

**RAINIER ECONOMIC DEVELOPMENT COUNCIL
THE URBAN RENEWAL AGENCY
OF THE CITY OF RAINIER
(A COMPONENT UNIT OF THE CITY OF RAINIER
COLUMBIA COUNTY, OREGON**

**FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2010**



12700 SW 72nd Ave.
Tigard, OR 97223

RAINIER ECONOMIC DEVELOPMENT COUNCIL
THE URBAN RENEWAL AGENCY OF THE CITY OF RAINIER, OREGON
(A Component Unit of the City of Rainier)

COLUMBIA COUNTY, OREGON

FINANCIAL REPORT

For the Year Ended June 30, 2010

This Page Intentionally Left Blank

RAINIER ECONOMIC DEVELOPMENT COUNCIL
THE URBAN RENEWAL AGENCY OF THE CITY OF RAINIER, OREGON
(A Component Unit of the City of Rainier)

COLUMBIA COUNTY, OREGON

GOVERNING BODY UNDER ORS 457

COUNCIL MEMBERS AS OF JUNE 30, 2010

<u>NAME</u>	<u>TERM EXPIRES</u>
Terry Grice, Chair	January 31, 2011
Tim Navarro, Vice Chair	January 31, 2012
Robert Piercy, Secretary	January 31, 2011
Jennifer Dennis, Treasurer	January 31, 2012
Scott Cooper	January 31, 2013
Paul Rice	January 31, 2013

Council Members receive mail at the address listed below.

COUNCIL ADDRESS
Terry Deaton, Staff Administrator
P.O. BOX 100
RAINIER, OR 97048

This Page Intentionally Left Blank

RAINIER ECONOMIC DEVELOPMENT COUNCIL
THE URBAN RENEWAL AGENCY OF THE CITY OF RAINIER, OREGON
(A Component Unit of the City of Rainier)

COLUMBIA COUNTY, OREGON

TABLE OF CONTENTS

	<u>PAGE</u>
INDEPENDENT ACCOUNTANTS' REVIEW REPORT	1
COMPONENT UNIT BASIC FINANCIAL STATEMENTS:	
Government-wide Financial Statements:	
Statement of Net Assets (Cash Basis)	2
Statement of Cash Receipts and Disbursements	3
Fund Financial Statements:	
Combined Statement of Assets, Liabilities and Fund Equities From Cash Transactions - All Fund Types	4
Combined Statement of Receipts, Disbursements and Changes in Cash Balances - All Governmental Fund Types	5
Notes to Component Unit Basic Financial Statements	6
REQUIRED SUPPLEMENTARY INFORMATION:	
Schedule of Receipts, Disbursements and Changes in Cash Balances Actual and Budget:	
General Fund	12
Debt Service Fund	13
SUPPLEMENTARY INFORMATION:	
Schedule of Property Tax Transactions and Balances of Taxes Uncollected	14
INDEPENDENT ACCOUNTANTS' REPORT REQUIRED BY OREGON STATE REGULATIONS	15

This Page Intentionally Left Blank



PAULY, ROGERS AND CO., P.C.

CERTIFIED PUBLIC ACCOUNTANTS

- 12700 SW 72ND AVENUE • TIGARD, OREGON 97223
- (503) 620-2632 • FAX (503) 684-7523

October 24, 2011

To the Council Board
Rainier Economic Development Council
Rainier, Oregon

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

We have reviewed the accompanying financial statements of the governmental activities of each major fund of Rainier Economic Development Council, as of and for the year ended June 30, 2010, which collectively comprise the basic financial statements, as listed in the table of contents, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of Rainier Economic Development Council.

A review consists principally of inquiries of your personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, with the exception of management not being able to provide us with written representations, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

The financial statements for the year ended June 30, 2009, were audited by us as part of the City of Rainier's audit, and we expressed an unqualified opinion on them in our report dated March 15, 2010. We have not performed any auditing procedures since that date.

Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. Rainier Economic Development Council has not presented this information that the Governmental Accounting Standards Board has determined is necessary to supplement the basic financial statements.

The Supplementary Information, including the budgetary comparison schedule (which is required supplementary information for the major governmental fund) as listed in the Table of Contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. We are not aware of any material modifications that should be made to the Supplementary Information, in relation to the basic financial statements taken as a whole.

