

RUTLAND REDEVELOPMENT AUTHORITY
RUTLAND, VERMONT
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010

Corrette & Associates, P.C.

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INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Rutland Redevelopment Authority
Rutland, Vermont

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Rutland Redevelopment Authority, component unit of the City of Rutland, Vermont, as of and for the year ended June 30, 2010, which collectively comprise the Redevelopment Authority's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Rutland Redevelopment Authority's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Rutland Redevelopment Authority, as of June 30, 2010, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary information on pages 3 through 5 and page 18 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with

auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Corrette & Associates, P.C.

February 08 , 2011

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**MANAGEMENT'S DISCUSSION AND ANALYSIS
FISCAL YEAR ENDED JUNE 30, 2010**

Presented here is the Management Discussion & Analysis Report for the Rutland Redevelopment Authority (hereafter, the Authority), a component unit of the City of Rutland, Vermont, for the fiscal year ending June 30, 2010. Responsibility for both the accuracy of the data and the completeness and fairness of this presentation (including all disclosures) rests with management. To the best of our knowledge and belief, the data contained herein is accurate in all material respects. This data is reported in a manner designed to fairly present the Authority's financial position. All disclosures necessary to enable the reader to gain an accurate understanding of the Authority's financial activities have been included.

The Authority is responsible for establishing an accounting and internal control structure designed to ensure that the physical, data, informational, intellectual, and human resource assets of the organization are protected from loss, theft, and misuse and to ensure that adequate accounting information is maintained and reported in conformity with generally accepted accounting principles (GAAP). Management also strives to ensure that these assets are put to good and effective use. The internal control structure is designed to provide reasonable assurances that these objectives are attained.

Overview of the Financial Statements

The financial statements presented herein include all the activities of the Authority using the integrated approach as prescribed by GASB Statement 34. Additionally, the Rutland Redevelopment Authority is shown on the City of Rutland Government-wide financial statements as a component unit of the City. The Authority is not shown on the fund financial statements of the City, as it is not a primary City government operation.

Government-Wide Financial Statements

The statement of net assets presents information on the Authority's assets and liabilities, with the difference between the two reported as net assets. Over time, increases and decreases in net assets may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. All of the current year's revenue and expenses are taken into account regardless of when cash is received or paid.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Authority uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The only fund type utilized by the Authority at this time is a single governmental fund, as the Authority does not

have proprietary or fiduciary funds. Therefore, the Authority's government-wide financial statement report and the fund financial statements do not differ.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current period inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the Authority's near-term financing requirements.

The RRA Board adopts an annual appropriation budget and sets a tax rate on the Rutland Special Benefits District properties. A budgetary comparison has been provided for the Authority using the approved budget to demonstrate compliance with that budget.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Government-Wide Financial Analysis

Note: Because the Authority has a sole operating fund, the government-wide financial statements and the fund financial statements contain the same information.

Statement of Net Assets — there are no differences between the governmental fund balance sheet of the Authority and the government-wide Statement of Net Assets

Statement of Activities — there are no differences between the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balance and the government-wide Statement of Activities

Authority Activities

The Authority experienced a decrease in net assets of \$15,900. This is due to a shortfall in revenues of the Authority pertaining to expected grant revenues relative to expenses. This shortfall created an inter-governmental payable due to the City of Rutland which was offset by amounts due the Authority from the City of Rutland at year end, as the City managed the accounting for the authority. This intergovernmental payable was resolved subsequent to the close of the fiscal year through amounts due the Authority from the City for the special benefits district tax recognized at the beginning of the subsequent year.

The Authority has a deficit fund balance of \$8,720 at June 30, 2010. This is a decrease of \$7,751 from June 30, 2009 due to a revenue shortfall noted above, offset by a prior period adjustment of \$8,149 to recognize grant revenue.

Significant variations between budgeted and actual results for the Authority in grant revenue and expenditures occurred resulting in a net negative variance of \$285,860, due primarily to one grant-funded project not occurring.

Long-Term Obligations

The Authority has no long term debt obligations.

