

PLACER COUNTY
REDEVELOPMENT AGENCY

MEMORANDUM

TO: Honorable Members of the Redevelopment Agency Board
FROM: Rich Colwell, Chief Assistant CEO-Redevelopment Director *RE Colwell*
Rae James, Deputy Director
DATE: December 5, 2006
SUBJECT: Accept the Independent Auditor's Report and Required Financial Statements for Fiscal Year 2005-2006.

ACTION REQUESTED

Accept the Independent Auditor's Report and required financial statements for Fiscal Year 2005-2006.

BACKGROUND

Pursuant to Health and Safety Code, Sections 33080 and 33080.1, an annual financial report must be presented by the Redevelopment Agency to its Board and submitted to the State Controller within six months of the end of each fiscal year. The current report contains the combined financial transactions for the Redevelopment Agency as well as financial transactions for each project area. Additionally, this year the Agency is required to provide loan and property reports disclosing the status of defaulted loans and identification of land ownership.

The Independent Auditor's Report section reflects the reports of the accounting firm of Gilbert Associates, Inc., CPA's whose "unqualified opinion" are contained therein and disclosed no instances of noncompliance with California Redevelopment Law. The report is circulated to investors in Agency bonds, rating agencies, insurers and other parties interested in the Agency's financial status. It is also reproduced in official statements for future bond issues. This is the ninth year in a row that the Agency has received a clean audit from the independent auditor. The reports are on file for review in the Clerk of the Board's office.

FISCAL IMPACT

The Fiscal Year 2005-2006 financial reports reflect the Agency's financial position and the changes in fund balance as of June 30, 2006. There is no fiscal impact to the Redevelopment Agency or to Placer County.

RECOMMENDATION

Accept the Independent Auditor's Report and required financial statements for Fiscal Year 2005-2006 - available for review at the Clerk of the Board's Office.