Pauly, Rogers and Co., P.C.
PAULY, ROGERS AND CO., P.C.

This Page Intentionally Left Blank

RAINIER ECONOMIC DEVELOPMENT COUNCIL
THE URBAN RENEWAL AGENCY OF THE CITY OF RAINIER, OREGON
(A Component Unit of the City of Rainier)

COLUMBIA COUNTY, OREGON

COMPONENT UNIT BASIC FINANCIAL STATEMENTS

This Page Intentionally Left Blank

RAINIER ECONOMIC DEVELOPMENT COUNCIL
THE URBAN RENEWAL AGENCY OF THE CITY OF RAINIER, OREGON
(A Component Unit of the City of Rainier)
COLUMBIA COUNTY, OREGON

Government-Wide Statement of Net Assets (Cash Basis)
June 30, 2010

ASSETS

Cash and cash equivalents	\$ 1,024,266
Property taxes	<u>30,462</u>
Total Assets	<u>1,054,728</u>

LIABILITIES AND CASH BASIS NET ASSETS:

Deferred Tax Revenue	<u>30,462</u>
Total Liabilities	<u>30,462</u>

NET ASSETS:

Restricted for Debt Service	430,457
Unrestricted	<u>593,809</u>
Total Net Assets	<u>\$ 1,024,266</u>

See Independent Accountants' Review Report

RAINIER ECONOMIC DEVELOPMENT COUNCIL
THE URBAN RENEWAL AGENCY OF THE CITY OF RAINIER, OREGON
(A Component Unit of the City of Rainier)
COLUMBIA COUNTY, OREGON

Government-Wide Statement of Cash Receipts and Disbursements Activities
For the Year Ended June 30, 2010

FUNCTIONS	DISBURSEMENTS	PROGRAM RECEIPTS			NET (DISBURSEMENTS) RECEIPTS AND CHANGES IN NET ASSETS
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS		
Materials and Services	\$ 130,323	\$ -	\$ -		\$ (130,323)
Debt Service	111,754	-	-		(111,754)
Total Governmental Activities	<u>\$ 242,077</u>	<u>\$ -</u>	<u>\$ -</u>		<u>(242,077)</u>
General Receipts:					
Taxes					279,104
Income Not Restricted to Specific Programs:					
Interest and Investment Earnings					<u>5,466</u>
Total General Receipts					<u>284,570</u>
Changes in Net Assets					42,493
Net Assets - Beginning					<u>981,773</u>
Net Assets - Ending					<u>\$ 1,024,266</u>

See Independent Accountants' Review Report

RAINIER ECONOMIC DEVELOPMENT COUNCIL
THE URBAN RENEWAL AGENCY OF THE CITY OF RAINIER, OREGON
(A Component Unit of the City of Rainier)
COLUMBIA COUNTY, OREGON

COMBINED STATEMENT OF ASSETS, LIABILITIES, AND FUND EQUITIES FROM CASH TRANSACTIONS
ALL FUND TYPES
June 30, 2010

	<u>GOVERNMENTAL FUND TYPES</u>		
	<u>GENERAL FUND</u>	<u>DEBT SERVICE FUND</u>	<u>TOTAL</u>
ASSETS:			
Cash and Investments	\$ 593,809	\$ 430,457	\$ 1,024,266
Taxes Receivable	-	30,462	30,462
Total Assets	<u>\$ 593,809</u>	<u>\$ 460,919</u>	<u>\$ 1,054,728</u>
LIABILITIES AND FUND EQUITY:			
Liabilities:			
Deferred Revenue	\$ -	\$ 30,462	\$ 30,462
Total Liabilities	<u>-</u>	<u>30,462</u>	<u>30,462</u>
Fund Equity:			
Reserved for Future Debt Service Payments	-	430,457	430,457
Unreserved	593,809	-	593,809
Total Liabilities and Fund Equity	<u>\$ 593,809</u>	<u>\$ 460,919</u>	<u>\$ 1,054,728</u>

See Independent Accountants' Review Report

RAINIER ECONOMIC DEVELOPMENT COUNCIL
THE URBAN RENEWAL AGENCY OF THE CITY OF RAINIER, OREGON
(A Component Unit of the City of Rainier)
COLUMBIA COUNTY, OREGON

COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES
IN CASH BALANCES- ALL GOVERNMENTAL FUND TYPES

For the Year Ended June 30, 2010

	GENERAL FUND	DEBT SERVICE FUND	TOTAL
RECEIPTS:			
County Taxes	\$ -	\$ 279,104	\$ 279,104
Interest	-	5,466	5,466
Total Receipts	-	284,570	284,570
DISBURSEMENTS:			
Material and Services	130,323	-	130,323
Debt Service	-	111,754	111,754
Total Disbursements	130,323	111,754	242,077
Net Change in Fund Balance	(130,323)	172,816	42,493
Beginning Fund Balance	724,132	257,641	981,773
Ending Fund Balance	\$ 593,809	\$ 430,457	\$ 1,024,266

See Independent Accountants' Review Report

RAINIER ECONOMIC DEVELOPMENT COUNCIL
THE URBAN RENEWAL AGENCY OF THE CITY OF RAINIER, OREGON
(A Component Unit of the City of Rainier)

COLUMBIA COUNTY, OREGON

NOTES TO COMPONENT UNIT BASIC FINANCIAL STATEMENTS

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

A. THE FINANCIAL REPORTING ENTITY

On April 19, 1993, the City of Rainier's City Council adopted ordinance No. 944 establishing the Rainier Economic Development Council - Urban Renewal Agency of the City of Rainier, Oregon (REDCO). Provisions of ordinance No. 944 require the Mayor, subject to approval of the City Council, to appoint seven people to the governing board of REDCO. The seven people serve at the pleasure of the City Council and may be removed at any time by a majority vote of the City Council. REDCO was formed as a municipal corporation pursuant to ORS 457 to have urban renewal authority under Oregon law. The Council is undertaking a planning and economic development program that focuses on the Rainier Waterfront.

The Council is a component unit of the City of Rainier because the Rainier City Council exercises oversight authority as demonstrated by the designation of Council Members and economic dependency. Generally accepted accounting principles require that these basic financial statements present the Council and all component units, if any. Component units, as established by the Governmental Accounting Standards Board (GASB) Statement No. 39, are separate organizations that are included in the Council's reporting entity because of the significance of their operational or financial relationships with the Council. All significant activities and organizations with which the Council exercises oversight responsibility have been considered for inclusion in the basic financial statements. There are no component units.

B. BASIS OF PRESENTATION

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

The government-wide statements report information irrespective of fund activity, and the fund financial statements report information using funds. In total, the results presented using both of these methods are the same. Additionally, each of the two funds are considered a "major fund" in accordance with GASB 34. Accordingly, there is no need for reconciling statements, except that any interfund transfers between the General and Debt Service funds are eliminated in the government wide statement of cash receipt and disbursement activities.

General receipts are property and related taxes and interest. All disbursements are categorized as program disbursements.

FUND FINANCIAL STATEMENTS

The accounts are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

RAINIER ECONOMIC DEVELOPMENT COUNCIL
THE URBAN RENEWAL AGENCY OF THE CITY OF RAINIER, OREGON
(A Component Unit of the City of Rainier)

COLUMBIA COUNTY, OREGON

NOTES TO COMPONENT UNIT BASIC FINANCIAL STATEMENTS

B. BASIS OF PRESENTATION (CONTINUED)

Financial operations are accounted for in the following governmental funds:

GENERAL FUND

This fund accounts for the general operations. It is used to account for all transactions not specifically related to other funds. Disbursements are made to finance planning and economic development.

DEBT SERVICE FUND

This fund is primarily reserved for the payment of debt. Its primary source of revenue is Urban Renewal Tax collection and transfers from the General Fund.

C. BASIS OF ACCOUNTING

The governmental funds are maintained using the cash basis of accounting whereby receipts are recognized when collected rather than when measurable and available, and disbursements are recognized when paid rather than when incurred. For disclosure purposes only, taxes receivable are disclosed on the statement of net assets. Governmental funds include the general fund and debt service fund. Governmental funds are accounted for on a spending measurement focus. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in cash.

The above basis of accounting is a comprehensive basis of accounting other than generally accepted accounting principles in the United States of America, which requires the modified accrual basis for governmental fund types.