Comparative Analysis

The Authority budgeted grant revenues of \$265,000. The authority recognized grant and project revenue of \$86,651 and incurred related grant expenses of \$80,875 resulting in a net of \$5,776 in grant and project revenue to the Authority. This difference accounts for most of the budget variance of (\$285,860). The Authority's board took action in the fiscal year to reduce salary expenses by reducing staff and overhead expenses.

Contacting the Authority's Financial Management

This financial report is to provide the citizens of the City of Rutland a general overview of the Rutland Redevelopment Authority's finances and to show accountability for the money it receives. If you have questions about this report or need to get additional information, contact the Rutland Redevelopment Authority at 802-775-2910.

RUTLAND REDEVELOPMENT AUTHORITY
STATEMENT OF NET ASSETS
JUNE 30, 2010

	<u>Primary Government</u> <u>Governmental</u> <u>Activities</u>
ASSETS	
Cash	\$ 73,404
Prepaid expenses	190
Intergovernmental receivable	80,055
Total assets	153,649
 LIABILITIES	
Accounts payable	161,850
Accrued payroll expenses	519
Total liabilities	162,369
 NET ASSETS	
Invested in capital assets net of related debt	-
Unrestricted net assets	(8,720)
Total net assets	\$ (8,720)

The notes to the financial statements are an integral part of this statement

FINANCIAL STATEMENTS

RUTLAND REDEVELOPMENT AUTHORITY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2010

Functions/Programs	<u>Expenses</u>	<u>Program Revenue</u>		<u>Net (Expense) Revenue and Changes in Net Assets</u>
	<u>Charges for services</u>	<u>Operating grants and contributions</u>	<u>Capital grants and contributions</u>	<u>Total governmental activities</u>
Governmental activities:				
General operations	\$ 373,131	\$ 57,080	\$ -	\$ -
Grants	80,875	-	77,458	-
Total governmental activities	<u>\$ 454,006</u>	<u>\$ 57,080</u>	<u>\$ 77,458</u>	<u>\$ -</u>
		General revenues:		
				284,809
				7,113
				61
				11,585
			Total general revenues	<u>303,568</u>
			Change in net assets	<u>(15,900)</u>
			Net assets - beginning, as stated	<u>(969)</u>
			Prior period adjustment	<u>8,149</u>
			Net assets - beginning, as restated	<u>7,180</u>
			Net assets - ending	<u>\$ (8,720)</u>

The notes to the financial statements are an integral part of this statement

RUTLAND REDEVELOPMENT AUTHORITY
BALANCE SHEET
GOVERNMENTAL FUND
JUNE 30, 2010

	<u>General Fund</u>
ASSETS	
Cash	\$ 73,404
Prepaid expenses	190
Intergovernmental receivable	80,055
Total assets	<u>153,649</u>
 LIABILITIES AND FUND BALANCES	
Liabilities	
Accounts payable	161,850
Accrued payroll expenditures	519
Total liabilities	<u>162,369</u>
 Fund balance	
Undesignated fund balance (deficit)	<u>(8,720)</u>
Total fund balance	<u>(8,720)</u>
Total liabilities and fund balance	<u>\$ 153,649</u>

There are no differences between the governmental fund
Balance Sheet and the government-wide Statement of
Net Assets

Net assets	<u>\$ (8,720)</u>
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The notes to the financial statements are an integral part of this statement

RUTLAND REDEVELOPMENT AUTHORITY
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - GOVERNMENTAL FUND
FOR THE YEAR ENDED JUNE 30, 2010

	<u>General Fund</u>
Revenues	
Special Benefits District tax	\$ 284,809
Community development contract	55,000
Vermont Agency of Transportation railyard relocation grant	77,458
Grant administration fees	2,080
Berwick development fees	7,113
Partnership sublease	11,485
Investment earnings	61
Miscellaneous	100
Total revenues	438,106
 Expenditures	
Partnership contract	222,150
General operations	30,876
Payroll	120,105
Grant	80,875
Total expenditures	454,006
 Excess (deficiency) of revenues over expenditures	 (15,900)
 Other financing sources (uses)	
Total other financing sources and uses	-
 Net change in fund balances	 (15,900)
Fund balance, June 30, 2009, as stated	(969)
Prior period adjustment	8,149
Fund balance, June 30, 2009, as restated	7,180
Fund balance, June 30, 2010	\$ (8,720)

There are no differences between the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balance and the government-wide Statement of Activities.

