

**ALBANY OVERSIGHT BOARD  
BOARD AGENDA STAFF REPORT**

Agenda Date: February 24, 2014

**SUBJECT:** Successor Agency Financial Report For Fiscal Year Ending June 30, 2013

**REPORT BY:** Paul S. Rankin, Interim Finance Director, City of Albany

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**STAFF RECOMMENDATION**

Staff recommends that the Albany Oversight Board receive this informational report.

**BACKGROUND**

The City has completed Financial Reports identifying funds collected and expended during Fiscal Year 2012-2013. The reports identify the assets and liabilities that are recorded in a Trust Fund established to account for the Successor Agency financial activities.

**DISCUSSION & ANALYSIS**

The Successor Agency funds are maintained as a separate Trust Fund in the City accounting records. The results for Fiscal Year 2012-2013 are presented in a brief report of Net Position and Statement of Changes in Net Position (See Attachment 1).

The Statement of Net Position shows current assets at June 30, 2013 of \$306,903. This represented cash available on June 30<sup>th</sup>, prior to accounting for any obligations recorded after the end of the year. The liabilities recorded totaled in excess of \$1.6 million which includes approximately \$1.5 million owed to the City of Albany. Staff have added a summary description of the advances owed on page one of the report.

Page 2 of Attachment 1 provides a summary of Changes in Net Position, which is similar to an "income statement." Instead of referring to trust fund revenue, it refers to additions to assets. And instead of referring to trust fund expenses it refers to deductions from assets. Staff have included additional itemization of the "expenses" in order to more easily convey the information.

Total additions to the Trust Fund assets were \$227,991, which were primarily taxes distributed by the County from the Redevelopment Property Tax Trust Fund (RPTTF). Total deductions from the Trust Fund were \$285,825. Of this amount nearly half (\$141,200), was related to funds returned to the RPTTF based on requirements under the law. The total administrative expenses for the year were \$121,582.

**FINANCIAL IMPACT**

The Trust Fund continues to have a cash balance that is used to fund future administrative costs. The report continues to record a liability for amounts owed to the City.

**Attachment**

1. Albany Successor Agency Trust Fund Financial Report - June 30, 2013

**CITY OF ALBANY**  
**SUCCESSOR AGENCY TRUST FUND**  
**(Statement of Net Position)**  
**For The Period Ending June 30, 2013**

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	Successor Agency Trust Funds	
<b>ASSETS</b>		NOTES
Operating cash and investments	\$ 306,903	
Debt service reserves held with trustee	-	
Receivables:		
Interest	-	
Other	-	
Investments, at fair value:		
Local Agency Investment Fund	-	
Cash and Money Market Fund	-	
Mutual funds	-	
Total investments, fair value	-	
Total assets	306,903	
 <b>LIABILITIES</b>		
Accounts payable	61,528	
Due to bondholders	-	
Member deposits	-	
Refundable deposits	-	
Unearned revenue	-	
Advances from City of Albany:	1,536,203	(1)
Due to RPTTF	38,605	
Total liabilities	1,636,336	
 <b>NET POSITION (LIABILITIES)</b>		
Net position or liabilities of Trust Funds	\$ (1,329,433)	

**NOTES:**

(1) The advances are amounts owed to the City prior to dissolution under State Law of the Albany Community Reinvestment Agency. Repayments with interest at the LAIF rate will begin only after California Department of Finance grants final approval.

Organizational expenses advanced 1996	194,867
Investment loan 6/30/2000	150,000
Cash Advance working capital 2001	41,336
Investment Loan 2003 - Freeway Ramp Construction	300,000
Investment Loan 2011- Purchase Pierce St. Property	850,000
Total Advances	1,536,203

**CITY OF ALBANY**  
**SUCCESSOR AGENCY TRUST FUND**  
**(Statement of Changes In Net Position)**  
**For The Period Ending June 30, 2013**

	<b>Successor Agency Trust Fund</b>
<b>ADDITIONS</b>	
Revenue from taxes	\$ 224,954
Total additions	224,954
Investment income:	
Interest	2,337
Total investment income (loss)	2,337
<b>Total additions to assets</b>	<b>227,291</b>
<b>DEDUCTIONS</b>	
<u>Administrative expenses</u>	
Staff Support Costs (Salaries & Benefits)	83,321
Contract Management Services	-
Contract Agency Counsel Services	27,000
Professional Services - Audit	9,294
Professional Services Litigation	1,967
Sub-total administrative expenses	121,582
<u>Payments to the County</u>	
Interest due County from residual housing funds	1,907
Per Accountant's Report (Reso OB2013-1 Jan. 24, 2013)	55,897
Per DDR May 2013 - return of funds to be distributed by Co.	82,480
Other Charges	916
Sub-total payments to County	141,200
<u>Other expenses</u>	
Per Accountant's Report (Reso OB2013-1 Jan. 24, 2013)	23,043
<b>Total deductions from assets</b>	<b>285,825</b>
Changes in net position	(58,534)
Net position, beginning of year	(1,270,899)
Net position, end of year	<b>\$ (1,329,433)</b>