D. BUDGETS

A budget is prepared for each governmental fund type in accordance with the cash basis of accounting and legal requirements set forth in the Oregon Local Budget Law. The budget process begins early in each fiscal year with the establishment of the budget committee. Recommendations are developed through late winter with the budget committee approving the budget in early spring. Public notices of the budget hearing are generally published in early spring with a public hearing being held approximately three weeks later. The Council may amend the budget prior to adoption. However, budgeted expenditures for each fund may not be increased by more than ten percent. The budget is then adopted, appropriations are made and the tax levy declared no later than June 30.

The expenditure budgets are appropriated at the following levels:

LEVEL OF CONTROL

Materials and Services
Debt Service
Capital Outlay
Operating Contingency

RAINIER ECONOMIC DEVELOPMENT COUNCIL
THE URBAN RENEWAL AGENCY OF THE CITY OF RAINIER, OREGON
(A Component Unit of the City of Rainier)

COLUMBIA COUNTY, OREGON

NOTES TO COMPONENT UNIT BASIC FINANCIAL STATEMENTS

D. BUDGETS (CONTINUED)

Expenditures cannot legally exceed the above appropriation levels except in the case of grants which could not be estimated at the time of budget adoption. Appropriations lapse at the fiscal year end. Management may amend line items in the budget without Council approval as long as appropriation levels (the legal level of control) are not changed. Supplemental appropriations may occur if the Council approves them due to a need which exists which was not determined at the time the budget was adopted.

Budget amounts shown in the basic financial statements reflect the original budget amounts.

Expenditures in all funds were within authorized appropriations.

E. INTERFUND TRANSACTIONS

Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. Operating interfund transactions are reported as transfers. Interfund transactions are eliminated in the government wide financial statements.

F. PROPERTY TAXES

Ad valorem property taxes are levied and become a lien on all taxable property as of July 1. Property taxes are levied on November 15. Collection dates are November 15, February 15, and May 15. Discounts are allowed if the amount due is received by November 15. Taxes unpaid and outstanding on May 16 are considered delinquent.

Uncollected taxes are deemed by management to be substantially collectible or recoverable through liens.

G. ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that effect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

2. CASH AND INVESTMENTS

DEPOSITS

Deposits with financial institutions are comprised of bank demand deposits and certificates of deposit. The total bank balance per the bank statements is \$136,374. The entire amount of these deposits is covered by federal deposit insurance. Oregon Revised Statutes require deposits to be adequately covered by federal depository insurance or deposited at an approved depository as identified by the Treasury. At June 30, 2010 all depository accounts were held at approved depositories identified by the Treasury.

RAINIER ECONOMIC DEVELOPMENT COUNCIL
THE URBAN RENEWAL AGENCY OF THE CITY OF RAINIER, OREGON
(A Component Unit of the City of Rainier)

COLUMBIA COUNTY, OREGON

NOTES TO COMPONENT UNIT BASIC FINANCIAL STATEMENTS

2. CASH AND INVESTMENTS (CONTINUED)

INVESTMENTS

The policy is to follow state statutes governing cash management. Statutes authorize investing in banker's acceptances, time certificates of deposit, repurchase agreements, obligations of the United States and its agencies and instrumentalities, and the Oregon State Treasurer's Local Government Investment Pool.

The State Treasurer's Local Government Investment Pool is not registered with the U.S. Securities and Exchange Commission as an investment company. The Oregon Revised Statutes and the Oregon Investment Council govern the State's investment policies. The State Treasurer is the investment officer for the Council and is responsible for all funds in the State Treasury. These funds must be invested, and the investments managed, as a prudent investor would, exercising reasonable care, skill and caution. Investments in the Fund are further governed by portfolio guidelines issued by the Oregon Short-Term Fund Board (OSTFB), which establish diversification percentages and specify the types and maturities of investments. The portfolio guidelines permit securities lending transactions as well as investments in repurchase agreements and reverse repurchase agreements.

Amounts in the State Treasurer's Local Government Investment Pool are not required to be collateralized. At June 30, 2010 the fair value of the REDCO's position in the State Treasurer's Local Government Investment Pool is 99.56% of the value of the pool shares as reported in the Oregon Short Term Fund audited financial statements. There were no known violations of legal or contractual provisions for deposits and investments during the fiscal year.