See accompanying notes to the required supplementary information

RUTLAND REDEVELOPMENT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

I. Summary of significant accounting policies

A. Nature of operations

The Rutland Redevelopment Authority (Authority) is a special-purpose municipal corporation formed in 1989 to promote economic opportunity and planning within the City of Rutland, Vermont. It is governed by a Board of Commissioners appointed by the City Mayor and Board of Alderman. The City Treasurer also serves on the Board. Except where noted, the accounting policies conform to generally accepted accounting principles, as applicable to governmental units.

The Authority prepares its basic financial statements in conformity with generally accepted accounting principles promulgated by the Governmental Accounting Standards Board (GASB) and other authoritative sources identified in AU Section 411 of the Professional Standards of the American Institute of Certified Public Accountants (AICPA).

The Board of Commissioners has the authority to adopt, administer and enforce ordinances relating to the power of eminent domain with the approval of the City's Board of Alderman. It also has the primary accountability for its fiscal matters. Therefore, the Authority is a financial reporting entity as defined by the GASB, in its Statement No. 14.

B. Reporting entity

In evaluating how to define the government for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in the U.S. generally accepted accounting principles.

The basic, but not the only, criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to influence operations significantly, and accountability for fiscal matters.

A second criterion used to evaluate potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens and whether the activity is conducted within the geographic boundaries of the government and is generally available to its citizens.

RUTLAND REDEVELOPMENT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

I. Summary of significant accounting policies (continued)

B. Reporting entity (continued)

A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities.

Based on the application of these three criteria, there are no potential component units to be addressed in defining the government's reporting entity.

Based on these same criteria, the Authority is a discretely-presented component unit of the City of Rutland, Vermont and is presented in the city's financial statements.

C. Government-wide and fund financial statements

The government-wide financial statements report information on all of the Authority's non-fiduciary activities. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include charges to customers who purchase, use or directly benefit from goods, services or privileges provided by a given function. The grants and contributions column includes amounts paid to the Authority to help meet the operational or capital requirements of a given function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

There are no differences between the government-wide and fund financial statements.

D. Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements use the economic resources measurement focus and the accrual basis of accounting, as do proprietary and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements use the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both

RUTLAND REDEVELOPMENT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

I. Summary of significant accounting policies (continued)

**D. Measurement focus, basis of accounting, and financial statement presentation
(continued)**

measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is made.

Governmental Fund Types:

General Fund – The general fund is the Authority’s single operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. This is the only fund recognized by the Authority.

The Authority applies all GASB pronouncements and private sector standards issued prior to December 1, 1989, unless these pronouncements conflict or contradict GASB pronouncements. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the fund Statement of Net Assets. Fund equity is segregated into invested in capital assets net of related debt, restricted net assets, and unrestricted net assets.

E. Assets, liabilities, and net assets or equity

1. Deposits

The government’s cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

2. Capital Assets

Capital assets, which include property and infrastructure assets, are reported in the governmental column of the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$2,000 and an estimated useful life in excess of two years. Accordingly, the amounts spent for the construction or acquisition of infrastructure assets are capitalized and reported in the government-wide financial statements.

RUTLAND REDEVELOPMENT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

I. Summary of significant accounting policies (continued)

E. Assets, liabilities, and net assets or equity (continued)

Capital assets are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation expense on all assets is provided on the straight-line basis over the following estimated lives:

Buildings	40 – 50 years
Improvements	20 – 40 years
Machinery and equipment	5 – 20 years

3. Fund equity

Fund equity is reported in three components: invested in capital assets net of related debt, restricted, and unrestricted in the government-wide financial statements and reserved, designated, and undesignated in the fund financial statements. The Authority has no restricted net assets and no reserved or designated fund balance.

II. Reconciliation of government-wide and fund financial statements

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net assets – governmental activities as reported in the government-wide statement of net assets. As of June 30, 2010, there was no net change in fund balance as adjusted to the net assets balance.

