



**Sacramento
Housing &
Redevelopment
Agency**

**REPORT TO THE
REDEVELOPMENT AGENCY**

of the City of Sacramento
915 I Street, Sacramento, CA 95814-2671
www.CityofSacramento.org

CONSENT
June 27, 2006

Honorable Chair and Members of the Board

Subject: ANNUAL REPORT OF FINANCIAL TRANSACTIONS OF COMMUNITY
REDEVELOPMENT AGENCIES

Location/Council District: Citywide

Recommendation:

This is an informational report presenting the Annual Report of Financial Transactions of the City Redevelopment Agency for the year ending December 31, 2005. The document (referred to as Exhibit 1 in this report) is on file with the City Clerk for your review.

Contact:

Satoshi Matsuda, Finance Director, 440-1370
Donald Cavier, Finance Manager, 440-1399 ext. 1220
Greg Walter, Accountant II, 440-1340 ext. 1259

Presenters: Donald Cavier, Finance Manager

Department: Sacramento Housing and Redevelopment Agency

Summary:

Within six months of year-end, as directed by California Redevelopment Law, redevelopment agencies are required to file the Annual Report of Financial Transactions of Community Redevelopment Agencies with the State Controller's Office.

Government Code Section 12463.3, as added by Senate Bill 1387, Chapter 1523, requires the California State Controller to compile and publish a report of the financial transactions of community redevelopment agencies. All agencies created pursuant to Division 24 of the Health and Safety Code must file a report. The report is used to compile redevelopment financial transaction data on a statewide basis and assist the State Controller's office in assessing the Agency's compliance with redevelopment law. Areas of non-compliance include: failure to file audited financial statements by June 30, failure to adopt an implementation plan for each redevelopment project area,

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failure to adopt an implementation plan for each redevelopment project area, failure to establish time limits for redevelopment areas, failure to establish a separate low and moderate income housing fund, failure to accrue interest to low and moderate income housing funds and use of an inadequate accounting system. Specifically, the State Controller's office uses the report to validate financial information reported in the Agency's Comprehensive Annual Financial Report, Statement of Indebtedness and Housing and Community Development Report, copies of which are forwarded to the State Controller's office annually.

Since 1991, the Agency has submitted "clean reports" which means that the State Controller's Office has had no findings of non-compliance and made no changes to the report.

In addition to preparing the above report in the format specified by the State Controller's Office, the redevelopment agency must also transmit this document to its legislative body. SHRA has provided a consolidated report (Exhibit 1) to meet the requirements specified above.

The reports cover the following redevelopment project areas:

65th Street, Alkali Flat, Army Depot, Del Paso Heights, Franklin Boulevard, Merged Downtown, North Sacramento, Oak Park, Richards Boulevard and Stockton Boulevard.

Each project area report is broken down into the following sections:

- Project Area Report – Outlines the various dates associated with the establishment of the project area and the time limits for repayment of debt, plan effectiveness and establishment of new indebtedness.
- Assessed Valuation Data – Information on total assessed value of the project area and the frozen base year.
- Pass-Through / School District – Information on the amount of tax increment passed through to other taxing entities in the project area.
- Summary of the Statement of Indebtedness – The amount of outstanding debt for each project area.
- Statement of Income and Expenditures – Revenue and expense data for each project area broken down by Capital Projects, Debt Service, Low/Mod Housing and Special Revenue/Other.

The summary of the project area reports (Exhibit 1) provides information regarding revenues and expenses as well as assets, liabilities and equity for all project areas reported.

Background Information:

Since 1979, the Agency has been required to file the State Controller's Annual Report. This report is due to the State no later than six (6) months after the close of the

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Agency's fiscal year, which ends on December 31. Despite the complexity of the report, the Agency has always filed the report on time with no financial penalty for late filing.

Since 1991, the Agency has submitted a "clean report" which means that the State Controller's Office has made no changes to the report.

Financial Considerations:

There are no financial considerations associated with this informational report.

Environmental Considerations:

The proposed action does not constitute a project under CEQA per Guidelines Section 15378(b)(2), continuing administrative activity, or a federal undertaking under NEPA. Therefore, no environmental review is required.

Policy Considerations:

There are no policy implications as a result of this informational report.

M/WBE Considerations:

The items discussed in this report have no M/WBE impact; therefore, M/WBE considerations do not apply.

Respectfully Submitted by: _____



ANNE M. MOORE
Executive Director

Recommendation Approved:


RAY KERRIDGE
City Manager

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