Cash and Investments at June 30, 2010
(recorded at fair value) consisted of:

	<u>2010</u>
Deposits With Financial Institutions:	
Demand Deposits	\$ 19,498
State of Oregon Treasurer's Local Government Investment Pool	<u>1,004,768</u>
	<u>\$ 1,024,266</u>

There are the following investments and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Less than 3</u>	<u>3 - 18</u>	<u>18-59</u>
State Treasurer's Investment Pool	\$ 1,004,768	\$ 1,004,768	\$ -	\$ -
Total	<u>\$ 1,004,768</u>	<u>\$ 1,004,768</u>	<u>\$ -</u>	<u>\$ -</u>

RAINIER ECONOMIC DEVELOPMENT COUNCIL
THE URBAN RENEWAL AGENCY OF THE CITY OF RAINIER, OREGON
(A Component Unit of the City of Rainier)

COLUMBIA COUNTY, OREGON

NOTES TO COMPONENT UNIT BASIC FINANCIAL STATEMENTS

2. CASH AND INVESTMENTS (CONTINUED)

Interest Rate Risk

Oregon Revised Statutes require investments to not exceed a maturity of 18 months, except when the local government has adopted a written investment policy that was submitted to and reviewed by the OSTFB. There are no investments that have a maturity date of more than three months.

Credit Risk – Investments

Oregon Revised Statutes does not limit investments as to credit rating for securities purchased from US Government Agencies or USGSE. The State Investment Pool is not rated.

Concentration of Credit Risk

At June 30, 2010, 100% of total investments were in the State Treasurer's Investment Pool. State statutes do not limit the percentage of investments in the Local Government Investment Pool. Oregon Revised Statutes require no more than 25 percent of the moneys of local government to be invested in bankers' acceptances of any qualified financial institution. At June 30, 2010, investments were in compliance with all percentage restrictions.

3. RISK MANAGEMENT

There is exposure to various risks of loss related to torts; errors and omissions; and natural disasters. The Council is covered by the City of Rainier's' commercial insurance to minimize its exposure to these risks. Settled claims for FY 09-10 have not exceeded this commercial coverage.

4. OPERATIONS

During 2009-10 the operations were handled by council members and consultants. Council members are responsible for adopting the budget and performing management functions as required by state law. Consultants provide services necessary for implementing the improvements authorized by management.

5. PROPERTY TAX LIMITATIONS

The State of Oregon imposes a constitutional limit on property taxes for schools and nonschool government operations. The limitation provides that property taxes for nonschool operations are limited to \$10.00 for each \$1,000 of property market value. This limitation does not apply to taxes levied for principal and interest on general obligation bonded debt.

The State further reduced property taxes by replacing the previous constitutional limits on tax bases with a rate and value limit in 1997. This reduction is accomplished by rolling property values back to their 1995-96 values less 10% and limiting future tax value growth of each property to no more than 3% per year, subject to certain exceptions. Taxes levied to support bonded debt are exempted from the reductions. The State Constitution sets restrictive voter approval requirements for most tax and many fee increases and new bond issues.

RAINIER ECONOMIC DEVELOPMENT COUNCIL
THE URBAN RENEWAL AGENCY OF THE CITY OF RAINIER, OREGON
(A Component Unit of the City of Rainier)

COLUMBIA COUNTY, OREGON

NOTES TO COMPONENT UNIT BASIC FINANCIAL STATEMENTS

6. LONG-TERM DEBT

A promissory note was entered into during 1999-2000 for a principal amount not to exceed \$3,410,000. The payments are due on December 1 and June 1 beginning December 1, 2006. The note payable below is a loan from the United States Gypsum Company (USGC). The applicable interest rate on the loan is 6% per annum.

Future maturities of notes payable are as follows:

<u>PAYMENTS DUE</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
6/30/2011	\$ 839,968	\$ 168,422	\$ 1,008,390
6/30/2012	304,310	298,706	603,016
6/30/2013	289,174	318,819	607,993
6/30/2014	270,374	332,642	603,016
6/30/2015	256,929	351,079	608,008
6/30/2016-2020	881,030	1,531,066	2,412,096
TOTALS	\$ 2,841,785	\$ 3,000,734	\$ 5,842,519

During the FY 2008-09, litigation was entered into against the USGC regarding the interpretation of the note's payment terms. As a result only a partial payment was made during the year which was less than the amount of interest due. Management has not yet determined the likelihood of a favorable or unfavorable outcome.