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balance and the government-wide statement of activities

The government fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. As of June 30, 2010 there was no difference in the net change in fund balance and the net change in net assets.

RUTLAND REDEVELOPMENT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

III. Stewardship, compliance, and accountability

A. Budgets and budgetary accounting

The Authority develops an annual budget approved by the Board of Commissioners, used to set the special assessment tax rate. The following procedures are used in setting the special assessment tax rate:

1. Prior to June 30th of each year, the Authority receives a request for funding from an unrelated organization for the management and promotion of the special assessment district. This request is accompanied with a detailed budget and work plan.
2. The request is reviewed and approved by the Board of Commissioners. The Authority, at its option, may add an amount for its own use and sets the assessment tax rate based on the total of these anticipated expenditures.

B. Deficit fund equity

At June 30, 2010, the Authority has a fund deficit of \$8,720. Discussion between the Authority and City of Rutland management subsequent to yearend resulted in a significant increase in budgeted funding for the Authority based on a service contract between the Authority and the City. This increase is outlined in the fiscal year 2012 budget of the City as approved by the Board of Aldermen in December 2010.

IV. Detailed notes on all funds

A. Deposits and investments

Cash belonging to the Authority is placed in the custody of the Administrative Assistant who is hired by the Executive Director. The Authority periodically reviews the relative strength of the financial institutions with which it has a deposit relationship. There are two categories of credit risk that apply to the Authority's cash balances.

1. Insured or collateralized with securities held by the Authority's agent in the Authority and City's name.
2. Uncollateralized.

Cash balances at June 30, 2010 are as follows:

	<u>Carrying Amount</u>	<u>Bank Balance</u>
Insured (FDIC)	<u>\$73,404</u>	<u>\$73,404</u>

At June 30, 2010, the Authority has no investments.

RUTLAND REDEVELOPMENT AUTHORITY
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2010

IV. Detailed notes on all funds (continued)

B. Receivables

At June 30, 2010 the Authority has an intergovernmental receivable balance of \$80,055, due from the State of Vermont Agency of Transportation.

C. Capital assets

	Beginning Balance	Increase	Decrease	Ending Balance
Furniture and equipment	<u>\$ 12,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,000</u>
Total capital assets at Historical cost	<u>12,000</u>	<u>-</u>	<u>-</u>	<u>12,000</u>
Less accumulated depreciation for:				
Furniture and equipment	<u>(12,000)</u>	<u>(-)</u>	<u>-</u>	<u>(12,000)</u>
Total accumulated depreciation	<u>(12,000)</u>	<u>(-)</u>	<u>-</u>	<u>(12,000)</u>
Capital assets, net	<u>\$ -</u>	<u>(-)</u>	<u>-</u>	<u>\$ -</u>

As of June 30, 2010, the Authority's capital assets were fully depreciated.

D. Payables

At June 30, 2010 the Authority has an intergovernmental payable balance of \$78,745, due to the City of Rutland, related to expenditures made by the City on the Authority's behalf.

E. Prior period adjustment

The Statement of Revenues, Expenditures, and Changes in Fund Balance and the government-wide Statement of Activities reflect a prior period adjustment to the June 30, 2009 General Fund fund balance and net assets. This adjustment is composed of the following:

General Fund deficit fund balance & net assets, June 30, 2009, as reported	\$ (969)
Balance of prior years grant monies owed to the Authority by the City	<u>8,149</u>
General Fund deficit fund balance & net assets, June 30, 2009, as restated	<u>\$7,180</u>

RUTLAND REDEVELOPMENT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

IV. Detailed notes on all funds (continued)

F. Special Assessments

The special assessment tax administered by the City of Rutland attaches as an enforceable lien on property as of July 1. Assessments are levied effective June 30th and payable in installments due August 31, November 15, February 15, and May 15 each year. Assessment revenues are recognized when levied to the extent that they result in current receivables.

The special assessment tax rate for fiscal year ended June 30, 2010 was \$50.70 per \$100 assessed value.

G. Rents

During the year ended June 30, 2010, the Authority leased office space from an unrelated party on a monthly basis for \$950 per month. Also, the Authority subleased a portion of the space to an unrelated party for \$600 per month, which was also on at-will tenancy. Rental expense, including the operating lease below, and sublease income amounted to \$15,548 and \$11,485, respectively, for the year ended June 30, 2010.

