

BROWN
ARMSTRONG

CERTIFIED
PUBLIC
ACCOUNTANTS

BROWN ARMSTRONG

Certified Public Accountants

**INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED-UPON PROCEDURES**

**FOR ALL OTHER FUNDS, EXCLUDING THE LOW
AND MODERATE INCOME HOUSING FUND**

Oversight Board of the Successor Agency
Merced County Redevelopment Agency
Merced, California

MAIN OFFICE

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We have performed the required agreed-upon procedures (AUP) enumerated in Attachment A, which were agreed to by the California State Controller's Office and the Department of Finance solely to assist you in ensuring that the Successor Agency of Merced County Redevelopment Agency (the Agency) is complying with its statutory requirements with respect to Assembly Bill No. 1484 (AB 1484). Management of the Agency is responsible for the accounting records pertaining to statutory compliance pursuant to Health and Safety Code. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The scope of this engagement was limited to performing the required agreed-upon procedures as set forth in Attachment A. The results of the procedures performed are listed under each related testing step in Attachment A.

We were not engaged to and did not conduct an audit, the objective of which would be the expression of an opinion as to the appropriateness of the results summarized in Attachment A. 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 you.

This report is intended solely for the information and use of the management of the Agency and 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.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

*Brown Armstrong
Accountancy Corporation*

Bakersfield, California
December 7, 2012



REGISTERED with the Public Company
Accounting Oversight Board and
MEMBER of the American Institute of
Certified Public Accountants