Total long-term liability activity for the year ended June 30, 2010 was as follows:

	<u>BEGINNING BALANCE</u>	<u>ADDITIONS</u>	<u>REDUCTIONS</u>	<u>ENDING BALANCE</u>	<u>DUE WITHIN ONE YEAR</u>
Notes Payable	\$ 2,841,785	\$ -	\$ -	\$ 2,841,785	\$ 839,968
Total Long-term Liabilities	\$ 2,841,785	\$ -	\$ -	\$ 2,841,785	\$ 839,968

7. PAYROLL

There are no employees. Services are performed by contracted labor through consultants.

RAINIER ECONOMIC DEVELOPMENT COUNCIL
THE URBAN RENEWAL AGENCY OF THE CITY OF RAINIER, OREGON
(A Component Unit of the City of Rainier)

COLUMBIA COUNTY, OREGON

SUPPLEMENTARY INFORMATION

Individual Funds and Other Schedules

This Page Intentionally Left Blank

RAINIER ECONOMIC DEVELOPMENT COUNCIL
THE URBAN RENEWAL AGENCY OF THE CITY OF RAINIER, OREGON
(A Component Unit of the City of Rainier)
COLUMBIA COUNTY, OREGON

SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BALANCES
GENERAL FUND -ACTUAL AND BUDGET
For the Year Ended June 30, 2010

	<u>GENERAL FUND</u>			VARIANCE FAVORABLE (UNFAVORABLE)
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	
RECEIPTS				
Intergovernmental	\$ 150,000	\$ 150,000	\$ -	\$ (150,000)
Interest	2,500	2,500	-	(2,500)
Miscellaneous	198,500	198,500	-	(198,500)
Total Receipts	<u>351,000</u>	<u>351,000</u>	<u>-</u>	<u>(351,000)</u>
DISBURSEMENTS				
Materials and Services	151,400	151,400 (1)	130,323	21,077
Contingency	168,400	168,400 (1)	-	168,400
Total Disbursements	<u>319,800</u>	<u>319,800</u>	<u>130,323</u>	<u>189,477</u>
Other Financing Uses, Transfers Out	<u>(198,500)</u>	<u>(198,500) (1)</u>	<u>-</u>	<u>198,500</u>
Total Other Financing Sources	<u>(198,500)</u>	<u>(198,500)</u>	<u>-</u>	<u>198,500</u>
Net Change in Fund Balance	(167,300)	(167,300)	(130,323)	36,977
Beginning Fund Balance	<u>167,300</u>	<u>167,300</u>	<u>724,132</u>	<u>556,832</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 593,809</u>	<u>\$ 593,809</u>

(1) Appropriation Level

RAINIER ECONOMIC DEVELOPMENT COUNCIL
THE URBAN RENEWAL AGENCY OF THE CITY OF RAINIER, OREGON
(A Component Unit of the City of Rainier)
COLUMBIA COUNTY, OREGON

SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BALANCES
-ACTUAL AND BUDGET-
For the Year Ended June 30, 2010

DEBT SERVICE FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
RECEIPTS:				
County Taxes	\$ 276,000	\$ 276,000	\$ 279,104	\$ 3,104
Interest	25,000	25,000	5,466	(19,534)
Total Receipts	<u>301,000</u>	<u>301,000</u>	<u>284,570</u>	<u>(16,430)</u>
DISBURSEMENTS				
Debt Service	135,300	135,300 (1)	111,754	23,546
Capital Outlay	<u>671,045</u>	<u>671,045 (1)</u>	<u>-</u>	<u>671,045</u>
Total Disbursements	<u>806,345</u>	<u>806,345</u>	<u>111,754</u>	<u>694,591</u>
Other Financing Sources, -Uses				
Special Payments	(200,000)	(200,000) (1)	-	200,000
Transfers In	198,500	198,500	-	(198,500)
Transfers Out	<u>(150,000)</u>	<u>(150,000) (1)</u>	<u>-</u>	<u>150,000</u>
Total Other Financing Sources, -Uses	<u>(151,500)</u>	<u>(151,500)</u>	<u>-</u>	<u>151,500</u>
Net Change in Fund Balance	(656,845)	(656,845)	172,816	829,661
Beginning Fund Balance	<u>1,002,500</u>	<u>1,002,500</u>	<u>257,641</u>	<u>(744,859)</u>
Ending Fund Balance	<u>\$ 345,655</u>	<u>\$ 345,655</u>	<u>\$ 430,457</u>	<u>\$ 84,802</u>