H. Operating lease

On December 14, 2008, the Authority entered into a lease agreement with SymQuest for the lease of a copier. The total amount due is \$21,667, to be paid in monthly installments of \$361.11 over five years.

The following is a schedule of future minimum lease payments under this lease.

During the year ended June 30, 2011	4,333
2012	4,333
2013	4,333
Thereafter	<u>2,168</u>
Total	\$15,167

Total lease payments made under this lease during fiscal year 2010 were \$4,333.

I. Pension Plan

The City of Rutland manages payroll for the Authority's employees. The staff of the Authority participates in the City's pension plan, which is also managed by the City. Pension information, to include actuary calculations and detailed information for the pension plan, can be found in the City's financial statements for the year ended June 30, 2010.

RUTLAND REDEVELOPMENT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

IV. Detailed notes on all funds (continued)

J. Other Post-Employment Benefits

The City of Rutland manages payroll, pension, and post-employment benefits for the Authority. Actuarial information as required by GASB-45 regarding post-employment benefits can be found in the City's financial statements for the year ended June 30, 2010.

K. Risk management

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority maintains commercial insurance coverage for each of these risks of loss. Management believes such coverage is sufficient to avoid any significant uninsured loss to the Authority.

L. Related party transactions

The Authority is a component unit of the City of Rutland, Vermont. City personnel record the financial activity of the Authority in the general ledger of the City and process payroll activity of the Authority. City personnel make management decisions regarding the recording and presentation of all financial activity of the Authority.

M. Commitments and contingencies

On August 3, 2009, the Authority entered in an Agreement with the Downtown Rutland Partnership for the Partnership to provide marketing, management, and maintenance services to the City's Special Benefit District. The amount of this contract for the period July 01, 2009 through December 31, 2009 is \$118,500 with monthly payments of \$19,750.

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the Federal and State governments. Any disallowed claims, including amounts already collected, may constitute a liability of the Authority. The amount of expenditures, if any, which may be disallowed by the grantor, cannot be determined at this time although the Authority expects such amounts, if any, to be immaterial.

N. Subsequent events

On December 13, 2010 the Board of Aldermen of the City of Rutland approved an increase to the City's community development service contract with the RRA, from \$60,000 to \$180,000, for fiscal year ending June 30, 2012.

RUTLAND REDEVELOPMENT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

IV. Detailed notes on all funds (continued)

N. Subsequent events (continued)

During January 2011, the Authority relocated its offices to within the City of Rutland City Hall. The Authority no longer rents space for administrative operations.

RUTLAND REDEVELOPMENT AUTHORITY
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues			
Special benefits district tax	\$ 285,000	\$ 284,809	\$ (191)
Community development contract	55,000	55,000	-
VAOT railyard relocation grant	-	77,458	77,458
Grant administration fees	15,000	2,080	(12,920)
Berwick development fees	250,000	7,113	(242,887)
Partnership sublease	12,800	11,485	(1,315)
Other development fees	62,500	-	(62,500)
Investment earnings	-	61	61
Miscellaneous	-	100	100
Total revenues	<u>680,300</u>	<u>438,106</u>	<u>(242,194)</u>
Expenditures			
Partnership contract	239,500	222,150	17,350
General operations	33,107	30,876	2,231
Payroll	137,733	120,105	17,628
Grant	-	80,875	(80,875)
Grant expenses from city	-	-	-
Total expenditures	<u>410,340</u>	<u>454,006</u>	<u>(43,666)</u>
Excess (deficiency) of revenues over expenditures	<u>269,960</u>	<u>(15,900)</u>	<u>(285,860)</u>
Other financing sources (uses)			
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>269,960</u>	<u>(15,900)</u>	<u>(285,860)</u>
Fund balance, June 30, 2009, as stated		<u>(969)</u>	
Prior period adjustment		8,149	
Fund balance, June 30, 2009, as restated		<u>7,180</u>	
Fund balance, June 30, 2010		<u>\$ (8,720)</u>	

See accompanying notes to the required supplementary information