivanhoe, Pixley, Poplar-Cotton Center, Richgrove and Traver, for the fiscal year ending June 30, 2010:
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 - d. Annual Blight Report.
2. Directed that these reports be submitted by the Executive Director, as required by the California Health and Safety Code, to the Office of the State Controller and the California Department of Housing and Community Development.