(1) Appropriation Level

RAINIER ECONOMIC DEVELOPMENT COUNCIL
COLUMBIA COUNTY, OREGON

SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES
OF TAXES UNCOLLECTED
For The Year Ended June 30, 2010

TAX YEAR	ORIGINAL LEVY OR BALANCE UNCOLLECTED 7/1/09	DEDUCT DISCOUNTS	ADJUSTMENTS TO ROLLS	ADD INTEREST	CASH COLLECTIONS BY COUNTY TREASURER	BALANCE UNCOLLECTED OF UNSEGREGATED 6/30/10
DEBT SERVICE FUND						
CURRENT:						
2009-10	\$ 285,418	\$ 6,705	\$ (17,060)	\$ 123	\$ 247,468	\$ 14,308
PRIOR YEARS:						
2008-09	14,076	(3)	(130)	334	6,725	7,558
2007-08	9,737	-	616	322	4,364	6,311
2006-07	4,554	-	182	405	3,543	1,598
2005-06	1,114	-	21	182	1,108	209
2004-05 & Prior	948	-	(290)	66	246	478
TOTAL	\$ 315,847	\$ 6,702	\$ (16,661)	\$ 1,432	\$ 263,454	\$ 30,462

RECONCILIATION TO REVENUE:

Cash Collections by County Treasurer Above
Payments in Lieu of Property Taxes

263,454
15,650
<u>\$ 279,104</u>

This Page Intentionally Left Blank

RAINIER ECONOMIC DEVELOPMENT COUNCIL
THE URBAN RENEWAL AGENCY OF THE CITY OF RAINIER, OREGON
(A Component Unit of the City of Rainier)

COLUMBIA COUNTY, OREGON

Independent Accountants' Report Required by Oregon State Regulations

This Page Intentionally Left Blank



PAULY, ROGERS AND CO., P.C.

CERTIFIED PUBLIC ACCOUNTANTS

• 12700 SW 72ND AVENUE • TIGARD, OREGON 97223
• (503) 620-2632 • FAX (503) 684-7523

October 24, 2011

Independent Accountants' Report Required by Oregon State Regulations

We have reviewed the basic financial statements of the Rainier Economic Development Council for the year ended June 30, 2010, and have issued our report thereon dated October 24, 2011. We conducted our review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

Compliance

Oregon Administrative Rules 162-40-000 through 162-40-160 of the Minimum Standards for Review of Oregon Municipal Corporations, prescribed by the Secretary of State in cooperation with the Oregon State Board of Accountancy, enumerate the financial statements, schedules, comments and disclosures required in review reports. The required schedules, comments, disclosures not included in the proceeding section of this report are set forth as follows.

We performed procedures to the extent we considered necessary to address the required comments and disclosures which included, but were not limited to the following:

- **Deposit of public funds with financial institutions (ORS Chapter 295)**
- **Budgets legally required (ORS Chapter 294).**
- **Insurance and fidelity bonds in force or required by law.**
- **Authorized investment of surplus funds (ORS Chapter 294).**
- **Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).**

In connection with our review procedures, nothing came to our attention that caused us to believe the Rainier Economic Development Council was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-040-001 through 162-040-0155 of the Minimum Standards for Reviews of Oregon Municipal Corporations, except as noted below:

1. Two notices of the budget committee meeting were not published within 5 to 30 days before the meeting as required by law.

This report is intended solely for the information and use of the Board, management, and the Oregon Secretary of State, and is not intended to be and should not be used by anyone other than these specified parties.

Pauly, Rogers and Co., P.C.
PAULY, ROGERS AND CO., P.C.

This Page Intentionally Left Blank

